Government going again, because it is unfair to penalize the people for what is going on here in this House of Representatives. So we should be adults, get the Government going, and then continue to debate these very serious issues.

Frankly, I want to applaud the President again for standing firm. Medicare, Medicaid, education and the environment are issues that are worth us standing firm on.

Frankly, I was in my office looking through my mail, and rather than talk in generalities, I was looking at a letter from a constituent of mine by the name of Lorie Kraft. She is from Forest Hills, NY. She has a 79-year-old mother, Rena Payne. Like many children, Lorie is her mother's primary caretaker.

You were talking about your father. Her mother has a form of dementia. Her mother needs a lot of care. What Lorie was saying, ''I already supplement my mother's income by buying her groceries, paying her utility bills, purchasing health care supplies. If Medicare benefits are cut,'' Lorie says, and I quote, ''it would be absolutely a devastating strain added to an already very difficult burden.''

We have to know that what the Republicans are proposing is the largest cut in history. We know we have to reform Medicare and Medicaid. Yes, there is fraud in the program and we have to continue to make it better, but cuts of $270 billion just do not make any sense.

I hope all the people out there understand that there is no reason to shut the Government down. We should be adults, get together and come up with proposals that make sense for the American people.

If the Republicans would stop tacking on these extremist proposals on all the appropriations bills, and the gentlewoman from California [Ms. PELOSI] and I sit on the Committee on Appropriations, we know that the Republicans did not do their work. They should have completed their work by October 1. That is why we are in this pickle that we are in, because they did not complete the work. It is because on all these bills they want to tack on extremist provisions, whether it is provisions in the environmental bills that cut back on our protection for the environment, or cutting back on education, or cutting back on health care.

We were sent here to stand up and fight for the Lorie Krafts of this world and their mothers, and I am very proud that our President is standing firm, that we are here tonight to make it clear to the American people. I hope you let Members of Congress know that we have to continue to fight to make sure that Medicare and Medicaid are preserved.

This is an important battle, and it is a battle for the soul and the values of our Nation. I thank the gentlewoman again.

I want to turn to my colleague the gentleman from Kentucky [Mr. WARD].

Mr. WARD. I just wanted to make one short comment. That is, that we have heard lately about the importance of charities helping out and we have heard about churches maybe stepping in.

I want to observe and make sure that people understand that if each of the 250,000 or so churches in America, there are about a quarter of a million churches, if each one had $1 million, $1 million that they could add, that would not even equal the tax breaks that are in this budget. It cannot be done in that way.

AMERICA NEEDS A BALANCED BUDGET

The SPEAKER pro tempore (Mr. RADANOVICH). Under a previous order of the House, the gentleman from Maine [Mr. LONGLEY] is recognized for 5 minutes.

Mr. LONGLEY. Mr. Speaker, I rise this evening again to call our attention to the national debt. As of 3 o'clock this afternoon, it now totals $4,989,584,833,636.17.

I have to confess to some amount of nervousness as to the stability of the platform on which the debt now stands, let alone the ability of this country to continue assuming a debt burden of this size.

I also again point out for the record that it is $4.989 trillion when in fact we have a national debt limit of $4.9 trillion. Again, it is important to understand that there is at least another $89 billion that is not included under the congressionally mandated debt limit, nor does this number include the $61 billion that the Treasury Secretary has borrowed from the Federal Civil Service Retirement Fund.

I would like to put some context behind the issues that we are discussing on the balanced budget and the need for this Congress to insist on finally, once and for all, balancing the Federal budget.

Our high level of Federal spending did not arise overnight. It took place, it built up over a 50-year period. In fact, you can trace its origins to the days following World War II when the U.S. economy was one of the few economies left standing in the world and it was booming. We had 8 or 10 million veterans or more returning from war, finding jobs in an economy, continuous growth and tax revenues coming into Washington on a level that no one in their wildest dreams could have ever imagined.

Very gradually successive Congresses, Republican and Democratic Congresses, became accustomed to very high levels of revenues and very willing to spend those revenues. In fact the case can be made that they became so accustomed to the high level of revenues that they began to think that they could spend more than the revenues that were coming into the Treasury. Hence, we now have at the end of these 50 years a national debt that is just under $5 trillion.

I should mention that at the same time that spending was increasing, taxes were increasing as well, from several percent of income in the late 1940's to well over 20 and 30 percent, in many cases 40 and 50 percent of income today, when you factor in local, State, and Federal taxes.

But the bottom line is that we have been spending more than we have been bringing in, particularly in Washington.

What does this have to do with the current debate? We have just listened to a very earnest discussion about some very valid concerns about the welfare of the seniors and those in this country who need help.

But the point that I would make is this: There are many valid concerns in Washington. But we have a duty to our country, to our children, to the taxpayers, to total up what is the amount of money that we are willing to spend on these different concerns.

I have to confess that this is a body that we organize along the lines of Republican and Democratic, majority and minority control. There is a reason for that. The heart of our system is a debate between two points of view.

This goes right back to the first Congress following the Revolutionary War, that having two points of view, having a two-party system, we get the best thinking of both parties. But I have to confess that today that is not taking place, because what we have on the one hand is a Republican Congress that has stepped up to the plate and come up with a 7-year plan to balance the budget, but on the other hand a Democratic Party that has refused to do so.

I note that today's papers indicated that President Clinton is now going to be offering his fourth budget. Fourth budget, that is, because not a single one of his budgets has achieved balance within the 7-year time frame. In fact, a good case can be made that none of his budgets would ever balance, that they would continue to pile on billions and billions of dollars on top of this Federal debt, a Federal debt that we and our children and grandchildren will have to pay not just for the rest of my life but probably for the rest of their working lives.

There is something moral about the fact that if you want to take a stand in favor of serious needs in this country, that you owe it to the public, you owe it to the Congress to step forward with your convictions and show the Congress how you would pay for it. That means that if you think, as our previous speaker suggested, if one thinks that the Republicans have not done a good job of setting financial priorities within a 7-year budget, that someone should step to the plate and show us how to do it differently.

Very honestly, that is not being done. I have a new appreciation for what the word ''rhetoric'' means, earnest language, but where is the substance.

CONTINUING THE BUDGET DEBATE

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

Mr. RIGGS. Mr. Speaker, I am pleased to come to the floor tonight to be joined by some of my very distinguished colleagues, some of the best champions of our major concern and our foremost fight in the current session of the Congress, and that is balancing the Federal budget, to preserve the American dream for our families and for our children.

I asked the gentleman from Maine, who has become a real stalwart also in the fight, to leave out here on the floor his daily national debt clock, and I think as the gentleman from Connecticut [Mr. SHAYS], who is one of the senior members of the House Committee on the Budget, would attest, the Committee on the Budget actually has, I believe, an electronic version of the national debt clock which shows interest compounding on the national debt, second by second, minute by minute, hour by hour, day by day. I think this is a perfect backdrop for our discussion here tonight.

Before I turn to my colleagues for their comments and their contributions, I want to address the comments that were made by the President in his remarks to the American people, his brief press conference. This was a press conference without, of course, any interaction with the White House press corps, that he did not take any questions or comments from the media on Friday at just about the time that the continuing resolution which funded the operations of the Federal Government through Friday was about to expire. He made a statement in the White House briefing room that I believe should not go unchallenged and should not go unanswered, because it was in fact, when one looks carefully at his statement, a very elaborate attempt to mislead the American people.

