The first priority for additional legislation remains Senate ratification of the Chemical Weapons Convention (CWC). The CWC is the best means to ensure the nonproliferation of chemical weapons and their eventual destruction by all nations. This Convention makes it illegal to develop, produce, acquire, stockpile, retain, transfer, use, own, or possess any chemical weapon, or to knowingly assist, encourage, or induce any person to do so, or attempt or conspire to do so. U.S. compliance with the CWC will require that changes be made to the existing criminal statutes relating to use of chemical weapons, 18 U.S.C. Section 2332c, and use of WMD, 18 U.S.C. Section 2332a. These legislative amendments have been drafted within DOJ and are currently undergoing review. Submission of such a legislative proposal would have to be closely coordinated with the Administration's efforts to achieve ratification of the CWC.

Although the CWC was not designed to prevent chemical terrorism, certain aspects of the Convention, including its implementing legislation and nonproliferation provisions, will augment existing law enforcement efforts to fight chemical terrorism. Implementing legislation required by the CWC will strengthen legal authority to investigate and prosecute violations of the treaty and raise the level of public alertness to the threat and illegality of chemical weapons. For example, the proposed U.S. implementing legislation contains the clearest, most comprehensive, and internationally recognized definition of a chemical weapon available, far more precise than the term ''poison gas'' contained in Title 18 of the Criminal Code. The definition contained in the implementing legislation will enable an investigator to request a search warrant on the basis of suspicion of illegal chemical weapons activity (such as production of a chemical weapon agent), rather than suspicion of conspiracy to commit terrorism, as exists under current U.S. law. By providing investigators and prosecutors a more precise legal basis for pursuing the development, production, transfer, or acquisition of chemical weapons, CWC implementing legislation improves prospects for detection, early intervention, and possibly even prevention of chemical terrorism in the United States.

Research and Development

New or enhanced technical capabilities needed to counter increasingly sophisticated terrorist organizations include the ability to intercept advanced telecommunications, with a primary focus on wireless and satellite-based systems; improved tracking and physical surveillance technologies for weapons, explosives, etc.; automatic language translation and text/key word recognition; and technology to support surreptitious entry.

Current research and development funding is not adequate. Additional funding is needed to continue work on an indepth chemical characterization of foreign explosives and for continued development of contraband detection technology. Additional funding would accelerate development in a number of key technologies, particularly communications interception, tracking, covert communications, and surreptitious access. These technologies are critical to the support of counterterrorism investigations, especially WMD-related threats.

