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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. ARMEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 26, 1995.

I hereby designate the Honorable RICHARD K. ARMEY to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O God, that our words of hope and our vision for justice will connect with our deeds, that our faith will be active in love, that all that we say with our lips, we will believe in our hearts, and all that we believe in our hearts we will practice in our daily lives. Teach each person, O God, to relate words and deeds so may we have fidelity of character and sincerity of purpose in what we say and in what we do. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, without objection, the Journal stands approved.

Mr. VOLKMER. Mr. Speaker, reserving the right to object, and I did not plan to ask for a vote or object, but I would like to use this occasion to reserve the right to object to inquire of the Chair as to whether or not there will be a limit on the number of 1-minutes today. That is the only purpose.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. VOLKMER] should be advised that the Chair will entertain 20 1-minutes from each side of the aisle.

Mr. VOLKMER. I thank the Chair, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Rhode Island [Mr. KENNEDY] come forward and lead the House in the Pledge of Allegiance.

Mr. KENNEDY of Rhode Island led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 20 1-minutes per side.

SENATE MESSAGE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 273. An act to amend section 61h–6 of title 2, United States Code.

The message also announced that pursuant to sections 42 and 43 of title 20, United States Code, the Chair, on behalf of the Vice President, reappoints Mr. MOYNIHAN to the Board of Regents of the Smithsonian Institution.

THE CONTRACT WITH AMERICA

(Mr. BONO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONO. Mr. Speaker, our Contract With America states, on the first day of Congress, a Republican House will:

Force Congress to live under the same laws as everyone else; cut one-third of committee staff; and cut the congressional budget. We have done that.

In the next 78 days, we will vote on the following 10 items:

No. 1, a balanced budget amendment and line-item veto;

No. 2, a new crime bill to stop violent criminals;

No. 3, welfare reform to encourage work, not dependence;

No. 4, family reinforcement to crack down on deadbeat dads and protect our children;

No. 5, tax cuts for families to lift Government's burden from middle-income Americans;

No. 6, national security restoration to protect our freedoms;

No. 7, Senior Citizens' Equity Act to allow our seniors to work without Government penalty;

No. 8, Government regulation and unfunded mandate reforms;

No. 9, commonsense legal reform to end frivolous lawsuits; and

No. 10, Congressional term limits to make Congress a citizen legislature.

This is our Contract With America.

URGING PASSAGE OF THE BALANCED BUDGET AMENDMENT WITH THE SUPERMAJORITY PROVISION

(Mr. SOUDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

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Mr. SOUDER. Mr. Speaker, we truly have a historic opportunity today. That is to pass a balanced budget amendment. The time is finally here. We can pass a balanced budget amendment with a 60-percent supermajority to pass a tax increase.

Mr. Speaker, I doubt if there is any Member of this body who campaigned on the right to increase taxes. In fact, many of those who did raise taxes are no longer with us in this body. The Barton amendment gives Republicans and Democrats the opportunity to match their rhetoric with the reality of their votes here in Washington.

Back home in Indiana, a 60-percent supermajority to pass a tax increase does not seem enough. In fact, in Indiana they would like 100 percent of this House to have to approve a tax increase, maybe twice, and maybe if they pass it, even an extra clause for a caning for those who pass the tax increase. At the grass roots they do not understand why we cannot decrease the size of Government rather than constantly increase taxes.

Mr. Speaker, today we have the opportunity to pass that. The people of Indiana, the people of this Nation, are watching. I hope we can get the supermajority necessary to pass this protection for our children and ourselves out into the future.

OPPOSITION TO THE MEXICAN BAILOUT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I do not think Congress gets it yet. Eighty-one percent of the American people do not support bailing out Mexico because many of them are worried about losing their job, worried about losing their health insurance, worried about losing their pension, and worried about losing their homes.

Mr. Speaker, I have a question to ask. When the steel mills closed in Ohio and Pennsylvania, where was Uncle Sam? When the farmers were losing their land in the eighties and farmers were literally committing suicide, where was Uncle Sam?

The truth of the matter is the American people are not foolish. When people overseas are in trouble, Uncle Sam jumps in with all four feet, but when the American people are in trouble, Uncle Sam says ''Let Willy Nelson take care of it.'' I am opposed to this bailout.

Let me say this, Mr. Speaker, While Congress is debating bailing out Mexico, the Federal Reserve is debating raising the interest rates on our people. Beam me up.

URGING MEMBERS TO JOIN IN SUPPORTING THE BALANCED BUDGET AMENDMENT

(Mr. EHLERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EHLERS. Mr. Speaker, 12 years ago this month I was elected to the State legislature in Michigan and entered politics full time for the first time in my life. At that time I opposed the Federal balanced budget amendment. Today I will be voting for the balanced budget amendment.

Why did I have that change of heart? It is because of my experience at the State level, working with a balanced budget amendment and a line-item veto, and seeing that it works. Furthermore, it came from observing that over the past half century Congress has not demonstrated that it has the collective self-discipline to balance the budget. It needs some outside impetus to require it.

I have seen it work at the State level. The fact that it exists forces the State legislatures to balance their budgets. If we have a Federal balanced budget amendment, that will force our Congress to balance the budget that they submit to the President each year.

Mr. Speaker, let us not forget our children and grandchildren and our obligation to them. Let us join in supporting the balanced budget amendment.

CONGRESS MUST EXCLUDE PROGRAMS FOR THE YOUNG AND THE ELDERLY FROM BALANCED BUDGET AMENDMENT CUTS

(Mr. HILLIARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIARD. Mr. Speaker, haste makes waste.

Mr. Speaker, I addressed the Committee on Rules in an attempt to get an exemption to the balanced budget amendment considered. That exemption would have provided that Aid to Dependent Children would have been exempted from any consideration on a balanced budget.

It is very important that any society, any country, realize that in order to be a country that is civilized, it must protect two groups: Those who are unable to protect themselves, the elderly and the young. Unless some provisions are made, we will fail to do that.

America is strong, not just because of the fact that it is economically secure. It is strong because over the years it has made sure that it takes care of those individuals that cannot fend for themselves.

For Congress to do less would be reneging on the legacy of democracy, Mr. Speaker, and I submit that haste makes waste, that sometime in the future we will regret the action that we are about to do. We must give consideration to Americans who are not able to give consideration for themselves.

□ 0910

DAYS OF DEFICIT SPENDING NEAR END

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, my colleagues on the other side of the aisle are constantly asking us how are we going to balance the budget by 2002.

But a more pertinent question is when do my liberal, big-spending colleagues on the other side of the aisle plan to balance the budget? If you do not think it should be done by the year 2002, 7 years from now, when do you think it should be done? Isn't a $5 trillion debt enough?

The Democrats do not want a balanced budget amendment for one reason. They want Americans addicted to big Government because they are the party of big Government.

You know, I think it is important to address the moral dimension of deficit spending. Thrift, frugality, and deferred gratification are virtues. But deficit spending is a vice that has been used by big-spending politicians as just another incumbent-protection device. In the words of Harry Hopkins, they would ''borrow and borrow, spend and spend, elect and elect.''

But those days are about to end, Mr. Speaker.

HASTE MAKES WASTE

(Mr. WYNN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYNN. Mr. Speaker, good morning.

I rise today to clarify for the American people what this balanced budget debate is all about. Make no mistake about it, the Democrats want a balanced budget. The difference is, we want to do it right.

I am from the State of Maryland, 10 years in the State legislature. We had a balanced budget. We are one of only about seven States with a triple-A bond rating, but we understand how to do it right and that is what we need to do on the floor of this assembly.