I want to turn my attention for just a moment to his comments, and I am sure my colleagues, by the way, would join me in welcoming back to the House floor any of the speakers from the previous hour which were some of the more liberal members of the House Democratic committee, if they would really like to debate what has been happening back here in Washington as we seek to put our fiscal house in order and again balance the Federal budget in 7 years or less using honest numbers as provided by the neutral, nonpartisan Congressional Budget Office.

We should also remind the American people that the House and the Senate, with Republican majorities, have already passed a 7-year plan for balancing the Federal budget as certified by the Congressional Budget Office. That is the plan that, of course, went to the President, the plan known as the Balanced Budget Act of 1995 that he recently vetoed. That is the backdrop for carefully analyzing the comments that the President made again in his remarks to the American people and the White House press corps on Friday.

□ 2045

As I go through these, I want to give my colleagues who have joined me here on the House floor for this special order an opportunity to join in as well.

First of all, the President said on Friday, ''As all of you know, today the Republicans in Congress broke off our negotiations on how best to balance the budget in 7 years.''

The truth is, it has been 29 days since the President signed that continuing resolution back on November 20, committing to join with the Congress in developing and ultimately adopting a 7-year balanced budget plan as certified by the nonpartisan Congressional Budget Office, 29 days since the President signed a bill, signed a law committing himself and his administration to negotiate in good faith with congressional Republicans regarding a 7-year balanced budget plan. So the truth is that on the very first day of these budget negotiations, White House Chief of Staff Leon Panetta assured JOHN KASICH, who I think many of our constituents are getting to know, chairman of the House Committee on the Budget and the champion of the balanced budget fight in the House of Representatives, White House Chief of Staff Leon Panetta, one of our former colleagues, former member of Congress from California, assured Chairman KASICH that the Democrats could produce a CBO-scored budget that achieved balance in 7 years and reflected the President's priorities.

Twenty-nine days later, the administration has refused to keep its commitment. In fact, for anyone watching the David Brinkley show, ''This Week With David Brinkley,'' a show that aired yesterday, Sunday, on the ABC network, you would have seen Leon Panetta very carefully skirt the question as to whether or not any of the proposals that the administration has sent up here to Capitol Hill could be balanced using Congressional Budget Office numbers, when that question was posed to him repeatedly by Cokie Roberts, one of the ABC news reporters sitting in on that panel discussion.

So it has been 29 days since the President gave his word and made a personal commitment to join with us in balancing the Federal budget. We have done our work. We have kept our word in producing a 7-year balanced budget plan. And quite honestly, if the President does not like our plan, we believe that he has at a minimum a good faith requirement or good faith obligation to come to the negotiation table and present his own plan, pointing out where he would choose to differ with us. But he has failed to do that and we have told the administration, and I think I can say on behalf of my colleagues here tonight that, again, that our negotiating team, as Senator DOLE and others indicated in the Sunday news shows, our negotiating team is happy and ready to meet with the President at any time provided that he is ready to keep his word.

The President then went on to say, I want to turn to the gentleman from Connecticut to get his comments here, too, he said in this news conference, you really cannot call it that, these brief remarks on Friday, ''they said,'' referring to the new Republican majority in Congress, ''they would not even continue to talk unless we agreed right now to make deep and unconscionable cuts in Medicare and Medicaid. That is unacceptable.''

The truth is, of course, that we are increasing spending on both Medicare and Medicaid, although at a slower rate than the current projections because the current growth rate of both programs is unsustainable. The truth of the matter is that we increase Medicare spending per Medicare beneficiary, this is a very sensitive subject to me, because both of my parents are on Medicare and receive their supplemental health insurance through AARP. I think that is probably fairly typical of many older Americans, but both of my folks are on Medicare. So it rankles me, to put it mildly, when the President of the United States goes before the American people and claims that we are making ''unconscionable cuts in Medicare and Medicaid.''

We are proposing to increase spending per Medicare beneficiary over the next 7 years from roughly $4,800 today, I want to find the exact number here, I know I have it with me, here it is, we are proposing to increase Medicare spending per senior from $4,812 today, 1995, to $7,108 per senior in the year 2002.

So let me put it a different way. Our 7-year plan for balancing the Federal budget anticipates and assumes that we will increase Medicare spending per beneficiary from $4,812 today to $7,108 per Medicare beneficiary in the year 2002.

Those are not cuts. Those certainly in no way could justify the use of some of this rhetoric and demagoguery that we hear coming out of the administration during these budget negotiations. Again, it just obscures the truth. It diverts attention from the real issue here, which is will the President keep his word as he promised to do 29 days ago on November 20 and present to us, the congressional Republican majority, his own version of a 7-year balanced budget plan as certified by the Congressional Budget Office.

We want to see, I think I speak for my colleagues when I say, we would welcome an honest, serious proposal from the President using, as he promised to do, Congressional Budget Office numbers. We think that that would move these negotiations, which are at a stalemate and have led to a partial shutdown of the Federal Government, off of dead center.

Let me turn to my colleague and good friend from Connecticut, Mr. SHAYS, because I want to get his input at this juncture regarding these unconscionable cuts that the President talked about on Friday in the Medicare and Medicaid Programs.

Mr. SHAYS. Mr. Speaker, I came to this floor after listening to my distinguished colleagues on the other side of the aisle talk about certain statistics and facts that just simply do not hold up. They are not factually correct.

Part of the reason for being here is not only to correct the President and his news conference on Friday, which was not correct and, candidly, he did not allow himself, as you point out, to be questioned by the media.

This is a disagreement, be it a very significant disagreement, with the President and our colleagues on the other side of the aisle about the importance of getting our financial house in order and balancing our Federal budget. It is about saving Medicare from insolvency starting next year and bankruptcy in 7 years, and it is about ultimately changing our social and corporate welfare state where you have 12-year-olds having babies and 14-year-olds selling drugs and 15-year-olds killing each other and 18-year-olds who cannot read their diplomas and 24-year-olds who never had a job and 30-year-old grandparents. It is about changing that kind of society into what I would call a caring opportunity society.

Behind you you kind of block out that first number, but it is $4.9 trillion, almost $5 trillion of debt. That debt, in the last 25 years, has grown from about $350 billion to now $4,989 billion, et cetera. And so what are we about? We are trying to get our financial house in order and balance our Federal budget.

What we are asking the President to do is quite simple. If you do not, if you agree that we should balance the budget in 7 years, and he said yes, that is one step that is very important, we all agree. At one time he said 5 years, another time he said 8 years. But remember, that was 2 years ago. If we did a 7-year balanced budget 3 years ago, we would only have 5 years from now. So even our 7-year budget that he has, has 3 years now. We are talking about a 10-year budget from when he took office.

What is this battle about using CBO numbers, the Congressional Budget Office? It is not a partisan office. It is not even a bipartisan office. It is a nonpartisan office. We on our side have had tremendous disagreements with those numbers, but why would we want those numbers to be used instead of the Office of Management and Budget? The Office of Management and Budget are partisan numbers done by the President's political appointee.