ACRONYMS

AG—Attorney General
ANSIR—Awareness of National Security Issues and Response
ATSDR—Agency for Toxic Substances and Disease Registry
C/B—Chemical/Biological
CBR—Chemical/Biological/Radiological
CBRDT—Chemical/Biological Rapid Deployment Team
CDC—Centers for Disease Control and Prevention
CIRG—Crisis Incident Response Group
COA—Course of Action
CRMER—Center for Risk Modeling and Emergency Response
CSEPP—Chemical Stockpile Emergency Preparedness Program
CT—Counterterrorism
CWC—Chemical Weapons Convention
DEST—Domestic Emergency Support Team
DMAT—Disaster Medical Assistance Team
DOC—Department of Commerce
DOD—Department of Defense
DOE—Department of Energy
DOJ—Department of Justice
DOS—Department of State
DOT—Department of Transportation
DTL—DEST Team Leader
EMS—Emergency Medical Services
EOD—Explosive Ordnance Disposal
EPA—Environmental Protection Agency
ERT—Evidence Response Team
ESF—Emergency Support Function
FBI—Federal Bureau of Investigation
FDA—Food and Drug Administration
FEMA—Federal Emergency Management Agency
FOSC—Federal On-Scene Coordinator
FRERP—Federal Radiological Emergency Response Plan
FRMAC—Federal Radiological Monitoring and Assessment Center
FRP—Federal Response Plan
FSU—Former Soviet Union
FY—Fiscal Year
GSA—General Services Administration
HAZMAT—Hazardous Materials
HHS—Department of Health and Human Services
HMRU—Hazardous Materials Response Unit
HQ—Headquarters
HRSA—Health Resources and Services Administration
HRT—Hostage Rescue Team
IC—Intelligence Community
IED—Improvised explosive device
IICT—Interagency Intelligency Committee on Terrorism
ILEA—International Law Enforcement Academy
INS—Immigration and Naturalization Service
IWG—Interagency Working Group
IWG-CT—Interagency Working Group-Counterterrorism
JABC—Joint Atomic Energy Intelligence Committee
JIC—Joint Information Center
JOC—Joint Operations Center
MCC—Movement Coordination Center
MMST—Metropolitan Medical Strike Team
MSU—Medical Management Support Unit
MTAG—Missile Trade Analysis Group
NAREL—National Air and Radiation Environmental Laboratory
NBC—Nuclear, Biological, or Chemical
NCP—National Contingency Plan
NDMS—National Disaster Medical System
NEIC—National Enforcement Investigations Center
NEST—Nuclear Emergency Search Team
NEVWG—Nuclear Export Violation Working Group
NGA—National Governors Association
NIH—National Institutes of Health
NRAT—Nuclear/Radiological Advisory Team
NRC—Nuclear Regulatory Commission
NRT—National Response Team
NSC—National Security Council
OEP/OPHS—Office of Emergency Preparedness/Office of Public Health and Science
ORIA—Office of Radiation and Indoor Air
OSC—On-Scene Commander
PDD—Presidential Decision Directive
PHS—Public Health Service
PPE—Personal Protective Equipment
R&D—Research and Development
RRT—Regional Response Team
SAC—Special Agent-in-Charge
SAMHSA—Substance Abuse and Mental Health Services Administration
SIG—Senior Interagency Groups
SWAT—Special Weapons and Tactics
TEU—Technical Escort Unit
TPFDDL—Time-Phased Force Deployment Data and List
TSWG—Technical Support Working Group
TTG—Training Task Group
U.S.—United States
USCG—U.S. Coast Guard
USDA—United States Department of Agriculture
USG—United States Government
WMD—Weapons of Mass Destruction

□ 1430

SOCIAL SECURITY AND THE BALANCED BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin [Mr. NEUMANN] is recognized for 60 minutes.

Mr. NEUMANN. Mr. Speaker, at 3:30 this afternoon there is going to be a very important announcement made, as I understand, from the Senator who holds the deciding vote on perhaps the most important piece of legislation that has faced this body for a long time, and that is the balanced budget amendment to the Constitution of the United States.

As we understand the vote totals in the Senate right now, if he announces that he is going to vote in favor of the balanced budget amendment, there are enough votes in the Senate to pass the balanced budget amendment to the Constitution of the United States. And that would put us as a Government, provided it can be passed through the House of Representatives, in a position where for the first time since 1969, we would be required to actually balance the Federal budget.

I have asked for this time today to address my colleagues on the issue of balancing the Federal budget, the balanced budget amendment, why it is so important and how the issue relates to Social Security and other trust funds, and most important of all, how it relates to our children and our children's future and the opportunity for our children to make a living in this Nation and the opportunity for our children to live the American dream, the same kinds of chances and opportunities that we have had.

I would like to begin this discussion today by showing a chart that I have been showing now for about 5 years, and it literally shows the growth in the debt facing the United States of America. A lot of people do not think that the Federal debt has anything to do with them personally or with their lives, but the reality is when the U.S. Government borrows money it is borrowing money on behalf of the American people, and the responsibility to

repay that money will rest with our children. The legacy that we are going to leave our children is this ever-growing debt.

I would point out on this chart that the debt from 1960 to 1980 grew very little, but from 1980 forward, the bulk of the debt is fast enough and sharp enough that it can bring our Nation to its knees if it is not stopped. Our Nation today stands $5.3 trillion in debt. That is approximately $20,000 for every man, woman, and child in the United States of America, and to all of my colleagues on the Democrat side of the aisle who look at 1980 and say, well, that is Ronald Reagan's fault and to all of my Republican side of the aisle who look at the Democrats and say, it is the Democrat Congress' fault, I think it is time that we, not as Republicans or Democrats, but as the American people, face up to a very serious problem facing the United States of America, and that is an ever-growing debt picture.