First we need truth-in-budgeting. We need to know exactly what cuts will be necessary in order to balance the budget. You would not buy a house without knowing the mortgage payments. We need to know what we are going to have to do in order to balance this budget. It seems to me people are wondering will it really cause a 20-percent cut in Medicare? Will it really cut out veterans' benefits, truth-in-budgeting?

Second, preserve Social Security. Yesterday we went through a charade. We passed a resolution. That is not the force of law. We need to put in law that

in addition to a balanced budget, we are going to keep our original contract. The original contract was with our senior citizens. We can have a balanced budget but it is important that we do it in the right way, not in the politically expedient way.

BUSINESS AS USUAL MUST GO: CONGRESS MUST PASS THE BALANCED BUDGET AMENDMENT

(Mrs. MYRICK asked and was given permission to address the House for 1 minute.)

Mrs. MYRICK. Mr. Speaker, on November 8, America's voters sent us to Washington to change the way the Federal Government does business. They made it very clear that the tax-and-spend mentality and business as usual must end.

The people are aware of the ever-increasing national debt of $4.5 trillion and the need for a balanced budget amendment. They are also aware that too many here in Congress, do not comprehend the need, nor acknowledge the people's insistence, for it to be done. Americans balance their own budgets. They demand the same of their Government.

The people are burdened by paying over half of their income in taxes. So they fully understand the need for a vote by three-fifths of the Congress before taxes can be raised.

When the U.S. Congress enacts, and 38 States ratify, a balanced budget amendment, it will ensure that the Federal Government does not spend more than it takes in. It will be a first step toward achieving the changes that the voters have demanded, and it will contribute to the reweaving of the fabric of America for future generations.

MEDIA'S ASSERTION OF AMERICANS' ANGER OFF BASE

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, in his State of the Union Address Tuesday, President Clinton said the American people were engaged in a shouting match. This observation parallels the liberal media's assertion that the American people are angry at each other. This is light years from the truth.

Americans are not angry and they are certainly not shouting at each other.

Mr. Speaker, if the American people are shouting at anybody, they are shouting at the Federal Government. More precisely, they are sickened at the level of irresponsible spending, the bloated and inefficient bureaucracies and the constant drumbeat for more taxes.

The other night President Clinton treated us to an interesting speech and I am glad to see that he supports many of the ideas Republicans have been talking about for years. But once again I call on the President and my friends on the other side of the aisle to put aside the rhetoric and take action.

This week the President and this Congress have an opportunity to restore faith with the American people and put our financial priorities in order.

We must pass the balanced budget amendment and put an end to the disgrace of deficit spending. Remember, Mr. Speaker, the American people are not shouting at each other. They are shouting at us.

A QUESTION OF PRIORITIES

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, I think we all know that when it comes to television ratings, the Simpson trial is going to get a lot more viewers than the proceedings of the House of Representatives, but I hope that America will tune in today to this debate on the balanced budget amendment. It is critically important to every American who values Social Security and Medicare. What the Republicans are proposing is literally to make certain that Social Security will be vulnerable to cuts for years to come. They will not tell you, but I think the facts bear us out.

They are going to call for a 30-percent cut in Medicare as a result of today's debate, and senior citizens will pay more out of pocket, have fewer services, and we will see hospitals closing across America.

These are facts the Republicans do not want to disclose but they are simple facts that are inevitable conclusions from where they stand. We should not be surprised.

Speaker NEWT GINGRICH wrote in USA Today in 1987, ''It's time to replace Social Security.''

It is no priority for the Republicans, but it is a priority for America to protect our senior citizens, to protect Social Security and to protect Medicare.

SUPPORT BBA WITH THREE-FIFTHS REQUIREMENT

(Mr. JONES asked and was given permission to address the House for 1 minute.)

Mr. JONES. Mr. Speaker, last November the American people decided that Congress must take responsibility for their action and must be held accountable for the taxpayers' money. The public has lost all faith in the job that is being done by Congress. For the public to regain their trust and respect in our Government, we must pass a balanced budget amendment including a three-fifths requirement to increase taxes.

When this requirement takes effect, people will be reassured that Congress cannot blindly raise their taxes. The amendment will help ensure a safe financial future for our children and grandchildren so they do not have to pay for the spending mistakes of yesteryear.

□ 0920

Every day Americans strongly support a balanced budget amendment. People understand the necessity of paying bills, balancing checkbooks, and living within their means. It is unfortunate that people struggle to make ends meet but their Government does not understand the concept.

Enough is enough. It is time for us to reign in the out-of-control spending habits of this Congress. I ask my fellow Members, both Democrats and Republicans, to support the balanced budget amendment with the three-fifths protection for American citizens.

PROTECT SOCIAL SECURITY IN A BALANCED BUDGET AMENDMENT

(Mr. BRYANT of Texas asked and was given permission to address the House for 1 minute.)

Mr. BRYANT of Texas. Mr. Speaker, today we will take up the balanced budget amendment and I am one Democrat who supports an amendment. But I support an amendment that protects Social Security. There is no reason why we cannot pass a balanced budget amendment that still maintains the guarantee to senior citizens that Social Security will not be touched.

We have heard some of these Republicans raise questions about why we are talking about Social Security. I will tell Members why. It is because you fellows elected a Speaker of the House who has called for abolishing Social Security. The Republican Speaker of the House, NEWT GINGRICH, in 1986 called for abolishing Social Security and turning it into some kind of a mandatory IRA program, and I am quoting from the Atlanta Constitution, November 1986.

Also because you Republicans elected a majority leader, DICK ARMEY, who did the same thing. He cosponsored a special provision for a mandatory retirement account that was supposed to substitute for Social Security. He also spoke out a few years ago about the fact that we never should have started Social Security in the first place.

Senior citizens have a good reason to be afraid of what Republicans are going to do to Social Security. Today when we vote for an amendment to balance the budget, we ought to vote for a provision to protect Social Security.

SINGING VERSUS SHOUTING

(Mr. CHRISTENSEN asked and was given permission to address the House for 1 minute and to extend his remarks.)

Mr. CHRISTENSEN. Mr. Speaker, in his State of the Union Address Tuesday night, President Clinton said that in the 1992 and 1994 elections, we did not

hear the people singing, we heard them shouting. I could not agree with the President more.

But what are the people shouting for? Are they shouting for more of the big Government, big spending, liberal ideals that the Democrats championed for the past 40 years? I think not.

The people are shouting for Congress to clean up its act. They are shouting for a Government that is smaller, less costly, and more efficient. They are shouting for us to pass legislation such as the balanced budget amendment to make us get our fiscal problems in order.

I urge my colleagues from the other side of the aisle to join me in voting yes for the balanced budget amendment with a three-fifths tax limitation provision. It is what the people are shouting for. It is what the people deserve.

PROTECTING SOCIAL SECURITY IN THE BALANCED BUDGET AMENDMENT

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, what is the difference between the Democratic balanced budget amendment and the one proffered by the Republicans? Simple. Ours protects the elderly, Social Security and Medicare and theirs does not.

The new Republican majority is afraid to tell the American people what balancing the budget will mean to their constituents, because their programs are like a noose around the necks of the elderly, a noose that tightens every day we get closer to passing the Contract With America.

They say they will not cut Medicare, but the fact of the matter is their budget committee is considering huge changes in Medicare that will end the program as we know it.

They say they will not cut Social Security, but Speaker GINGRICH wrote this article. Read it. It says replace Social Security.

This does not sound like Social Security is off the table; it sounds like Social Security is the table setting for the Republican Party's balanced budget amendment.

DICK ARMEY said that the American people's knees would buckle if they knew what services would be cut to balance their budget. When these cuts hit, seniors all over this country will be screaming, ''I have fallen and I can't get up.''