We know from President Reagan and President Bush before them that when you use those numbers, you end up with what is called a rosy scenario. So 3 years ago, 2½ years ago, almost 3 years ago now, when the President addressed us in the State of the Union Address, he said, no more will we use the Office of Management and Budget, which is now his office. He said, we will agree to use the Congressional Budget Office.

Mr. RIGGS. I believe he said at least we can agree on using Congressional Budget Office numbers from this podium right behind me, and I believe that was his 1993 State of the Union Address.

Mr. SHAYS. And we can agree on that. And it forced us to do some heavy lifting this year. We did heavy lifting because the numbers required us to be real and then not estimate our way out of a challenge. And the reason we are doing that is so that, in fact, we will have a balanced budget in 7 years and not think that we might.

I could think of 100 analogies to give, but if you basically were working in a business and you knew that you had to balance your budget, you earned $50,000 a year and you said, Well, I am just going to pretend that I am going to get $60,000 a year and I am going to spend $60,000. If I pretend I am going to get $60,000 a year and I spend $60,000 a year, I have a balanced budget. Wrong. You are $10,000 over because you had a rosy scenario of your income.

In fact, you knew your income would not be that. So that is why we are willing to use the test of the Congressional Budget Office. It is not about who calls it from any personal standpoint. We just want it to be real. We want to do the kind of heavy lifting that we have.

There is a lot more we can talk about. I know we are joined by my colleague from Pennsylvania, and we have two other distinguished Members that will participate in this. I know my colleague from Pennsylvania came first.

Mr. RIGGS. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FOX] for his comments. He has been one, another champion who has been down on this floor, along with the gentleman from Georgia [Mr. KINGSTON], night in, night out, attempting to convey our message out beyond the beltway fog penetrating, if you will, the kind of the conventional Washington wisdom that seems to dominate and many times drive policy discussions in this city back out to the American people where they live in the local communities that are represented by us here in the Congress.

Mr. FOX of Pennsylvania. Mr. Speaker, I thank the gentleman from California as well as your colleague Mr. RADANOVICH and as well Mr. SHAYS and Mr. KINGSTON for being the truth squad, for getting the real message out to the American people. The fact is that when we asked the President to come out with a balanced budget, we were more than willing to go halfway and make sure that we achieved it. The last proposal from the President was $265 billion out of balance and certainly does not achieve the goal that Americans want.

Mr. RIGGS. Is the gentleman saying that the President has not to this date, because I think we have seen now, what, three or four different budget proposals or variations on his initial budget proposal. But the gentleman is saying that we have yet to have seen a budget from this administration in this Congress that would in fact balance the Federal budget and to the contrary what we have seen projects red ink, these deficits, in the range of $200 billion as far as the eye can see, way out into the next century.

Mr. FOX of Pennsylvania. Mr. Speaker, it is certainly correct when you say that there is no balanced budget coming from this administration. The President has not given us one yet. Yet on November 20 he promised, along with congressional leaders, that in fact he would produce with us a balanced budget in 7 years.

Alan Greenspan has come forward and said, he is not involved with just partisan issues for the President or for the Congress, he has said we have got to balance the budget because it will help us reduce mortgage costs, reduce car payments, reduce college expense, and make a middle-income people have a chance to have a part of the American dream. Ninety-five percent of Americans want a balanced budget for all these good Government reasons and good business reasons. And the fact is the President wants to support more D.C. bureaucrats and more taxes on the middle-income people.

We need to have a balanced budget. We have gone more than halfway by proposing additional $71 billion in additions to Medicare, Medicaid, child care, and education. I have to take my hat off to Congressman SHAYS from Connecticut because when it comes to the Medicare reform, we are going to save a system through his assistance, it is his legislation that said, how did we get into this mess, $30 billion of fraud, abuse, and waste and in Medicare has caused the biggest part of the problem.

Under his legislation we are going to have for the first time health care fraud in the United States that says that if you in fact commit such a crime, take money out of the pockets of senior citizens, you will not be provided any longer and in fact you will go to jail for 10 years, that money under that legislation we adopted will in fact make sure that the funds go back into a Medicare lockbox for seniors, reduce the cost of paperwork, make sure that medical education is a separate line item and in fact offer two new choices to seniors beyond the fee-for-service who also have the Medisave accounts and managed care.

By doing so, we will have quality medical care for our seniors and the system is preserved. Frankly, I am glad you have this truth squad so that Members can let people know we can balance the budget and save Medicare for our seniors and in fact as well save Medicaid.

Mr. RIGGS. I appreciate the gentleman's points. I want to reemphasize what he just said, because I think it is

a very important point, central to these ongoing budget negotiations.

The gentleman points out that our plans for preserving Medicare, for saving Medicare from bankruptcy and ensuring its solvency well into the next century, making sure that Medicare is there not just for today's seniors, our grandparents, but for tomorrow's seniors, the next generation of seniors as well, that our plans, known as the Medicare Preservation Act, were incorporated into the balanced budget act which the President vetoed a couple of weeks ago. Here is the wonderful irony of this, he vetoes the Balanced Budget Act a few days after signing the continuing resolution, which expired on Friday, but committed him to joining with us to balance the Federal budget in 7 years or less using honest numbers provided by the nonpartisan Congressional Budget Office.

So I appreciate the gentleman making that point. I just wanted, the gentleman, I think, stressed this, but I want to add again that the President on Friday said, I go back to his comments, I would love for one of our Democratic colleagues to hustle down here to the floor and perhaps explain and justify the President's comments for us, but he did say on Friday in his televised remarks again, I have already quoted him a couple times. I want to quote him one more time, that they, referring to congressional Republicans, would not even continue to talk unless we, referring to congressional Democrats and the President and his administration, agreed right now to make deep and unconscionable cuts in Medicare and Medicaid.

□ 2100

Well, let me just point out that under our proposal to balance the Federal budget in 7 years we reform Medicaid, we turn it into a State block grant program, but we increase spending on Medicaid by 43 percent, 43 percent, which the President of the United States calls in his careless rhetoric and demagoguery an unconscionable cut, a 43-percent spending increase, going from $89 billion this year spent on Medicaid to $127 billion in the year 2002, and the other point that the gentleman made, which is that last week we agreed to recommit our 7-year balanced budget proposal to the Congressional Budget Office so that they would have another opportunity to score it, which just means simply review it and make certain informed estimates and projections, we submitted that plan, which we are now calling the Balanced Budget Act of 1995 to—this is a sequel that is better than the original—but we submitted that to the Congressional Budget Office, and they said that based on an improving economy and more optimistic economic assumptions and projections that we would have an additional $135 billion available to the budget negotiators, and, as the gentleman from Pennsylvania [Mr. FOX] points out, we have already proposed, we have put on the table late last week before the continuing resolution expired, a proposal to spend between $70 and $75 billion of the $135 billion on Medicare, increased spending for Medicare, Medicaid, and the earned income tax credit as evidence of our good faith, yet we have not yet to date seen any evidence of good faith from this President and this administration.

I would like to turn now to the gentleman from Georgia.