I personally have three teenagers in my house, and when I talk about kids I talk about my kids and other kids like them all across America. This is the legacy that we are passing on to our children in this Nation, and something needs to be done about it and done now.

I have watched with great interest as some of our Senators on the other side of the aisle and some of our House colleagues have talked about the balanced budget amendment and say, well, we do not really need a balanced budget amendment to the Constitution of the United States. Congress can just go ahead and balance the budget all by itself, it already has the tools it needs. To those people I would ask them simply to look at history. History tells us that since 1969, even though Congress did have all of the tools, they have literally every single year since 1969 spent more money than what they collected from the American people.

That is why we need a balanced budget amendment. For those who say we do not need an amendment to our Constitution, I would simply ask them to think of the Gramm-Rudman-Hollings Act passed in the middle 1980's, Gramm-Rudman-Hollings II, the budget deal of 1990, the budget deal of 1992, and our most recent budget deal of 1994, and then I would like them to look at the spending levels that occurred after those budget deals and say, we do need a balanced budget amendment to the Constitution if we are actually going to get this job done.

It is an important issue, however, that relates to the balanced budget amendment that is currently being discussed with a great deal of interest on both sides of the aisle and that is the Social Security issue. It is important to understand how Social Security relates to the balanced budget amendment, and to begin that discussion I would like to just point out how much money is coming in to the Social Security system and how much is being paid back out to our seniors in benefits.

This year alone, the Social Security system will collect $418 billion out of the taxpayers' paychecks. That is, when you look at your paycheck and you see the money being withheld, the total sum of the money being withheld is $418 billion. The Government is writing checks back out to our senior citizens of $353 billion this year; that leaves a surplus.

The idea is they are supposed to be collecting more money in Social Security than what they are paying back out to the senior citizens in benefits. That extra money is supposed to be set aside in a kitty. The kitty is supposed to be growing bigger and bigger, so why do these two numbers change around? That is, there is not enough money coming in to make the payments to our senior citizens. They can at that point go to the kitty and make good on the checks.

Well, here is what is happening in our Government today. Remember, we are collecting more money than we are paying back out to our seniors in benefits. Unfortunately, the Federal Government today is not handling that money properly. What is happening today is that $65 billion is going directly into the Government's big checkbook. You can think of it as a general fund or just like your own personal checkbook.

They put that $65 billion into the checkbook. We all know we are running a deficit. The deficit means they are writing out more in checks than what they are collecting. So they are taking the $65 billion, putting it in their checkbook, overdrawing their checkbook and there is no money left. So at the end of the year since there is no money left in their checkbook because they have overdrawn it, that is the deficit, they simply write an IOU to the Social Security trust fund. Make no mistake about this, folks. There is no money in the Social Security trust fund. It is a pile of IOU's. This is a practice that must be stopped if we wish to preserve Social Security.

I have introduced legislation, and I am happy to say I have the support of 50 of my colleagues at this point in time. Our legislation would require the Federal Government to put that $65 billion directly into the Social Security trust fund. Why is this issue important? Well, everybody talks about Social Security as being safe and secure through the year 2029, and then everybody's eyes kind of glaze over. Well, here is the facts of the situation.

If this money is not put into the Social Security trust fund, as I am suggesting here, if we continue the practice of doing nothing but putting IOU's in the Social Security trust fund, the Social Security account is in trouble, the best case scenario in the year 2012 and realistically in the year 2005 or 2006.

Let me put this another way and bring it back to our kids and our working families in America today. In the year 2000, 2005, 2006, exactly when my kids graduate from college and will be having their own families and having their own children, like other kids like them all across America, at that point in time the Federal Government is going to have two choices since they have not done this. The Federal Government is either going to have to go out to senior citizens and say I am sorry, there is nothing but IOU's in the trust fund and we cannot make good on our payments to you, or they will go out to our families, like my kids graduating from college, starting their own families, and they will have to say, we need more money out of your paychecks.