VOTE FOR BARTON BALANCED BUDGET AMENDMENT

(Mr. BAKER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAKER of California. Mr. Speaker, like many of my colleagues today, I am proud of what the Republicans have done already under the banner of the Contract With America.

We have made true fiscal responsibility in Congress the hallmark of our legislative plan. And at the very heart of this plan, we have placed the one tool that is absolutely essential to restoring accountability—the balanced budget amendment.

For too long, Congress denied its responsibility by using tax increases to cover up its own lack of political will to make tough budgetary decisions. Limiting the ability of Congress to raise taxes will force Congress to set real budget priorities. If there is one thing 40 years of Democrat rule should have taught us, it is that their party consistently lacks the will to make the tough decisions. Yet we cannot trust that fiscal conservatives will always run the House of Representatives.

To safeguard our children from a return to the profligate ways of our congressional past, we must enact a budget balancing tool with teeth.

I urge this House to support the Barton amendment that will forbid increases without both parties participating. Vote for the 60-percent rule.

BALANCED BUDGET AMENDMENT

(Mr. MEEHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEEHAN. Mr. Speaker, a few weeks ago, I invited voters from my district to a meeting in Concord, MA. to try their hand at cleaning up the budget mess. Roughly 260 people took me up on the offer. They broke into small groups, and went to work drawing up plans to balance the budget.

With the full range of budget choices laid out before them, the players were asked to make the decisions needed to balance the budget. Only 16 of the 25 groups had produced a plan 1½ hours later. Not one Democrat or Republican managed to balance the budget without raising taxes.

Let us face it, Congress needs a balanced budget amendment to eliminate the deficit. But it is not going to take the rest of the country very long to figure out what the people in Concord, MA, discovered last weekend: That the Contract With America version of the balanced budget amendment is a hoax. If we are serious about balancing the budget, we cannot take anything off the table yet—not even tax increases.

Let us stop trying to fool the American people. Vote for the Stenholm-Schaefer amendment today, and pass a real balanced budget amendment.

PASS A BALANCED BUDGET AMENDMENT

(Mr. BASS asked and was given permission to address the House for 1 minute.)

Mr. BASS. Mr. Speaker, I had planned to address the House today to talk about the fact that I cannot support a bailout of Mexico, that we have got to treat our neighbors to the south in the same way that we would treat our neighbors down the street. But I have been sitting here for the last 25 minutes listening to this discussion about Social Security.

This is the same discussion that we have heard year after year after year, most usually in an election cycle before a general election, when Republicans are accused of trying to cut Social Security. But has it happened? No, it never will, not in recent history, and the fact is that the only time that Social Security has been affected was when the Social Security taxable income was increased from 50 percent to 85 percent, and that was a proposal that was backed by the then majority, the Democrats.

So let us get the record straight here. Let us pass a balanced budget amendment today and send it on to the Senate.

NEW REPUBLICAN LEADERSHIP ON RECORD AGAINST SOCIAL SECURITY

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, there is a very good reason that we on the Democratic side continue to talk about the balanced budget and its implications for Social Security, and there is a very real sense of urgency about that this year as opposed to other years, because this is the first time that we have had the leadership of the House committed to changes and to the replacement of the Social Security system.

This is the article by Speaker GINGRICH where he calls for the replacement of Social Security, and we know others in the Republican leadership that have called that into question.

At the same time, they have refused to protect Social Security in the balanced budget amendment that they want this Congress and this House to vote on today. That is what is wrong with their proposal and that is why they refuse to tell the American people what is in their proposal to balance the budget.

They refuse to talk about the Medicare cuts that they have to make to balance the budget under their proposals, they refuse to talk about the implications for Social Security under their proposal, they refuse to talk about the Medicaid cuts for long-term care for elderly people in this Nation.

That is what is wrong with their proposal. That is why we have to keep reminding this Nation what is at risk, when Republicans who want to cut Social Security, replace Social Security, are in control of the levers of the power in this House.

□ 0930

STOP THE BICKERING

(Mr. CREMEANS asked and was given permission to address the House for 1 minute.)

Mr. CREMEANS. Mr. Speaker, let us stop the bickering.

I urge my colleagues on the other side of the aisle to reflect on what they have done to reform this Government. Have they come out in support of tax limitation and the balanced budget amendment? Have they fought to reform unfunded mandates? Have they embraced the Republican-led changes in the way that Congress has done business, or have they fought the reforms put forth? Have they tried to filibuster, delay, and destroy the Contract With America?

Mr. Speaker, many Democrats have come the floor today and this past week for one reason, to stop needed reform in this Congress. They attack the Republicans on irrelevant issues. They complain about their procedures. They whine when we make necessary cuts.

Mr. Speaker, the time has come to stop this silly bickering. Let us work together to complete this contract with the American people and restore the people's faith in this Congress.

THE BALANCED BUDGET AMENDMENT

(Ms. MCCARTHY asked and was given permission to address the House for 1 minute.)

Ms. MCCARTHY. Mr. Speaker, this week we consider legislation that is the first step in a long process that will lead to a balanced budget. While we all know the litany of numbers surrounding the growth of the national debt, the numbers are so staggering they are worth repeating.

Over the past 12 years, it has tripled in size. We are now saddled with a $5 trillion national debt and yearly interest payments of over $200 billion.

I was elected to put an end to this practice, and for that reason I support the bipartisan, bicameral constitutional amendment offered by the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from Texas [Mr. STENHOLM].

I urge every Member to support it.

After we complete work on the balanced budget amendment, we will then turn to the budget and appropriations process. During consideration of the yearly spending bills, I will work hard to cut wasteful and unnecessary Government spending. There are plenty of programs to target, and I look forward to the debate that will take place during consideration of these bills.

There will be tough choices to be made to reach our goal by 2002. However, as a former State legislator and past president of the National Conference of State Legislatures, there is one thing I will not cut. I will not support balancing the Federal budget on the backs of State and local governments.

INTRODUCTION OF LEGISLATION TO END WASTEFUL PRACTICES IN CONGRESSIONAL OFFICES

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, today, I rise to call attention to yet another example of how Congress wastes taxpayers' hard-earned money.

A week or two ago, every new Member received this letter from the Clerk of the House encouraging us to order our own personalized gold embossed set of the United States Code book, a set of 223 volumes that I have since discovered we can take with us when we leave office.

After doing a little research, I have learned that these books with each Congressman's name nicely engraved in gold on the binder costs taxpayer $2,500 a set. Thus, to provide every new Member of the last two Congresses, they have spent over $500,000; a half a million dollars spent on books that are available in every House office building, in the House counsel's office and, of course, in the Library of Congress across the street.

Mr. Speaker, I invite my colleagues to join me as an original cosponsor of a measure that will end the practice of ordering these books and demonstrate to the American people that we are serious about cutting the deficit and that we are taking a small step in our individual offices to make a difference in the United States of America.

SENIOR CITIZENS, WAKE UP

(Mrs. MEEK of Florida asked and was given permission to address the House for 1 minute.)

Mrs. MEEK of Florida. Mr. Speaker, I am a senior citizen. I am here to say to senior citizens throughout this country, wake up, better smell the coffee. They are getting ready to make some very drastic changes here in this Congress that will affect you. So you have better call them, write them, and talk them to slow this train down.

I realize that a balanced budget is needed to control the runaway spending in this country, but as it is currently drafted, they are going to balance the budget on your backs, senior citizens. You have felt the toil of this country for all of these years. You paid taxes all of these years. Now they are going to cut Medicare, they are going to cut Medicaid, they are going to cut Social Security.