Mr. KINGSTON. Well, I think that it is important that we do emphasize to the degree that people outside of Washington understand we are not even cutting the budget. You look at the overall spending; we are not even freezing it. The Republican Party is arguing about increasing the growth $3 trillion over the next 7 years, and President Clinton wants to have it increase $4 trillion over the next 7 years, so what we are arguing is 3 versus 4 trillion new dollars in spending, and, as you have pointed out, while the President will say that we are devastating, and decimating, and dissecting, and all kinds of bad things Medicare, he—we are still increasing it 42 percent, and it is interesting also that on that same subject that Haley Barbour, the President of the Republican National Committee, has said that, if any Democrat House Member, Democrat Party member, American citizen, or even Republican can show where we are cutting Medicare, well, then come pick up a million-dollar check, and what was so ironic is I listened for months, and months, and months to the folks on this side of the aisle saying, ''You're cutting, you're cutting, you're cutting.''

Well, here is your chance, come get a million dollars. I do not think any of them are going to make that much in the U.S. Congress, not legally anyhow, but you can imagine. We should have had a line of people coming in saying, ''I want my million dollars. You all are cutting that budget.'' But nobody has stepped forward with it.

Now just think about it. If you were a Democrat Party member, and you have been saying all along, ''Republicans are cutting, and cutting, and cutting,'' what a hero you would be to your side if you could pick up that million dollars. The motivation would just be incredible to do it, and yet that offer is what? Ten days old now? Have not heard, still out there, silence.

You know my little boy plays on a soccer team, and it is ironic, as I go out to the soccer fields, and I look at these kids, and I realize that we have an opportunity to do something for them: more jobs because interest rates will come down, lower home mortgages, more student loans at lower interest rates. We are increasing student loans, as you know, and we have got this great opportunity for these children, to do something for them now.

And I was thinking, you know, now what would happen if kids could vote, if kids could vote on all the spending programs that President Clinton and the administration are saying are for children, for children, for children; what if they could vote and say, ''Hey, wait a minute, wait a minute, Mr. President, I don't want to be stuck with the tab that you have run up to us, that each boy and girl born today owes $187,000 in interest as his or her share of the national debt on top of local, Federal, and State taxes.''

I have a nephew, Morris Watson. He is going to owe $187,000 in interest on the debt. This is real stuff.

Let me get back to the soccer field, and I want to yield back, do not want to grab the mike too long, but ironically the name of my son's soccer team is Budget, and I was thinking, you know, you do get spoken to in different ways and different omens are out there, and I was thinking while I am away from them during this Christmas week, as we all are, you know, maybe there is something that is worth fighting for out there because, if those boys and girls on that soccer team can live in a world where there is a balanced budget and a government that is honest, then maybe this is and certainly this is worth what we are trying to do.

Mr. RIGGS. Very much appreciate the gentleman's comments, and he also helped us sort of set the context for the rest of our conversation this evening when he pointed out that our plans for balancing the Federal budget over the next 7 years anticipate that we will spend $12 trillion on the programs, the agencies, the beneficiaries of the Federal taxpayers funded by Federal taxpayers as opposed to $9 billion over the last 7 years, a 3—did I say billion?—$9 trillion over the next 7 years versus—excuse me, $9 trillion—let me slow down $12 trillion over the next 7 years as opposed to $9 trillion over the last 7 years, a $3 trillion spending increase.

Mr. KINGSTON. If the gentleman would yield a second, I want to, you know, remind folks that I really and truly think that if a lot of people knew that we are not really talking about cutting the budget, they would be furious, you know, these right-wing freshmen that we keep hearing about. If they knew, hey, you are going to increase the budget $3 trillion, they and the sophomore class that I know, we would be out of a job. The people would be disgusted with that.

Mr. RIGGS. The gentleman is so right, and we are finding out, I am sure when we go home, even though our opportunities to do that have been rather limited in recent weeks because of these ongoing budget negotiations and the current crisis here in Washington, but we are finding out when we go home and have an opportunity to speak with our constituents, have an opportunity to engage in some public education about our budget proposal, that there is broad and deep support for our plans. In fact I dare say all of us are hearing on a daily basis from many constituents who say, ''Hang in there, stay the course, do the right thing.''

Mr. SHAYS. If the gentleman would yield and then I know my colleague has been waiting awhile, you know I am not getting that from everyone because I might get from someone that they do not like the incredible increase in spending that we are doing on Medicare, increasing the co-payment and deduction. I am saying, ''Excuse me, we're not increasing the co-payment, we're not increasing the deduction.'' They say they do not like the fact that we are throwing them and forcing them to have private care and they have to leave their fee for service. I say, ''Excuse me, we're not doing that either.''

So, before yielding to my colleague, I just want to point out something on Medicare that my colleague has pointed out, that Medicare is going from $178 billion to $289 billion by the 7th year. We are going to be spending about in the last 7 years $926 billion for Medicare rather, and in the next 7 years we are going to spend $1.6 trillion on Medicare, an increase of 727 billion of new dollars.

Now we did that with no increase in co-payment, contrary to what our colleagues said earlier. I mean it is just a blatant falsehood for them to say that the deductible went up or the co-payment went up. It did not. The beneficiary premium stays at 31½ percent, 31½ percent of the cost. Now obviously as the costs go up 31½ percent is a higher number, just as it has been in the past. But the taxpayers are still going to pay 68½ percent.

Now with our Medicare Plus, Mr. Speaker, people can stay in their fee for service, or they can get private care and get better care. If they do not think it is better care, they have every month for the next 2 years, they have the opportunity to get back.

So I just want to correct one point. My colleague is right. I have a lot of people say $4.9 trillion debt is obscene and it stopped deficit spending, do it, and they say, ''Do it sooner than 7 years.'' But some say they do not like what we are doing with Medicare until I tell them what we are doing. When they learn what we are doing, they say, ''Hey, it makes some sense,'' and I just would conclude by saying my colleague from Washington pointed out what we were doing with Medicare and described how you could not afford to continue to pay people $4,900, and I am thinking where is he getting that number from, what is he talking about? We allow—the beneficiary rate is at $4,800 in 1995. It goes to $5,200 in 1996. It goes to $5,490 in 1997. It goes in 1998 to $5,563; in 1999, $5,776, and the year 2000 it goes from—to $6,221, and just two more. In 2001 it goes to $6,634 and the year 2002, as you point out, it goes to $7,108.

Where is the cut?

Mr. RIGGS. That is exactly the point. I believe that Haley Barbour, our friend, the chairman of the Republican National Committee, is trying to make with what is admittedly a pretty unusual, even novel proposal in American politics. Now the gentleman has pointed out, I made the point earlier, under our Medicaid reform proposal, known as Medigrant, spending goes up 43 percent. The gentleman has just pointed out that Medicare spending increases by more than 50 percent. So where are these unconscionable cuts that the President of the United States was talking about on Friday? It has caused Haley Barbour, again chairman of the Republican National Committee, under the theory that it takes a big check to expose a big lie, the big lie as far as I am concerned when you look at the whole mediscare campaign that is being waged by the congressional Democrats through their campaign arm through what I think is just a naked, but desperate, attempt to win back the control of the House of Representatives—it has caused Haley Barbour to now come out and say—he has now come out and offered, as the gentleman from Georgia pointed out, a cashier's check for $1 million to the first American, so that certainly would not exclude a Member of the House Democratic Party—the first American who can prove the following statement is false, quote, ''in November 1995 the U.S. House and Senate passed a balanced budget bill.'' it increases total Federal spending on Medicare by more than 50 percent, as the gentleman from Connecticut has just pointed out, from 1995 to 2002 pursuant to Congressional Budget Office standards, and, as the gentleman from Georgia pointed out, the response so far has been deafening silence.