Folks, we are not talking about decades away; we are talking about 2005, 2006, and in the best case scenario 2012, that we cannot make good on our Social Security payments to our senior citizens. The only two choices left at that point in time are reduced benefits to our seniors or collect more taxes from our working families in America. I, for one, am not willing to accept either one of those alternatives.

This bill that we have introduced, the Social Security Preservation Act, it needs to be passed and it needs to be passed in the near future so that we start putting real assets down here in the Social Security trust fund and, if the shortfall occurs, we will then have a savings account to go to to get the money to make good on our payments to our senior citizens without asking our working families for more out of their paychecks. They work too hard right now to earn the money that they earn for this Government to go and demand more out of their paychecks.

How does this whole discussion relate to the balanced budget amendment? Well, let me relate it to the balanced budget amendment. First, when we report the deficit right now, we simply report the amount of money that the Government is spending more than it is taking in. It is sort of like your own checkbook. They report the overdrawn check part of it. But remember, they are putting the $65 billion into their checkbook.

So when the deficit is reported by our Government today, when Washington reports the deficit to the American people, we only report $107 billion and we do not tell the American people that in addition to that $107 billion we are spending $65 billion more out of the Social Security trust fund. So when we talk about our deficits, we only report this blue area in the chart.

When we talk about balancing the Federal budget, here is how it works. When we talk about balancing the Federal budget, what we are talking about is this blue area. We are talking about getting to a point where the Federal Government takes in as much money as they are spending out, but at that point will still be spending the Social Security trust fund.

So make no mistake about this. When the people say, when the President's budget says he is going to be balanced in the year 2002, what the President really means is that he is going to make his budget look balanced by going into the Social Security trust fund and taking $104 billion out and applying it as a credit toward the deficit.

Let me say that again so there is no mistaking what is going on in this town. When the people in Washington say they are going to balance the Federal budget, what they really mean is that they are going to make the budget look balanced by going into the Social Security trust fund, taking the money that is supposed to be there and applying it toward the deficit.

In the year 2002, when everybody talks about a balanced budget, in the year 2002 when everybody says the budget is going to be balanced, what they really mean is that they are going to make the budget look balanced by taking $104 billion out of the Social Security trust fund and applying it to the deficit so that the deficit appears zero. That practice is dead wrong, and that practice needs to be stopped if we hope to have Social Security in the future.

I would like to talk a little bit about what has happened over the last 1½, 2 years. I have only been here 2 years, and I would like to talk a little bit about what has happened and the positive potential for this country and how we can accomplish this without, quote, ''cutting spending''.

□ 1445

In the last 2 years since I have been here, for the first time in a generation we actually went into one part of the budget and reduced spending.

The budget is divided into 3 parts: interest; mandatory spending, which includes Social Security, Medicare and so on; and discretionary spending. Discretionary spending is the only part that is actually voted on year in and year out here in Washington, DC.

We went into discretionary spending and we reduced spending by $50 billion. For those of my colleagues that know the gentleman from Louisiana [BOB LIVINGSTON], a lot of the credit goes to our chairman of the Committee on Appropriations for this effort. They brought down spending by $50 billion. That meant that $50 billion remained available in the private sector.

With an additional $50 billion available in the private sector, here is what happened. It is no surprise. More money available in the private sector meant the interest rate stayed down; more money available, a larger supply, lower interest rates. It follows very logically.

With lower interest rates, people were able to afford to buy houses and cars. When they bought houses and cars, other people had to go to work building the houses and cars. When they went to work building the houses and cars, they left the welfare rolls and started paying taxes in. It works, folks. The possibility of balancing the Federal budget without raising taxes on the American people works. We have got some good news. The economy, because of his efforts to reduce government spending, leaving more money available in the private sector, the economy performed much better than expected.