Do not let them fool you. There should be truth in packaging here so you can see the package that is being put together, so you can know what the cuts are.

Do not be fooled by what you are hearing about a balanced budget. Sure, it is good, but it is not what you can see that is going to hurt. Look at the massive cuts in Medicare. They are using the Constitution to change the fiscal policy. Let them do it. That is what they are elected to do, to cut.

Why use the Constitution to do that? Wake up, call them write them, whatever is within your voice, because the budget will be balanced on your back.

THE CREATION

(Mr. HOKE asked and was given permission to address the House for 1 minute.)

Mr. HOKE. In the beginning there was limited government and a sound economy and abundance covered the face of the land.

Then Johnson, leader of the Spendites, looketh into the Treasury and saw there was a surplus, and he was sore afraid. So he called to the high priests of the Spendites, who even then had controlled the Congress for 10 years, and he spake thusly, ''Democrats,'' for that was the Spendites' name, ''We must exhaust the Royal Treasury, for there is a surplus, and I am sore afraid.''

The Spendities heeded the call of lord LBJ and spent as if there was no tomorrow, creating foolish and wasteful Spendite programs that promiseth much but dideth not. And the Government became big and bloated, and the economy weak and burdened, and the children and the grandchildren, and, yea, even the great-grandchildren of the subjects of the Spendites were saddled with great debts. And the people cried out, ''Balenceth the budget.'' But the Spendites were sore afraid, so the people cried our for the Thriftities to lead them out of the wilderness of deficit spending.

LET US HAVE THE TRUTH ABOUT SOCIAL SECURITY

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, today we will vote on some version of the balanced budget amendment. I rise in opposition to it, and I do so because I think that there is still the great unanswered question: Will this balanced budget amendment exclude Social Security? If it does, why not say so?

We have an opportunity today on the floor to support the Gephardt-Bonior amendment which our Republican colleagues could join us in if they in fact wish to exclude Social Security. And if not Social Security, then what?

Disclose. Let us have truth in budgeting. We have an opportunity today to support the Conyers amendment if, indeed, we want to be truthful and honest with the American people.

We have reason to be doubtful about the Republicans' intention about Social Security because of what they say.

My colleagues have pointed out this article written by Speaker GINGRICH which says, ''Replace Social Security

with a stable permanent retirement system.'' There is a picture of a Social Security card being cut by scissors.

Perhaps my colleagues on the Republican side would like to read this, and as recently as last evening, a senior member of the Committee on Ways and Means on this floor said in the debate, ''We cannot ask our children to support a growing number of seniors who live 20 and 30 years past retirement.'' The gentlewoman from Connecticut [Mrs. JOHNSON] said that.

If you do, in fact, wish to exclude Social Security, vote to do so.

THE FIG LEAF THAT WAS GOOD ENOUGH

(Mr. LAHOOD asked and was given permission to address the House for 1 minute.)

(Mr. LAHOOD. Mr. Speaker, I took a special note today to go back to the Cloakroom and find that 412 of our colleagues voted for the resolution offered by the gentleman from Illinois [Mr. FLANAGAN].

Now, given the fact that we do not have 412 Republicans, apparently our Democrat friends, in spite of the fact that they called his resolution a fig leaf, yesterday thought it was a good enough fig leaf to vote for it . But yet today they will come to this floor and try and scare the senior citizens of our country into believing that we want to cut Social Security.

As I said yesterday during debate on the resolution offered by the gentleman from Illinois [Mr. FLANAGAN], I do not know of any politician, Democrat or Republican, who wants to cut Social Security. I have never ever heard one politician ever running for anything from dogcatcher to Congress who ever said they wanted to cut Social Security. We do not want to do it.

Apparently the Democrats do not want to do it, because the majority of you voted for Mr. FLANAGAN'S fig leaf resolution yesterday, because you thought it was good enough to send a message.

Do not try to fool. Do not try and scare. Let us be honest with our senior citizens. Nobody wants to cut Social Security. We do not intend to do it.

THE 100-DAY NIGHTMARE

(Mr. WATT of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATT of North Carolina. Mr. Speaker, the 100-day dream has become a 100-day nightmare. The process by which this balanced budget amendment to the Constitution came to the floor of this House is the classic example.

□ 0940

I serve on the Committee on the Judiciary out of which this balanced budget amendment comes. Two weeks ago on a Wednesday afternoon, with over 20 amendments still unoffered in committee, the committee closed down operation and went home. The Rules Committee, with over 100 amendments still pending, limited amendments on the floor to 6.

To amend the Constitution, if we are lucky in this body, we will get 2 days of debate. This is not democracy, America; this is irresponsibility.

''IT'S THE MAJORITY, STUPID''

(Mr. FORBES asked and was given permission to address the House for 1 minute.)

Mr. FORBES. Mr. Speaker, Members of the House, as we listen to the rhetoric and the misinformation and the scare tactics that are going to be on this floor today, I think it is important to remind people that it was the Democrats who cut Social Security benefits in the 103d Congress by $48 billion, and not one Republican voted for it. And there is no threat in the 104th Congress.

Back in November the majority of the American people spoke loudly and clearly when they elected a Republican majority to this Congress; a majority of the people embraced the provisions in our Contract With America, which includes a balanced budget amendment. A majority of the people demanded that we change Congress, and a majority of the people sent a message that they want a smaller, less costly, more efficient Government. What my colleagues from the other side of the aisle seem to forget is that a majority of the people did not elect the Democrat President 2 years ago. In fact, only 43 percent of the electorate voted for our current President.

I urge the President and the rest of his party to join with the majority of the people in supporting the balanced budget amendment.

The majority has spoken; it is what they want; it is what they deserve.

IN SUPPORT OF THE STENHOLM BALANCED BUDGET AMENDMENT

(Mr. CLEMENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEMENT. Mr. Speaker, I rise in strong support of a constitutional amendment to balance the budget. I have had three opportunities to vote on the balanced budget amendments since I have been a Member of Congress. We failed three times.

I do not think we will have a better opportunity than now to pass one, finally.

I support the Charlie Stenholm balanced budget amendment because it has strength and it is realistic and it is doable.

I also know that Members of Congress, most of us, are well-intentioned; we want to do the right thing; but the fact is every one of us has a laundry list of where we are going to cut costs. The problem is that we all have a different laundry list of where to cut, and therefore nothing is cut.

Every day we spend $816 million interest payments on the debt alone—that is right, $816 million every day. That is money that we could use to control crime, make job training and education available to more Americans and immunize our children.

Interest payments are simply devouring large portions of the Federal budget and preventing the Congress from funding programs that are important to the American people. We know we are accountable for our actions, we know we are not doing the right thing, we know we need some enforcement powers. We need to do it by passing a balanced budget amendment.

THE REAL AGENDA

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, let us talk about what the real agenda is and what the real problem is with sticking the term ''Social Security'' in the constitutional amendment. What you do then is you open a huge lobbyists' loophole in the Constitution, because what would happen is that anybody who wanted to bring some social welfare spending approach to Capitol Hill would simply call it ''Social Security.'' Do you want to have mighnight basketball? Fine, call it ''Social Security.'' Do you want to have the Corporation for Public Broadcasting continue to get money? Call it ''Social Security.'' Do you want to have the NEA to continue to get its funding for pornographic art, just call it ''Social Security.''

Every lobbyist coming to Capitol Hill asking for more spending would simply call it ''Social Security'' and say therefore it is not covered by the balanced budget. That would destroy Social Security.

Do you want the surest formula for destroying Social Security? Just put it in the Constitution in a form that people can use it to destroy the system. That would be the wrong thing to do on this floor today.