Let me turn now to my good friend, who has been waiting patiently, and colleague from California, Mr. RADANOVICH.

Mr. RADANOVICH. It is good to be here tonight with a fine bunch of gentlemen on both sides of the aisle, and, you know, I had the opportunity to be in the Chamber during the time when the—when my colleagues were discussing the current shutdown that we are in and the events that led up to it, and I found myself puzzled to really not hear much mention of the importance of the Congressional Budget Office calculating these budgets, and not so much the CBO, but one office doing this, doing these calculations, and you know the thing that really surprises me the most is that on November 20 an agreement was signed between the legislature and the executive branch, and in that commitment was a proposal that was to be developed by the White House that was to be sent to the Congress that would balance the budget in 7 years according to CBO numbers, and in those things would be priorities of Medicare, Medicaid, education, the environment. It is very, very difficult, and I think people cannot understand this budget process.

I mean I have been here 11 months, and I have watched this process, and I have had the opportunity to watch it first hand, but the average American does not get that ability, and I am sure what they see here in this process is so mind boggling, and part of it is because, if you and I are negotiating a budget on two sets of books, you may as well be speaking Chinese, and I may as well be speaking Croatian, none of it is going to be making sense, and yet this is the way we have operated in this Chamber for 40 years, so that people can say, yes, I want to protect this program and I am only going to spend this much according to these numbers, and this party over here can say I want to accomplish the same thing, but I can, you know, be this or—I can do it in such a certain way that I can be nicer about it. And unfortunately the world does not work that way, and I would, you know, I would say to every American right now that nobody in their right mind would want to discuss or negotiate a budget based on two sets of books. It just does not work.

□ 2115

It just does not work. That is why we are so insistent about using one agency, the Congressional Budget Office. So if the President, and going back to the November 20 agreement where he decided, if the President has in his priorities, and I think we all have those same priorities of protecting Medicaid, Medicare, protecting the environment, and also education, then why did he not submit a budget that balanced by the Congressional Budget Office that proved that with those resources he could protect those programs and have his own sets of priorities in them?

Instead, what he did was that he got the 7-year part right, and he got just about nothing else right, because he did not score it according to the CBO, and all his priorities in his way put us out of balance by $365 billion at the end of 7 years. This is not logical and this does not make sense.

That is why we here are saying our priorities are a 7-year balanced budget, scored by CBO, and then we are going to concentrate on deficit reduction. But how can you even think of affecting that number right there that is beside you without using a common set of books so we are all speaking the same language? Once you have that, then we have constructive dialog.

Mr. RIGGS. The gentleman is so right. Any successful negotiation is based on certain common assumptions and premises. That is what we thought we were doing when we sent this continuing resolution to the President, which he signed into law. Nobody twisted his arm back on November 20, 29 days ago, committing to use the nonpartisan, neutral Congressional Budget Office as the honest referee, if you will.

Mr. FOX of Pennsylvania. If the gentleman will continue to yield, the gentleman from California has certainly outlined well what the American people are thinking. The point is they have to balance their own home budget, State governments balance their budget, county governments do, school boards do. Why is it that the Federal Government has not?

Since 1969 we have now acquired, because Congress has not balanced its budget and has been overspending, we have now a debt of $4.9 trillion. People are paying taxes every year and not getting much for it. I hope the President will meet us halfway and hope we will meet that balanced budget in 7 years, which he has already committed to, and the American people want for the savings it will bring.

Mr. RIGGS. Exactly. I want to point out that even though the President has made that commitment of signing the continuing resolution of the four budget proposals he has sent up to Capitol Hill, he comes nowhere close to actually balancing the budget. He talks again about these unconscionable cuts, which are not real, but knows in his heart of hearts there is no way you can balance the Federal budget without taking on the entitlement programs which have been growing at an exponential, unsustainable rate. He knows that full well. We have said throughout these budget negotiations over the last 29 days, while waiting for the President to come to the table, that everything is on the table.

I think I can safely say for my colleagues tonight, everything remains on the table with the exception of no 7-year plan using Congressional Budget Office numbers from the administration. That is the one thing we have yet to see on the table. It is the one thing that is absolutely essential to good-faith negotiations that can conclude in a successful balanced budget agreement between the Congress and the President.

Mr. Speaker, I yield to the gentleman from Arizona [Mr. SHADEGG].

Mr. SHADEGG. Mr. Speaker, I would like to thank my colleagues, the gentleman from California [Mr. RIGGS] and my other colleagues here tonight. I really came down from my office after listening to the discussion here on the floor to make two points. The first has to do with the discussion of what numbers do we use in trying to balance the Nation's budget.

I was on the floor when I listened to the gentleman from California's remarks about yesterday's appearance by the President's Chief of Staff on this week with David Brinkley. I will tell you I was shocked by that, because it was really, in fact, a rather shocking revolution, or revelation, which is not part of this revolution.

What happened is that Cokie Roberts said, ''Look, you, through the President, agreed 3 weeks ago after a 6-day shutdown, the Nation was shut down, the Federal Government did not operate for 6 days, at the end of that you came to an agreement. The agreement was that you would put forward or ultimately agree to a budget which balanced in 7 years using CBO numbers, and with consultation with OMB.'' She put to him point blank, ''in that agreement you said you wanted to protect certain programs: Medicare, Medicaid, education, and the environment. Is it possible,'' she put directly to him, ''Is it possible, Mr. Panetta, for you to put forward a budget which the President will agree to which is scored by CBO, reaches balance in 7 years, and protects those programs?''

And as you pointed out, he dodged the question the first time. He dodged it the second. He dodged it the third. Ultimately, in frustration, Ms. Roberts said to him, ''The answer is it is not?'' And essentially he conceded that point. He basically nodded his head and acknowledged that he had grave doubts. As a matter of fact he went beyond that and he said, ''No, not without further revision in the current CBO numbers.'' That is, ''No, it is not possible. It is only possible for us to do that if CBO changes the numbers.''

That raises a fundamental question, because as my colleague, the gentleman from California, has pointed out, it is impossible to do a budget using two different sets of numbers. We have to first come to agreement on a set of numbers. Why, the American people should ask themselves, did the President agree 3 weeks ago, now almost 4 weeks ago, that he would propose a budget or agree ultimately to a budget which balanced in 7 years, using CBO, after consultation with OMB, that protected those priorities, his priorities on education, Medicare, Medicaid, and the environment, if in fact his Chief of Staff 3 weeks later says it is impossible, it cannot be done? I was shocked by that revelation.

I was further shocked to find that in the day we discovered another fact. That was while the President had asked for OMB to consult, OMB did not begin consulting until the day before the day the budget resolution had to be agreed upon; that is, funding ran out on our current resolution on the 15th, and the President's OMB office did not even begin consultation, something he had fought for, until the 14th, a second shocking event.