The good news that we have is that we can balance the Federal budget without using the Social Security trust fund simply by holding spending to the levels that were proposed last year. But again, to my colleagues, I want them to understand that when we found out the economy was doing better than anticipated and there was this extra revenue coming in, in this community, in Washington, DC., the first thing I saw was people doing this with their hands. I want you all to see this, because what they are doing is just wringing their hands, waiting to get their hands on that money so they can go and spend it.

Mr. Speaker, I want the Members to understand when they go and spend that money, that is money coming right straight out of the Social Security trust fund, and they ought to leave their hands off that money. The purpose of passing the Social Security Preservation Act is to force the people in Washington to leave their hands off the money that belongs in the Social Security trust fund.

So again, let me make this perfectly clear. Because the economy is performing better than anybody expected, we can now put the money away in the Social Security trust fund, as we should do, without harming the other spending levels as proposed last year.

So the good news is that if we just live up to what passed through Congress last year, we can balance the budget, put the Social Security money aside and do what is right for the future of this country, so our children have the same sorts of opportunities that we had as we were growing up during the last generation.

I have a couple more charts. I brought these charts with me to show the difference in the balanced budget amendment that is being proposed with what the American people are being led to believe by our colleagues here in the House, versus the reality of what is actually happening in the balanced budget amendment.

This first chart shows what I believe the American people think is going on in Washington, DC., and certainly what the people in Washington, DC. are trying to lead the American people to believe. That is that the deficit is going to continue through the year 2002, but after the year 2002, since we have a balanced budget there will be no increase in the debt. This is the line that should exist if we had a true balanced budget in the year 2002. The debt would not keep climbing.

Let me show Members another chart as to what is actually going to happen. Under the balanced budget amendment that is being proposed and being discussed out here, and again I have to say it is better than where we are today, but under the balanced budget amendment as it is currently written, if the Social Security money is not set aside, here is what the debt growth looks like. The debt grows now from the year 2002, and after the year 2002 the debt continues to grow.

So even though we have reached a balanced budget and the American people are being led to believe that means the debt is not going to keep growing, if the Social Security money is not set aside, the reality is that even under the balanced budget amendment that is being passed out here right now, the debt will continue growing after the year 2002 if our Social Security Preservation Act is not passed into law.

I cannot say how important this is, not only to senior citizens, but to people in their forties and fifties who are expecting to get Social Security in the not distant future, and also to the people who are under age 40 who will be threatened with higher taxes, and with no ability to at some point start setting some of their own money aside, instead of paying into the Social Security system. I can't tell Members how important it is that we get the Social Security Preservation Act passed.

My colleagues, I know, are hearing from many of the people in their districts and their constituents on a very regular basis on this issue. I contend that the only way to solve this problem is not through people like myself here in Washington, but rather when the American people get involved.

I encourage my colleagues, call our office for a copy of these overheads. We will get them to you so you can take them out and show the American people exactly what is going on. Then let us get this situation solved so that it is fair, and we can hope to have Social Security for our senior citizens in the future.

I would like to kind of go back, before I conclude today, I would like to kind of go back and review one more time exactly what the situation is with Social Security, so any of my colleagues who are watching and missed part of this might pick it up. Again, I am going to start with the Social Security system.

The Social Security system today is collecting $418 billion. It is going into the paychecks of our constituents and it is literally taking out $418 billion. It is collecting that money in taxes. It is paying out in benefits to our senior citizens $353 billion. That leaves a surplus of $65 billion.

That surplus money is supposed to be set aside into a kitty. It is supposed to be an ever-growing kitty, so when there is not enough money coming in and there is too much money going out, they can go to that kitty.

This is no different, Mr. Speaker, than it is in Members' own savings accounts and checkbooks. Now there is

more money coming in than what is going out, so you establish a savings account. If you lose your next election, you may have more money going out of your checkbook than what you have coming in. You go to your savings account, get the money, and make good on your checks.

That is how Social Security is supposed to be working. They are collecting more money than they are paying back in benefits, $65 billion this year alone. The money is supposed to be set aside in the Social Security trust fund. Today what is happening with that money, it is going directly into the general fund. They spend all the money out of the general fund or the big Government checkbook, and when they are done spending the money, there is no money left to put in the Social Security trust fund, so they very simply put an IOU down there.