BALANCE THE BUDGET AND REDUCE THE FEDERAL DEFICIT

(Mr. HINCHEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HINCHEY. Mr. Speaker, like many of my colleagues, I believe Congress needs to work toward balancing the budget and reducing the Federal deficit.

I believe we must legislate in a more fiscally responsible way that will ensure our Nation will remain financially strong for our children and grandchildren.

Over the next several weeks, we will debate many measures to achieve a balanced budget.

One measure, however, which I will not condone and will not even consider is any effort by this leadership to cut Social Security.

Social Security is a covenant the U.S. Government has made with its citizens, a promise to support working Americans when they are retired and living on fixed incomes.

The working families of the Nation, and of New York, want straight talk, and they deserve to know whether or not Social Security is on the table.

In the only opportunity we had to exempt Social Security in the 104th Congress, every Republican but one voted against an amendment to exempt Social Security during markup of the balanced budget amendment in the Judiciary Committee.

Simply put, we cannot afford to balance the budget on the backs of working Americans who are living on fixed incomes.

These are difficult economic times for the people of New York's southern tier and the Nation. Senior citizens should know for certain that their benefits are not in danger.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SAM JOHNSON of Texas). The Chair would like to remind all Members that there is a limitation of 20 1-minutes. There have been 16 on each side to this point. The Chair will recognize Members in order. The Chair would ask Members to adjust their ranking so that we can get on with the business of the morning. Those who were here first, I presume, will be recognized.

DEMOCRATS, NOT REPUBLICANS, RAISED TAXES ON SOCIAL SECURITY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, all right, let us talk about Social Security. In 1993, the first year your Democrat President was in office, the Democrat Party, without one vote from the Republican side, raised taxes on Social Security.

Then in the same legislation, the Democrat Party voted to put that money, the new proceeds, not in the Social Security trust fund but in the general fund. Why? Probably so your Democrat President could have more money to pass out as largess when he needs one of the bits and pieces of his legislation passed.

For example, your President, when NAFTA comes, he is so offended by $20 presents from lobbyists, teeshirts from school groups, and baseball caps from veterans' organizations; he comes into the House,

If you will want to help pass NAFTA, I will give you a million dollars here. You want to save your helium reserve plant? Let me give you a couple of million. Let me give you a couple of million for your dam back home. We want your vote.

You do not want a balanced budget amendment because you want to protect Social Security; the fact is you do not want a balanced budget amendment because you do not want a balanced budget; not to protect Social Security but protect your largess when you need votes passed, and your President uses it the most.

HIGHER MINIMUM WAGE PRODUCES ADDITIONAL JOBS

(Mr. PAYNE of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAYNE of New Jersey. Mr. Speaker, as a strong supporter of the proposal put forth by President Clinton to increase the minimum wage, I would like to share with my colleagues the findings of a survey in my home State of New Jersey. Despite dire predictions by some of gloom and doom, our New Jersey businesses report that they actually added jobs to their payrolls after the minimum wage was raised in our State.

As Governor Christine Todd Whitman acknowledged in an interview following President Clinton's State of the union Address, New Jersey workers could not make ends meet on the national minimum wage of $4.25. Our State of New Jersey has a $5.05 minimum wage.

Mr. Speaker, I am proud of the fact that our State has led the Nation in providing workers with the decent living wage they deserve.

I support extending the increase in the minimum wage to every worker in our Nation. Let me point out that the value of the current Federal minimum wage, adjusted for inflation, has fallen by about 50 cents an hour since 1991.

□ 0950

It is about 27 percent lower than it was in 1979. Let us make sure that the economic recovery reaches all Americans, and let us support President Clinton's minimum wage increase.

A SPECIAL CHALLENGE TO THE REPRESENTATIVE OF THE SIXTH DISTRICT OF GEORGIA

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, on Tuesday evening the President stood in this Chamber and called on the American people to join him in reforming our Government. More importantly, he issued a challenge to Members of Congress to voluntarily refrain from taking lobbyists' gifts.

I am proud to say that I rise to the President's challenge and will no longer accept gifts from lobbyists. From now on this sign will grace the door of my office, and any Member who signs this pledge sheet will also get a sign to hang on their door.

Mr. Speaker, I issue a special challenge to my colleague from the Sixth District of Georgia to take this pledge and illustrate his commitment to a gift ban by abandoning, and I will have to say it in piglet Latin, his ook-bay ealday.

All of us have accepted one gift or another from lobbyists. However, as the President reminded us, we cannot change our yesterdays, but our todays and tomorrows we can.

SUPPORT THE THREE-FIFTHS AMENDMENT

(Mr. HEINEMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEINEMAN. Mr. Speaker, I rise in support of the balanced budget amendment with its three-fifths supermajority. If we in this Congress are sincere in voting for a meaningful amendment, then we must put a clutch on our ability to raise taxes to pay for our inability to do our jobs.

People across this country are constantly in a process of balancing their personal budgets. The States and municipalities across this country are balancing their budgets. Private enterprise is constantly trying to balance their budgets. I ask, ''Why can't we climb aboard by balancing our budget without whimsically overtaxing the people to do this?''

We should be leaders. We should be the generals who lead the parade, not those who march behind it. Let us get out front and demonstrate that we can make tough decisions to keep our house in order. We do not need to be the parent who constantly raids the children's piggy bank to pay our way.

Support the three-fifths amendment. Vote for the Barton amendment.

THE CONSTITUTION SHOULD NOT ALLOW A MINORITY TO CONTROL THE BUDGET PROCESS

(Mr. OLVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLVER. Mr. Speaker, we need to pass a balanced budget amendment, but amending the Constitution really cannot be taken lightly. Our Constitution has only been amended 17 times in over 200 years since the Bill of Rights. Our Constitution is based on majority rule, and we should not vote to put budget control in the hands of a minority of Members.

In all the instances that are written into the Constitution of a supermajority, all of those are instances are where the legislative branch must approve or must override the action of another coequal branch: The affirmative vote to override a veto by the President, the Executive, the

leader of the executive branch; the rejection vote to impeach a judge, or a President, a person in one of the other branches; the affirmative vote to ratify a treaty; the affirmative vote to ratify an action by the President. The Constitution includes also the allowance for the Chambers to eject a Member that has been voted by the people, the ultimate kind of rejection.

The Constitution should not be amended to allow a minority to control the budget process.

COSIGNING A LOAN TO ONE OF THE MOST CORRUPT REGIMES IN THE WORLD IS WRONG

(Mr. TAYLOR of Mississippi asked and was given permission to address the House for 1 minute.)

Mr. TAYLOR of Mississippi. I hope our Speaker is listening because the American people would like to know when he is going to schedule the vote on the Mexican $40 billion bailout.

I say to the Speaker, ''You want to call it a loan guarantee. Well, if you want to loan one of the most corrupt regimes in the world $40 billion, to cosign a note personally, you're welcome to do so.''

If the President of the United States would like to do so personally, Mr. Speaker, he is also welcome to do so.

However, Mr. Speaker, do not ask the American people to cosign a loan to one of the most corrupt regimes in the world and be held accountable.

A couple of years back, in fact less than 1½ years ago, the now Speaker and President said we have to pass NAFTA or the Mexican economy will fail. Well, I voted against it, but the majority voted for it. They passed NAFTA, and now the Mexican economy has failed. They said we have to pass NAFTA or we will lose jobs in America. Well, unfortunately the majority voted for NAFTA, and we have lost 700 manufacturing jobs in my south Mississippi congressional district alone.