Then I was rather stunned when last evening I flipped through the dial and I caught the President himself being interviewed in front of the church he attended yesterday. He was asked the same question. I do not know how many of you caught it. He was asked the question: ''Mr. President, is it possible for you to put forward a budget balanced in 7 years by CBO numbers that protects your spending priorities?'' And in direct contradiction of his Chief of Staff, he said, ''Absolutely.''

As far as I am concerned that means he has a duty to put it forward, he should put it forward. If he says absolutely, he needs to sit down with his Chief of Staff and put it forward so we can all move forward and get it started again.

The second point I want to make is one I found phenomenally encouraging. It actually made my day today. That was as revealed in this chart. Tomorrow I am going to have a larger blowup of this chart made. I have distributed copies of several of my colleagues here. There is tremendous encouragement for the Nation here in this chart. We all know that we must reform entitlement spending if we are going to save the Nation. If we are not going to continue to pass the debt as laid out in the chart behind you on to our children and our grandchildren, it is necessary to look at our spending priorities.

This chart is phenomenally encouraging. It appeared in today's Time Magazine, the Time Magazine which has the Speaker on the cover and makes him Man of the Year. It is a poll taken by Time and CNN, by the Yankelovich Partners, Inc., taken December 6 and 7, that it is a very, very current poll.

The fascinating thing about this is that although our colleagues on the other side of the aisle have spent $22 million in advertising telling us how draconian and how extreme our cuts are, and although the President has had almost a monopoly on the press coverage and the media coverage saying how extreme and outrageous our cuts are, here is where the American people stand as of December 6 and December 7.

True, 47 percent of them have bought the argument that our cuts go too far. But look at the other side of the graph. If you add up those who say our cuts are about right, 27 percent, with those who say we have not yet gone far enough, which is 19 percent, you discover that 46 percent of Americans think that we either have gone the right distance or should be actually cutting even further. That is a dramatic testimony to the validity of what we are doing here in the Congress, to the message that we are getting out.

Mr. Speaker, it is important to understand that you can mischaracterize our program until the cows come home until it is enacted. It is what our mothers taught us as we were going to the doctor and dentist at the time: Anticipation is worse than realization. They can claim that we are gutting Medicare, because our proposal is not in law. All we can do is rhetorically defend it, and point out that Mr. Panetta voted for deeper cuts in Medicare himself.

Mr. SHAYS. When you say cuts, if I can just correct the gentleman, we are talking about significant increases. What we are talking about is slowing the growth. If the gentleman is referring to the fact that we are slowing the growth of Medicare to 7.2 percent, and he recommended slowing the growth less than that, as did Mrs. Clinton——

Mr. SHADEGG. As did the First Lady. In any event, they can mischaracterize our program as long as it does not go into effect. Look at this poll. This poll shows even with their mischaracterization of what we are doing, and by the way this says ''Cuts,'' which in fact we all know none of these are cuts, every program is going to grow, and grow roughly at the rate of

inflation or better in some instances; but even with all that and even with the media opposition we have, as a very current poll done by Time Magazine, not in-house by any stretch of the imagination, says that the American people are divided on this issue, with 46 percent saying we are either going about the right amount of cuts, or maybe not going far enough, versus 47 percent saying we have gone too far.

Mr. SHAYS. Mr. Speaker, if the gentleman from California will continue to yield, I would point out that what is incredible is that people actually think we are cutting. When they learn that we are allowing Medicare to grow so significantly, that number that you see at 19 percent says we are not going far enough expands significantly; the number of 27, saying that it is just about right, becomes much larger, and that number of 47 saying we have gone too far, a good number of those disappear, because they realize we are not cutting the program, we are increasing it.

Mr. SHADEGG. I would quickly point out, even the question puts it wrong, ''have the cuts,'' and we are not cutting, we are not. No, they are not cuts in Federal spending; have we gone too far—they are not cuts in Federal spending, they are reductions in the increase in spending. Had the question been put properly, the numbers on this graph would be dramatically more in our favor.

Mr. KINGSTON. Mr. Speaker, if the gentleman will continue to yield, if you would take out members of the media in this 45 percent, it would fall down to 25 percent.

One thing that has been quite clear this whole time, it is that whenever you read the poll numbers, the poll numbers shows the media loves President Clinton far more than they want to give Speaker GINGRICH or Leader DOLE a fair shake, so I think that is one of the realities.

When people back home say to me, ''Do not cave,'' their second comment is, ''Doesn't the media make you sick? You cannot believe anything you hear on national networks.'' They have shot their own credibility in the foot. I do not know that they realize that they are not—they are listened to, but they are not believed at all.

Mr. SHADEGG. Just one quick question. The credibility risk is by our colleagues on the opposite side of the aisle, because they are making the claim that what we have done is extreme. As soon as we get it into effect and we are at the next election and you can see what the reality is, that claim will be clearly hollow, and how they will defend it then will be a grave problem for them, I would suggest.

Mr. RIGGS. I appreciate the gentleman's point. I want to go back, because I think we all feel a little pent-up frustration at this careless demagoguery and rhetoric that has been thrown all over this town, particularly when it comes from the one person who enjoys the bully pulpit.

The bully pulpit, as Teddy Roosevelt called the Presidency, suggests, I believe, that our national political leader should speak with some moral authority, and hopefully some credibility at all times. Yet I go back to the President's comments on Friday when he said, ''Now the Republicans in Congress are not only refusing to talk. Once again they are threatening to shut the Government down if I do not accept their deep cuts in health care, education, the environment, and their tax increases on working families. I did not give in to such a threat last month and I will not give in today.''

Here is the truth. I do not know, honestly, when I hear this kind of rhetoric, what the President of the United States is talking about. There are no deep cuts, as we pointed out here on the floor tonight. Medicare and Medicaid spending will increase by more than—are you ready for this—Medicare and Medicaid will, combined, increase by more than $1 trillion, $1 trillion. Education spending increases by $25 billion.

As I mentioned a little earlier, on Friday, just before the continuing resolution ran out and we had this second partial Government shutdown, we offered a good-faith proposal which increased discretionary spending by $25 billion, including additional spending for the environment and education.

As far as tax increases on working families go, there are none, period. In fact, maybe Haley Barbour ought to extend his offer, the $1 million cashier's check for anyone who can prove that there are tax increases on working families, because middle-class families, working families under our balanced budget proposal, are offered a $500 per child tax credit. We increase spending for the earned income tax credit by 131 percent. Our reforms will ensure that all qualified families with children receive at least the same benefits as called for in current law.

In fact, the gentleman from Arizona made mention, as I did earlier, of Leon Panetta's comments on the Brinkley show yesterday. He also said yesterday, and I quote: ''They increased taxes on working families by getting rid of the earned income tax credit.'' He claimed that we get rid of the earned income tax credit, when in fact we will spend $93 billion, $93 billion more during the next 7 years compared to the previous 7 years, as I mentioned earlier, a 131-percent increase.

□ 2130

So the American people are under the wrong impression. Let us be honest about it. It is because they are being misled and deluded by the President of the United States.

Mr. RADANOVICH. Mr. Speaker, if the gentleman would yield just briefly on that one point. My comments were pertinent to your remarks, and I cannot stress too much the concept of dealing squarely off of on set of books. Because when we try to tackle this number here and we try to balance this budget, and we are really serious about doing it, our options become severely limited.