I have a chart that shows that. That is $65 billion they are collecting over and above what they are paying out in benefits that is going directly into the general fund, the big Government checkbook. They spend all the money out of the big Government checkbook, there is nothing left, so they simply put an IOU down here in the Social Security trust fund.

That is what is going on today. We have legislation on the floor today that has been proposed that would change that procedure. What our legislation would do, and it is called the Social Security Preservation Act, it would force that $65 billion to be put directly into the Social Security trust fund.

Why is that important? If there are nothing but IOU's in the Social Security trust fund, we will not be able to make our payments to senior citizens in Social Security by the year 2012, and I repeat, 2012. That is when Social Security is in trouble if this bill is not enacted. In all probability, when Washington says 2012, they actually mean 2005, 2006.

If this bill is not enacted, we are looking at a situation not very far down the road where we are going to have two choices in Washington: Charge more taxes of our working families, go out to our young couples and ask them to pay more taxes in, or cut benefits to seniors. I do not think either one of those are accepted.

Make no mistake about it, this money today is currently being wasted on other Government programs. This whole issue is related very directly, it is related very directly to the whole discussion on the balanced budget amendment. Here is why.

In the balanced budget amendment, in the balanced budget amendment, the balanced budget amendment talks about the amount of money that the Federal Government is spending more than it is taking in. It does not mention the fact that this $65 billion, that this is not being included in the deficit. As a result, the deficit is actually much higher than it appears.

When we talk about the balanced budget amendment we simply mean we are going to get rid of this blue area in the chart. That is the area where we have cash flow going out more than coming in. We do not mention the fact that even in the year 2002, when everybody in Washington is telling the American people that the budget is balanced, in the year 2002 when the President says he is going to balance the budget, what the President actually means and the rest of the people in Washington, what they actually mean is they are going to balance the budget by going into the Social Security trust fund, taking the money out of the Social Security trust fund, applying it to the deficit, and making the budget look balanced because they took the money out of the Social Security trust fund.

This is inexcusable as a Nation that we would allow this to go forward. It is absolutely inexcusable to me that we as a Nation would say and lead the American people to believe that we are balancing the Federal budget when in fact we are taking the money out of the Social Security trust fund to make it look balanced.

How does that impact things? Well, the American people are being led to believe that once we hit the year 2002, there will be no more growth in the debt. They are being led to believe that the debt will grow through the year 2002, but then since the budget is balanced there would be no more growth in the debt and it would remain steady at that point.

I have to tell the Members, in our budget plan, the plan that I put forward, the debt would start going back down after the year 2002. We would actually start paying the debt off, which is something we ought to be doing.

The facts are when the balanced budget amendment is passed, what is actually going to happen is the debt is going to keep going up through the year 2002, and then, since we are not counting the fact that we are borrowing the Social Security trust fund money, the debt is actually going to keep rising, even after the year 2002. So instead of the debt going down, or at least staying steady so our children can have hopes of a bright future, instead of that, the debt will keep going up if our Social Security Preservation Act is not passed.

Again, the emphasis here is on the future of this Nation as we look forward. I would just add one more thing as we are looking at this chart. It seems to me that not only should we not let the debt keep growing, as a Nation, not only should we be responsible as a generation to not pass more debt on to our children, but what we should do is get to that point of a balanced budget and then start paying the debt down.

Out here in Washington that is kind of a novel idea. When I go to town hall meetings in Delavan and Janesville and Kenosha and Racine, Wisconsin, people ask me about the debt. They ask me, hey, MARK, after the balanced budget, don't you think you ought to pay that debt down? It is going to be $6.7 trillion when you get to a balanced budget. By the time we get to a balanced budget in 2002, we are going to be in debt $25,000 for every man, woman, and child in the country. Do you not think you ought to do something about paying down the debt?

I agree with my constituents. I agree with those people at the town hall meetings. Not only should this thing not be allowed to continue the upward pattern that appears in this chart, it should start going back down, so we as a generation can look forward to passing our Nation on to our children debt-free.