I say, ''Mr. Speaker, you all have been wrong twice. Let's don't be wrong three times. If you're not going to have a vote, then tell the American people you will not schedule a vote. But if you're going to have a vote on this bailout, tell the American people when it's going to be, and let's don't have it in the middle of the night when the television cameras and the reporters are gone.''

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SAM JOHNSON of Texas). Further 1-minutes will be in order after the close of regular business today.

PROPOSING A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

The SPEAKER pro tempore. Pursuant to House Resolution 44 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution, House Joint Resolution 1.

□ 0956

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States, with Mr. WALKER in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, January 25, 1995, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the Joint Resolution is considered as read, is not subject to amendment while pending, and is debatable for 1 hour, equally divided and controlled by the gentleman from Texas [Mr. BARTON] and an opponent.

No further amendment shall be in order except those designated in section 3 of House Resolution 44. Each further amendment may be offered only by the named proponent or a designee, may be considered notwithstanding the adoption of a previous amendment in the nature of a substitute, is considered read, is not subject to amendment, and is debatable for 1 hour, equally divided and controlled by the proponent and an opponent of the amendment.

If more than one amendment is adopted, only the one receiving the greater number of affirmative votes shall be considered as finally adopted.

In the case of a tie for the greater number of affirmative votes, only the last amendment to receive that number of affirmative votes shall be considered as finally adopted, except that if the amendment in the nature of a substitute recommended by the Committee on the Judiciary is one of the amendments receiving the greater number of votes, then it shall be the amendment considered as finally adopted.

The Clerk will designate the committee amendment in the nature of a substitute printed in the joint resolution.

The text of the committee amendment in the nature of a substitute is as follows:

H.J. RES. 1

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

''ARTICLE—

''SECTION 1. Prior to each fiscal year, Congress shall, by law, adopt a statement of receipts and outlays for such fiscal year in which total outlays are not greater than total receipts. Congress may, by law, amend that statement provided revised outlays are not greater than revised receipts. Congress may provide in that statement for a specific excess of outlays over receipts by a vote directed solely to that subject in which three-fifths of the whole number of each House agree to such excess. Congress and the President shall ensure that actual outlays do not exceed the outlays set forth in such statement.

''SECTION 2. No bill to increase tax revenue shall become law unless approved by a three-fifths majority of the whole number of each House of Congress.

''SECTION 3. Prior to each fiscal year, the President shall transmit to Congress a proposed statement of receipts and outlays for such fiscal year consistent with the provisions of this Article.

''SECTION 4. Congress may waive the provisions of this Article for any fiscal year in which a declaration of war is in effect. The provisions of this Article may be waived for any fiscal year in which the United States faces an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

''SECTION 5. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal.

''SECTION 6. The amount of the debt of the United States held by the public as of the date this Article takes effect shall become a permanent limit on such debt and there shall be no increase in such amount unless three-fifths of the whole number of each House of Congress shall have passed a bill approving such increase and such bill has become law.

''SECTION 7. All votes taken by the House of Representatives or the Senate under this Article shall be rollcall votes.

''SECTION 8. Congress shall enforce and implement this Article by appropriate legislation.

''SECTION 9. This Article shall take effect of the fiscal year 2002 or for the second fiscal year beginning after its ratification, whichever is later.''.

The CHAIRMAN. Pursuant to the rule, the amendment is not subject to amendment while pending.

The gentleman from Texas [Mr. BARTON] will be recognized for 30 minutes and a Member opposed will be recognized for 30 minutes.

The chair recognizes the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I ask unanimous consent that 15 of the 30 minutes that I control be allotted to the gentleman from Fort Worth, TX, Mr. PETE GEREN, for such use as he may see fit.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Chairman, each time I approach this podium with regard to this subject, I say the words ''This is a historic debate,'' and it truly is a historic debate because we are about making a major change in the

way this House does business, and to the extent that the gentleman from Texas [Mr. BARTON] and the gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary, have led the way on this, to me they are true American heroes in the historic sense because it is very clear to me that in looking at the history of tax-and-spend policy and balancing the budget, or our failure to do so, it is a direct result of the fact that it is easier to increase taxes than it is to cut spending, and that is what this amendment is about, providing an opportunity for the American people to expect us to vote by more than a simple majority to increase taxes in order to balance the budget.

In 1981, Mr. Chairman, there was a major effort to balance the budget, and we increased taxes. In 1983 there was a major effort to balance the budget, and the House increased taxes. In 1990 there was a major effort to balance the budget, and the House increased taxes. In 1993 there was a major effort to balance the budget, and again the House increased taxes.

Today we are facing in this fiscal year a $180 billion deficit, and it is expected to grow.

Our expectations of what this House will do to solve this problem cannot ignore history because every time we have gotten serious about it, we have increased taxes, reached into the pockets of American taxpayers, and said, ''Give us more.'' And each time, we have spent more. We still have a deficit after all these tax increases.

So the amendment offered by the gentleman from Texas [Mr. BARTON] would simply put in place a new rule that would require us to pass future taxes by a three-fifths' vote, and I commend the gentleman for his amendment.

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Chairman, I rise in opposition to the Barton amendment because it is a prescription for delay rather than action, for ambiguity rather than specificity, for abdication to the courts rather than responsibility that lies here in this Chamber. It could turn economic recessions into depressions, it fails to define very important terms, and it creates a minority reign over our fiscal and economic policy.

First and foremost, it refuses to allow us to look under its hood the way any family would if it were buying a car before making a decision. There are no numbers, no projections, no nothing. One Republican Member yesterday, in a moment of unexpected candor, analogized the secret budget-cutting plan to the San Francisco 49ers football team, saying that they could not make their game plan public. Well, to continue the analogy, I guess the American people would be the San Diego Chargers, or, in other words, their adversary to whom this secret budget cannot be disclosed. In the name of responsibility, none of us should support a budget amendment with a secret plan.

Second, this amendment is an attack on Social Security as sure as we are in this Chamber. Currently, Social Security is off budget. This amendment, in one of its rare instances of clarity, says clearly that Social Security outlays and receipts are on budget, and if they are on budget, they are up for grabs when the budget balancing occurs. If you buy the hortatory resolution passed by the Republicans, then you are going to be in for a big surprise if you think that Social Security is not on the table. This amendment refuses to put an ironclad protection into the text of the amendment that we on this side of the aisle are insisting upon.

Then, with unfunded mandates being considered already on the floor, the constitutional amendment to balance the budget is the mother of all unfunded mandates. We are going to get unfunded mandates coming down by the dozens, and it will pass the responsibilities but not the resources to the States. Republicans will not put that protection in the amendment as well.

So the other side has all the tools needed to balance the budget now. They are now the majority. They need not wait 7 years and two Presidential elections to balance the budget. What tool or what power is missing today? In the words of former Governor Weicker, this amendment is like a quarterback on a football field in the middle of a huddle, going into the stands and then yelling, ''OK, team, score a touchdown.''

Let us not wait for the Constitution to do it for us years down the road. Let us do it for ourselves.

We are still left with a troubling lack of definitions on outlays and receipts, on standing, and on what role the courts would play. Here we are bringing in the judiciary, and they have no institutions whatsoever on how they would indeed balance an unbalanced budget.

So the Republicans now are clearly scared of the big buckle, the buckle in the Congress, the buckle among several States, the buckle that could occur among the American people.

Mr. Chairman, let us put those numbers on the table. Let us get on with the real business of deficit reduction, like the $500 billion already achieved by Congress in the previous 2 years and the new administration, because we can make a difference by not supporting what I think is a very flawed plan for the great document called the Constitution that controls the laws of this country.