Once the executive and the legislative branch are committed to one set of numbers, the demagoguery stops and the heavy lifting starts. Unfortunately, we have not seen heavy lifting from the executive branch of this government in dealing with this issue. That is why we are here today, very likely to even spend Christmas Day in this legislature, waiting for the President to make good on his commitment, his promise, to submit a balanced budget scored by CBO, using common ground, which is apples-to-apples comparison, which is CBO numbers.

Mr. RIGGS. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, unfortunately, there is a grain of truth in something the Democrats say, and then they blow it out to an unrealistic statement, and that is that we have decided that the earned income tax credit should go for families. We have said that a single individual will no longer qualify for the earned income tax credit. We do, though, provide for it.

The other area where again, unfortunately, my colleagues on the other side have decided to distort what has happened, the earned income tax credit, which was $19.9 billion this last year, grows to $25 billion in the year 2002. It is a significant growth. Had we not made changes in our balanced budget bill, that would have grown to a higher number than 25. So that is kind of where they make their point.

Where they fail to acknowledge the facts is that any family that is under the earned income tax credit with our $500 credit will get as much as they got in the past, and in our legislation we hold everyone harmless, we grandfather them so on one will get less.

So it would really be I think somewhat of a distortion on our side to overstate the fact that we have made some tough decisions. We are slowing the growth of Medicare, we are slowing the growth of Medicaid, we are slowing the growth of the earned income tax credit. We have made some very real cuts in discretionary spending; actual cuts, not just slowing of the growth. Overall spending goes up, but there are some real cuts.

Now, my whole point and why we need to weigh in significantly on the entitlements, Medicare and Medicaid, and why we want to save money in those programs is it is a concept of opportunity cost. If we do not slow the growth of Medicare the way we do in Medicaid, then we are going to have to slow the growth of another program or actually cut another program; and this is the problem that the White House is faced with. They cannot balance the budget, even though the President says so, because they are unwilling to say well, if we put more in Medicare and Medicaid, we are not going to be able

to put as much in some other programs.

We have had to deal with that. We have made those tough decisions.

Mr. Speaker, I cannot tell you that I like everything in our budget. I was kind of hoping the President would come in and look at what we have done in urban areas; I would like to have seen the President weigh in in that area.

Mr. SHADEGG. The natural consequence of what you are explaining is that the choice that the American people are hearing from the White House right now is a false choice. Let make that point. What the White House is saying is that Republicans want to cut these programs too far, and what I propose is that, instead, we could keep them all going and you will have them. So it is a choice he is presenting between we can have what we have plus maybe even a little bit more off into the future, or less, which is what the Republicans are proposing, that we have to scale these programs back down to where their growth matches inflation. He says, that is the choice.

That is a false choice, because in reality, and even the President's own cabinet in the instance of Medicare has made this point poignantly clear in their report, that is not the choice at all. If we pursue the course that the President is advancing, that is, allowing the growth to go unchecked, in a very brief time, it will be bankrupt. So it is not a question of keeping it the way it is or scale it back; it is a question of scale it back or have it go bankrupt and be gone, and not be there for anyone. That is the fundamental falsity in the debate.

We simply have to in these entitlement programs restructure them in a way that makes them sustainable over time so that the beneficiaries can get the benefits, or they will go bankrupt and be gone and not be there for anyone, and that is the fundamental truth.

Mr. RIGGS. Let me yield to the gentleman from Pennsylvania, and then I will go to my colleagues for their concluding comments.

Mr. FOX of Pennsylvania. The fact is that seniors under Medicare under this reform package will still have the benefits they have been having for fee-for-service or for the Medisave account or for managed care. What we are doing is taking out the waste from the program, the fraud and abuse, and $30 billion is a lot of money. We go to electronic billing instead of the huge paperwork costs we have had, and making sure that we have in fact, besides the savings, the medical education portion being separate, we are going to give the best medical care for our seniors that they have ever had; but we also giving choice, when they have never had, and that is a great new plus that should be stressed.

Mr. RIGGS. I appreciate the gentleman's comments and his participation tonight. Let me yield to the gentleman from California.

Mr. RADANOVICH. Just briefly, I want to say that negotiating off the same set of books for the first time will get us into constructive debate on balancing the budget. We have not had constructive debate up until this time.

Mr. RIGGS. In other words, the gentleman is saying, it has been 29 days and we are still waiting for a good-faith proposal from the administration, using Congressional Budget Office numbers, so that we can, as I think we all hope and wish, reach an agreement, a bipartisan agreement with the administration regarding balancing the budget. We need to remind our colleagues and our constituents that the American people, to date, seem to prefer divided government; the tables are reversed from the 1980's, the legislative branch is under the control of one party, the Republican Party, the executive branch of government is obviously under the control of the Democratic Party.

So we must, by definition, work in a bipartisan fashion here because we do not have the votes in either House of Congress to override the President's veto.

So Mr. President and our Democratic colleagues, we recognize that we must, at the end of the day when the debate has ended, reach a bipartisan agreement here, but as the gentleman from California points out so well and so eloquently, we cannot do that if you will not come to the table in good faith and participate in these negotiations using Congressional Budget Office numbers.

Let me yield to the gentleman from Connecticut, or the gentleman from Arizona, for their concluding comments.

Mr. SHADEGG. Mr. Speaker, I would just conclude by saying, we have spent most of the last hour, with the leadership of the gentleman from California [Mr. RIGGS] talking about the nitty-gritty of this and the details, and the fact that using real numbers and using a common set of numbers is important. However, one of the greatest communications, I get from my constituents is a sense of frustration: Why can they not in the Congress and in the White House act like adults and resolve this issue?

I would ask the American people to step back and to recognize that this is not a petty little fight over numbers; it is a contrast between two different visions for America. One which simply says, we can go on the way have been going forever and we do not ever have to pay the piper, that in fact we can spend and we can spend, and the Federal Government is not too large and it can do all things for all people.

The other is a very different view of government, which is the Federal Government has tried for 40 years to be all things to all people and has failed, and in doing that, it has not solved the social problem it has addressed, it has made them worse. But worse than that, in doing that, it has created the debt that burdens our children and our grandchildren.

So I implore those listening tonight at home that, yes, it looks like a petty fight, but it is really a very important fight; it is a fight over different visions of America and one which we all hope to resolve as soon as possible, but one which is essential to determine the direction of this Nation for the future of our children and our grandchildren and for the solvency of the Nation as we move forward.

Mr. RIGGS. I very much appreciate the gentleman's comments, and he puts it so well and really reminds me of the comments that were made by our leader, the Speaker of the House, NEWT GINGRICH as he points out, Time magazine's Man of the Year, earlier at a caucus of our conference when the Speaker pointed out, and I really agree with him when he says that if we fail in this task, our most important challenge as Federal legislators, Members of Congress, it will be a generation or more before the American people through their representatives can muster the political will to deal with these fiscal issues and balance the Federal budget; or as JOHN KASICH puts it even more simply, this is our last best chance.

Mr. SHAYS. Mr. Speaker, I am actually going to yield, speaking of JOHN KASICH, back to the gentleman from Connecticut, Mr. SHAYS, a member of the Committee on the Budget to conclude our special order, because he has been right there alongside JOHN KASICH as a real model of integrity.