Everybody in Washington goes, well, we cannot possibly do that. Let me lay out for my colleagues exactly how we can in fact pay off the debt by the year 2025 and pass this Nation on to our children debt-free.

Revenues are growing to the Federal Government for two reasons: They grow at the rate of inflation, plus the rate of real growth in the economy. So if we think about this, the amount of taxes that the Government is collecting, the amount of revenue coming into the Government, it gets bigger because of inflation.

If you get a pay raise next year, when you get that pay raise you may pay a little more taxes. That is inflation. In addition to inflation, in addition to inflation the Government gets more revenue because the economy gets bigger. That is, when the economy is bigger, somebody is making a profit over that additional business that is being done, and they therefore pay more taxes in, so revenues to the Federal Government grow not at the rate of inflation, but rather, at the rate of inflation plus real growth in the economy.

How can we make this line go back down? How can we pay that debt off so our children could receive our Nation debt-free? This is how we do it. After the year 2002 when we reach a balanced budget, we cap spending growth at the Federal level at a rate 1 percent below the rate of revenue growth.

Remember, revenue goes up at the rate of inflation plus real growth in the economy. If we simply cap spending increases at a rate 1 percent below the revenue growth, we would in fact create a surplus, because we were at balance. If revenues go up by 5 percent, spending goes up by 4 percent, that creates a surplus. That is the surplus that could then be used to first put the money back into the Social Security trust fund that has already been taken out, but second, to start paying down the Federal debt so we would have hopes of passing this Nation on to our children debt-free.

I have to tell my colleagues that in terms of service here in Washington, I came here really for two reasons. I came here to get a balanced budget and to solve this problem facing the Social Security system. To me, it is not about all these charts and it is not about

Perot's charts and graphs, it is not about numbers. It is about the opportunities that we hope to have for our children. It is about whether or not our children are going to have the opportunity to live the American dream in this great Nation of ours.

Make no mistake about it, we are currently in a situation where a 1 percent change in the interest rate, just 1 small percent change in the interest rate, adds $50 billion to the deficit. Two percent is $100 billion to the deficit.

If the deficit starts exploding, the only thing the Government can do is print the money. When they print the money, that is more inflation. When they have more inflation, we, of course, have higher interest rates. Higher interest rates is a higher deficit. So the spiral goes.

As that goes on, Mr. Speaker, we need to understand that when the interest rates go up, our young people, our hardworking families, the people that get up every morning and go to work, they cannot afford the higher interest rate that would be applied to their home mortgage or to their auto loans. As those interest rates go up, people can no longer afford to buy houses and they can no longer afford to buy cars. The end result is that means we do not need as many people building houses and cars.

□ 1500

When the people are not building the houses and cars, of course, that means there are no job opportunities. So what we are really talking about here, when we talk about balancing the budget, we are talking about the Government staying out of the private sector. We are talking about making the Federal Government smaller and less intrusive in our lives.

As the Government quits borrowing that money out of the private sector, leaves more money out there in the private sector, that means with more money available we can expect the interest rates to stay down. When the interests rates stay down, that means people can afford to buy houses. They can afford to buy cars.

And I have to tell you, this is the hope for the future of America. Because when they can afford to buy houses and cars, the poor people in this country are going to have opportunities to have a job because somebody has to build those houses and somebody has to build those cars. That is the hope; that is welfare reform.

Welfare reform is a job opportunity for the people that are not currently working. Welfare reform is the Federal Government quitting spending more money than it has, leaving the money in the private sector so the interest rates stay down so people can afford to buy houses and afford to buy cars in this Nation of ours and people go to work building those houses and those cars. That is job opportunities. That is the welfare reform that we need to talk about in this Nation. That is the hope for my children's future.

When I say ''my children,'' I do not just mean MARK NEUMANN's children, I mean all the kids that are teenagers. The three teenagers in my house, yes, they are going to be out of school in 5 years, but there are going to be millions of teenagers out of school in 5 years. What we are talking is whether those kids are going to have the opportunity to start with a job, to get promotions, and then go through their lives and to provide a better living for themselves and their family as they, too, attempt to achieve the American dream.