Mr. Chairman, I ask the Members, please do not support this amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas, Mr. PETE GEREN, who controls 15 minutes.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, yesterday as we began this debate on the balanced budget amendment, we heard a lot of discussion about alternatives, including the possibility of a capital budget amendment, the idea being that, ''Well, American families borrow money, don't they? And they get to sign mortgages, don't they? Why couldn't we here in Washington continue to borrow money and sign mortgages like American families do, and then have a balanced budget built around that concept?''

There is only one problem with that theory. That theory is based upon the notion that American families do that, so why not have the Government do that? The difference is that when American families sign a mortgage, when they buy a home or when they buy a car and sign on the dotted line on that mortgage agreement, they agree to pay the debt back. Here in Washington, when we mortgage the future, when we accumulate debt year after year after year and pile it on, there is no agreement ever to pay it back. All we ever do is pay the interest on the loan. I ask you, ''Wouldn't you love to be a family that could borrow at will from the bank and never be required to do anything more than pay the interest?'' Who in America gets that right except the Federal Government? Who in America gets away with that kind of financing except the Federal Government?

It just does not work that way. We cannot continue to pile up debt and think we can only pay the interest when the interest is eating up the money we need to spend on decent and good American policies for our own people and expect that this debt is not one day going to cripple us. No American family can do it, not under any capital budget plan that anybody has suggested to this Congress in this debate.

It is for that reason that I hope Members will join with us and support the Barton-Hyde-Geren-Tauzin constitutional amendment that does three very important things: It says, first, ''That we have to balance the budget, and we have to get about it now and do it soon''; second, it says, ''Do it without taxing us anymore unless you do it with a supermajority. Don't tax us anymore, please, because we can't take it''; and, finally it says, ''Quit borrowing. Quit borrowing money on the backs of our children, end this deficit financing, and get us back into a position where we are doing the honest thing, spending only the money we were sent up here to spend.''

Mr. CONYERS. Mr. Chairman, I am delighted to yield 4 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE], a member of the Committee on the Judiciary.

□ 1010

Ms. JACKSON-LEE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, at the conclusion of the Constitutional Convention, Benjamin Franklin was asked, ''What have you wrought?'' And he answered simply, ''A Republic, if you can keep it.''

Those words sometimes fall in a deafening sound on our ears, trying to understand if Ben Franklin was talking about Republican and Democratic politics. Simply, Ben Franklin was offering the fact that we are a Republic, a representative body, a body that should be representative of all of the people of the United States of America.

Sitting on the Judiciary, Committee Mr. Chairman, that was the approach which I took to be able to offer to the American people a realistic statement on where we wanted to go in balancing the budget, strongly debating the issue of amending the Constitution of the United States, having been amended only some 27 times in our history; offering the thoughts of constituents across this Nation, not to blind side America, but to have a real debate in the Judiciary Committee. Recognizing that we had established a trust with the American people, veterans benefits for the likes of the gentleman in the gallery who had thrown himself on a grenade in World War II, vested in this Nation, we talked about veterans benefits.

We talked about military preparedness, because Democrats want national security, and we asked the majority party, what would happen in a time of crisis when the military, your boys and girls, had to be prepared? Why not join us in a bipartisan way and exempt that so that this Nation can be prepared for the needs of national security?

Time after time we were voted down. And then we come to Social Security, and I have heard one of my colleagues suggest, oh, we are protected by the vote that was offered yesterday.

I come from a constituency that is filled with hard-working senior citizens who are now retired and hard-working men and women who simply say, ''Hold on to my Social Security.'' SHEILA JACKSON-LEE is not going to vote against any measure that may help our senior citizens. I voted for that yesterday, with great fear and trepidation in my heart. For any time in the next week or year or two some small sentence will say they have repealed that resolution. There is no depth there. But I am trying to help my constituents. There is no guarantee to say that because you voted for that, then you have to be assured or can be assured, if you will, that Social Security is protected. It is not to the depth I would like. Not for the hard-working citizens that I see every day, rolling up their sleeves, getting on Metro buses in the city of Houston, working hard, long hours.

But Ben Franklin said, ''What have we wrought.'' And he answered, ''A Republic, if you can keep it.''

And I think we need to, in a bipartisan way, keep a Republic that reflects on the needs of Americans, reflects on the needs of women and children, reflects on the needs of States who are not recognizing, like the State of Texas, that it will lose billions of dollars for working men and women, middle class men and women, senior citizens, who have invested their time and their life in working for this country.

I wave the Constitution because it is a sacred document. I do not come here in a lack of spirit of cooperativeness. I would have wanted the Judiciary Committee meeting to have gone on. But I think that we must look at the Constitution and try to keep it. We must do a balanced budget amendment that answers the concerns of the American people.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, during my first 2 years in Congress as a freshman, I had the opportunity to serve as the coordinator for the balanced budget amendment effort. During the last Congress, unfortunately, our efforts to pass any balanced budget amendment were defeated.

On this historic day, however, the question before us is not whether or not we will pass a balanced budget amendment. The question is which of two balanced budget amendments will be adopted. I personally favor a balanced budget amendment that places some limit on Congress' ability to raise taxes. However, quite frankly, I can and will and intend to support any reasonable measure that finally brings fiscal order to this body.

On the first day of this session of Congress, Republicans kept their promise. We required Congress to live under the same laws we impose for everyone else. We cut committee staffs. We opened meetings to the public. We banned proxy voting. We required an audit of this Congress. We eliminated some of the wrongs of former Congresses. And we also required by rule of the House of Representatives a three-fifths vote to increase taxes.

Now, as we move to the most important item in the Contract With America, I urge my colleagues to first adopt a balanced budget amendment, and, second, to adopt it with a three-fifths limit on raising taxes.

Now, as we amend this great charter, let us hope that in the year 2002, people look back and they say on this day we did the right thing.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I would urge that this proposition be defeated, because I think it ought to do what it pretends to do. But the fact is it does not.

The American people are being told that this is an amendment that would require by constitutional edict that the budget be balanced. That is absolutely not so. I defy anyone to show me the language that requires that. All this proposal does is to say that 7 years from now, when Congress passes an unbalanced budget, they simply have to have 60 percent of the people on this floor to agree to the deal, rather than 50 percent. That is all it says.

I would suggest to you all that does is raise the price of getting the deal. I have never yet seen a Member of Congress agree to vote for a budget because something got taken out that costs money. I have seen an awful lot of Members with their hands out saying to committee chairs or saying to Presidents, ''Give me, Give me, Give me. Put this in, I will vote for it.'' ''Put this road in, I will vote for it.'' That is why I think this, as presently drawn, will cost the taxpayers money.

Second, we ought not to make Mr. Alan Greenspan President of the United States. The Federal Reserve has enough power already. Yet what this proposal says is that the Congress could not do one blessed thing to save one American job in the midst of the most serious recession that we could probably have. There is no flexibility for the Government to do anything except get on its knees and beg the Federal Reserve to loosen up on credit.

I thought that FDR a long time ago taught us how stupid that idea is.

Third, if we are going to pass an amendment, it ought to protect Social Security. I defy you to show me the language that requires that Social Security be protected. Oh, yes, there is hortatory language in the fig leaf proposition that was passed yesterday which says ''Oh, the committee ought to see to it that it is protected.'' But there is nothing that guarantees that they will be so. And as we all know, we have heard the Republican leadership of this House on national television say, ''Well, we are not going to touch Social Security for the first 4 or 5 years.'' Why should we allow people to have a sneak attack on Social Security down the line?

Lastly, they ought to have to tell us where this baby is actually going to cut, and they will not do that. They are only going to show you after you vote for it.