We have been a family of this Republican Party to try to get our financial house in order and try to emphasize that we have an opportunity that does not happen often, and if we fail as this majority party to present a plan to balance our budget and end this obscene debt of $4.9 trillion, if we fail now, we will not have that opportunity for decades.

I would just make the point that Mr. Rabin said before his assassination that he was elected by adults to represent children, and that is what we are all about. We are looking to stop mortgaging our country's future, and we have devised a plan that still provides for significant increases in spending, but in the seventh year balances our budget.

The earned income tax credit will go from $19 billion to $25 billion. School lunch will go from $5 billion to $6.8 billion. The student loan will go from $24 billion to $36 billion. Only in Washington when you spend this kind of money do people call it a cut.

Our Medicaid goes from $89 billion to $127 billion, Medicare from $178 billion to $289 billion. These are significant increases in spending. But by the seventh year revenue and spending will equal. We are doing it for our children and their children. That is what it is all about. We are trying to do it in a humane way, and we are eager to have the participation of the White House in

coming forward with its balanced budget, and then compare where our priorities are, and then work out our differences. And our differences can be worked out.

Mr. Speaker, I would like to thank my colleague for allowing us to participate in this special order. I just want to welcome, I know we have a new member, JESSE JACKSON, Jr., joined by Mr. FIELDS, to distinguished Members, and it is nice to serve in this body with them.

Mr. RIGGS. I very much appreciate the comments of the gentleman. I very much appreciate the participation from my colleagues. I am mindful that the San Francisco 49ers are playing the Minnesota Vikings.

I just want to reemphasize in closing the point that the gentleman made so beautifully. I really believe that there is bipartisan, I hope there is emerging bipartisan consensus in Washington and across this land that the American people want a 7-year balanced budget using honest numbers to save Medicare, returning power to families and to State and local governments, reforming welfare and providing tax relief for families and job creation.

I thank my colleagues again for their participation.

BALANCED BUDGET REQUIRES BALANCED APPROACH

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 of Texas. Mr. Speaker, I rise tonight to talk about America's budget. I think all of us tonight are in favor of a balanced budget. I am certainly in favor of a balanced budget. I think the big impasse that we have here in this Congress tonight is how we balance the budget, not whether or not we balance the budget in 7 years, 5 years, or 10 years.

The biggest issue that we are confronted with tonight is how do we balance the budget. I think there are too many people who want to balance the budget on the backs of the poor people and at the expense of the environment; who want to balance the budget at the expense of college students who are trying to matriculate in school and get a decent education; trying to balance the budget on the backs of individuals who want to go to schools that are drug-free and live in communities that are drug-free.

So I think that is the real issue that we are faced with tonight is, how do we, in fact, balance this budget.

In order to balance a budget, you ought to start with a balanced approach, and until we have a balanced approach, we will never have a balanced budget. This Government is shut down today because we do not have a balanced approach to balancing the budget. I want to stand tonight to talk about how we get to a point of bringing about a balanced approach to balance the budget so that we can look to create an atmosphere for our children in the future.

If you look at this present budget, it cuts $750 billion over 7 years. Quite frankly, I can stand tonight and be for a $750 billion cut. But the issue is where do we cut the $750 billion to balanced the budget by 2002. Under this balanced budget amendment, it takes $218 billion and gives it to the richest people in America. One percent of the people in this country will receive a tax break under this balanced budget.

The poorest people, 20 percent of the poorest people in America are impacted; the balanced budget affects them, 50 percent of those individuals will be affected by this balanced budget. Those cuts are on the backs of these individuals more so than it is on the backs of anybody else. Forty-seven percent of the proposed cuts goes to 12 percent of Americans who make $100,000 or more.

So the issue tonight is not whether or not we balance the budget; the issue is how do we balance the budget; $359 billion of the $750 billion in cuts are in Medicare and Medicaid. Over 7 years, $133 billion in Medicaid cuts will come about under this present balanced budget amendment.

□ 2145

Twenty-seven percent of those cuts will be in the Louisiana Medicaid Program. So I take a matter of personal privilege tonight to talk about how these cuts will affect constituents back home.

I do not come from a State that is very wealthy. I certainly do not represent a district that is very wealthy. I represent one of the poorest congressional districts in the entire country and the poorest congressional district in the State of Louisiana.

Medicaid cuts would deny benefits to about 3.8 million children. These are the individuals who can least defend themselves. They cannot come to the floor of the House. They cannot lobby in the Halls of the Congress. They cannot get on an airplane and fly to Washington, DC, and talk to Members of Congress. But they will be affected by these cuts.

Three hundred thirty thousand elderly people could be turned away from nursing homes. These are the elderly, the sick people in this country, who have put everything they had over the years into this country, who have worked hard. People say, well, it is an entitlement program.

We have had people who wake up every morning and go to work every day, and now they need the help of their Government. They have invested in Social Security. Now we have the audacity and the gall to stand here tonight and take an elderly person who has worked all of his or her life, take them out of a nursing home, and then turn around and give the richest person in this country a tax break, and the richest corporations.

The issue is not whether or not we balance the budget. The issue is how we balance it.

If I have two children, for example, and I have to cut back because I am spending too much, it is almost like telling one child, ''I'm going to deny you a college education because Daddy can't afford it anymore,'' but at the same time I tell the other child, ''I'm going to give you an increase in your allowance.''

That is what we are doing under this budget. We are taking from the poorest people, our children, our elderly, and we are giving money to the richest people in this country, cutting Medicare by $200-some billion and then giving a $245 billion tax break.

From rural Louisiana, $57.4 million in cuts resulting in higher taxes for 372,000 Louisianans. Families with one child, for example. We worked hard the last Congress to bring about something called an earned income tax credit, because we realized that we have to get people off the welfare rolls in this country and put them on payrolls.

We all agree to that. We all know that in order for us to have a country that utilizes the free enterprise system and builds dignity among people, we have to get people off welfare. So what did we do the last Congress? We included in the budget something called an earned income tax credit, because we wanted to give the people who were trying to go to work and make a decent and honest living a tax break. So individuals who have children, and individuals who make $27,000, $30,000 a year, we gave them a tax break because we want to reward them for the work that they do.

What are we doing today in this budget? We take away that tax credit to millions of families, and then we talk about how we want to get people off of welfare. The best way to get a person off of welfare is pay them for the work that they do and give them an opportunity, put value in work. This budget certainly does not do that.

We also, as a result, raise taxes on 12.6 million families with incomes of $30,000 or less. That is what this budget will do; $100 billion in cuts in food stamps and welfare programs.

I know there has been a lot of talk about how we need to downsize the welfare program in this country. I stand before you today, Mr. Speaker, and say in no uncertain terms that we need to downsize and we need to revitalize the welfare program in this country.

You are looking at one Member of Congress who believes that the welfare program in this country is very regressive and it needs to be more progressive. But how do we make welfare more progressive? We make it more progressive, in my opinion, by increasing job training, because many of the people on welfare do not have job skills.

What do we do in this budget? We cut job training programs. Are we serious about revitalizing and reforming welfare in this country? I would think not.