That is what this issue is all about. It is not about numbers. It is not about all these charts. It is about our kids. It is about whether or not our kids are going to have the same opportunities that we have had. It is about our senior citizens who have been promised Social Security, and it is about whether or not this Government can make good on those promises to our seniors without destroying the opportunities for our kids. That is what this whole discussion is about.

I conclude today by simply encouraging the support of a balanced budget amendment to the Constitution and encouraging the support of the Social Security Preservation Act so we get both jobs done at the same time and make this place much more credible with the American people and, again, arrive at a point where our children can achieve the American dream.

RULES OF PROCEDURE FOR THE COMMITTEE ON APPROPRIATIONS 105TH CONGRESS

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

Mr. LIVINGSTON. Mr. Speaker, pursuant to the requirement of clause 2(a) of rule XI of the Rules of the House, I submit herewith the rules of the Committee on Appropriations for the 105th Congress. The committee rules were approved by the full committee on February 5, 1997, and amended on February 12, 1997.

Resolved, That the rules and practices of the Committee on Appropriations, House of Representatives, in the One Hundred Fourth Congress, except as otherwise provided hereinafter, shall be and are hereby adopted as the rules and practices of the Committee on Appropriations in the One Hundred Fifth Congress.

The foregoing resolution adopts the following rules:

SECTION 1. POWER TO SIT AND ACT

For the purpose of carrying out any of its functions and duties under Rules X and XI of the Rules of the House of Representatives, the Committee or any of its subcommittees is authorized:

(a) To sit and act at such times and places within the United States whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(b) To require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, reports, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman, or any Member designated by the Chairman, may administer oaths to any witness.

(c) A subpoena may be authorized and issued by the Committee or its subcommittees under subsection 1(b) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee voting, a majority being present. The power to authorize and issue subpoenas under subsection 1(b) may be delegated to the Chairman pursuant to such rules and under such limitations as the Committee may prescribe. Authorized subpoenas shall be signed by the Chairman or by any Member designated by the Committee.

(d) Compliance with any subpoena issued by the Committee or its subcommittees may be enforced only as authorized or directed by the House.

SEC. 2. SUBCOMMITTEES

(a) The Majority Caucus of the Committee shall establish the number of subcommittees and shall determine the jurisdiction of each subcommittee.

(b) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee all matters referred to it.

(c) All legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within two weeks unless, by majority vote of the Majority Members of the full Committee, consideration is to be by the full Committee.

(d) The Majority Caucus of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee. The Chairman is authorized to negotiate that ratio with the Minority; *Provided, however*, That party representation in each subcommittee, including ex-officio members, shall be no less favorable to the Majority than that ratio for the full Committee.

(e) The Chairman and Ranking Minority Member of the full Committee are authorized to sit as a member of all subcommittees and to participate, including voting, in all its work.

SEC. 3. STAFFING

(a) Committee Staff—The Chairman is authorized to appoint the staff of the Committee, and make adjustments in the job titles and compensation thereof subject to the maximum rates and conditions established in Clause 6(c) of Rule XI of the Rules of the House of Representatives. In addition, he is authorized, in his discretion, to arrange for their specialized training. The Chairman is also authorized to employ additional personnel as necessary.

(b) Assistants to Members—Each of the top twenty-one senior majority and minority Members of the full Committee may select and designate one staff member who shall serve at the pleasure of that Member. Such staff members shall be compensated at a rate, determined by the Member, not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives; *Provided*, That Members designating staff members under this subsection must specifically certify by letter to the Chairman that the employees are needed and will be utilized for Committee work.

SEC. 4. COMMITTEE MEETINGS

(a) Regular Meeting Day—The regular meeting day of the Committee shall be the first Wednesday of each month while the House is in session, unless the Committee has met within the past 30 days or the Chairman considers a specific meeting unnecessary in the light of the requirements of the Committee business schedule.