I think the American public has a right to know which programs are going to be cut, by how much, and if they are not given the right to know, I think every Member of this House has a duty to demand the right to know. Get real. Get about cutting spending. This is a ''play'' act.

□ 1020

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Texas [Mr. LAUGHLIN].

Mr. LAUGHLIN. Mr. Chairman, I rise in strong support of the Barton-Tauzin balanced budget amendment. There are some who say this is just a Republican proposal. I would point out that there are Democrats in this House that for

the entire 6 years I have been a Member have been strong leaders, leaders like the gentleman from Texas [Mr. STENHOLM], the gentleman from Louisiana [Mr. TAUZIN], and others of us who have signed discharge petitions to bring the balanced budget amendment to the House floor.

Our constituents demand that we operate the Federal Government much as they have to operate their family budgets and our city councils and our State governments and our county governments must do so. Consider that today we are spending $816 million a day on gross interest payments. Consider that that is eight times higher than our Federal expenditures on education. Consider that those interest payments are 50 times higher than our expenditures on job training and 55 times more than we are spending on Head Start and 140 times more money than we are spending on childhood immunizations.

So we are living on credit. And so as I listen to my constituents, I hear them saying, ''we are paying enough taxes. Impose restrictions so that you who go to the Congress in Washington, DC, will use the money that we have given you already.''

Mr. CONYERS. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. WATT], a member of the Committee on the Judiciary.

Mr. WATT of North Carolina. Mr. Chairman, the amendment before the House at this time would require a three-fifths majority to raise taxes. I want to spend a minute or two talking about democracy, not taxes, not balanced budget amendments, but democracy, about due process, about equal protection of the law, about majority rule.

Every time we put a provision in our Constitution that goes away from a simple majority, what I want to submit to my colleagues and to the American people is that we are doing something that is undemocratic.

There is diversity in this body. Four hundred and thirty-five Members of this body come from all parts of this country: different colors, different genders, different perspectives, different regions, personalities, and we reflect the diversity of this great Nation.

Any time we upset that 50 percent plus one majority rule proposition, we take away the power or we give extra power to some other part of this Nation and some other view in this Nation.

So I am here today to talk about majority rule and the importance of standing up for majority rule. This is not about a balanced budget amendment. It is about my ability to have the same right and the same responsibility as my colleagues in this body.

This is counter democratic. It is counter equal protection. It is counter majority rule. And I encourage my colleagues to get real and defend the constitution rather than amend the constitution to give us their notion of what fiscal policy ought to be.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. TATE], one of the distinguished members of our freshman class, who is a named sponsor of the amendment.

Mr. TATE. Mr. Chairman, I rise today to strongly encourage my colleagues to support the tax limitation balanced budget amendment. I urge support for this amendment because it is the only one requiring a three-fifths vote to raise taxes, to borrow money, or to increase the deficit.

The tax limitation balanced budget amendment is essential. For too many years this Congress has funded its bloated Federal programs on the backs of our children. There has rarely been a Federal program that Congress has not liked—Washington, DC, has continually and relentlessly spent the money of American families, and seemingly with no regret. It is time we make the nasty addiction of taxation a lot harder to satisfy. Currently, the deficit is over $4.5 trillion—over $13,000 for every man, woman, and child in the United States. Mr. Chairman, your grandchildren will be paying our debt. This dangerous accumulation of debt must be brought to an end. Congress has become a fat-cat. It is time we put this one on an Ultra Slim-Fast diet. By making it harder for Congress to take the working people's money, we will force, not ask, Congress to spend taxpayers' money responsibly. Every single American lives on a budget, why shouldn't the Federal Government? Forty-nine States operate under a balanced budget, why shouldn't the Federal Government? The answer is—it should.

This amendment is bold. It will be criticized. But it is needed. November 8 said something, Mr. Chairman. This freshman class made a collective commitment to come here and make a difference. I made a commitment—a commitment to cut the size of the Government—and let taxpayers keep more of what they earn.

Americans work hard for their money, and we need to make it hard for the Government to take more of it. This amendment is what the people have asked for.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BENTSEN].

(Mr. BENTSEN asked and was given permission to revise and extended his remarks.)

Mr. BENTSEN. Mr. Chairman, I want to thank the gentleman from Michigan for yielding time to me.

My colleagues, again, I have to come down here and oppose this amendment and oppose the Barton amendment. I have to tell my colleagues, I am not going to discuss it from a constitutional perspective because I am not a lawyer.

I, like some of my new colleagues from the other side, came from the private sector. I am a banker. This is a new business to me to be involved in.

When I look at the arguments that are before us, I think we see a little transparency. Speaker after speaker who has come down for this amendment has come down to talk about how the States balance their budgets. The cities balance their budgets. The Federal Government should do the same.

But I would offer for the RECORD something from the National Association of State Budget Officers, which shows the percentages of State budgets that come from the Federal budget. So, again, as I said yesterday, I do not think we are being honest with the American people when we are talking about this issue. We are not being honest about what the procedure is in this amendment.

This will not take us to a balanced budget.

ENOUGH STATE SUPPORT TO WIN ITS RATIFICATION

MONEY FROM THE FEDERAL GOVERNMENT

The percentage of each state's budget that came from the Federal Government in direct aid in the 1992 fiscal year, the latest for which figures are available.

	Percent
Alabama	58
Alaska	17
Arizona	29
Arkansas	28
California	33
Colorado	26
Connecticut	16
Delaware	15
Florida	20
Georgia	28
Hawaii	15
Idaho	31
Illinois	21
Indiana	31
Iowa	21
Kansas	26
Kentucky	26
Louisiana	33
Maine	30
Maryland	20
Massachusetts	21
Michigan	27
Minnesota	20
Mississippi	39
Missouri	27
Montana	28
Nebraska	23
Nevada	N.A.
New Hampshire	34
New Jersey	19
New Mexico	N.A.
New York	27
North Carolina	26
North Dakota	32
Ohio	23
Oklahoma	26
Oregon	16
Pennsylvania	26
Rhode Island	26
South Carolina	31
South Dakota	38
Tennessee	36
Texas	26
Utah	23
Vermont	31
Virginia	17
Washington	20
West Virginia	32
Wisconsin	20
Wyoming	21

Source: National Association of State Budget Officers.

In the abstract, all's fine. But what about higher state taxes and lesser services? Vermont and West Virginia are among a handful

of states where the amendment does not seem to stand a chance. In West Virginia, for instance, the strong opposition of United States Senator Robert C. Byrd means that the matter will probably never come to a vote. In Vermont, Gov. Howard Dean, a Democrat, has taken the lead in warning officeholders in other states that a balanced-budget amendment might mean that the Federal Government would simply foist obligations onto the states.

In New York, the Legislature's lower house, the Assembly, will probably reject the amendment if it ever reaches a vote there. Sheldon Silver, the Democratic Speaker, said he was ''concerned that in times of recession, when deficit spending is used to stimulate the economy, that particular method would be lost to us.''

In most of the other large states, including California, Pennsylvania and Illinois, which, like New York, have full-time legislatures with highly trained professional staffs, the leading politicians are withholding judgment on the amendment until they figure out the degree to which it would require them to raise their own states' taxes or lower their own spending.

In interviews, many officials agreed with Robert C. Jubelirer, the President pro tem of the Pennsylvania Senate. ''These guys aren't going to ratify a balanced-budget amendment,'' Mr. Jubelirer, a Republican, said of his colleagues, ''and then be told you have to raise taxes in Pennsylvania. If we're told that is not the case, I think ratification is do-able.''

Officials in Connecticut took a similar stance. In New Jersey, Gov. Christine Todd Whitman, a Republican, strongly supports the amendment in principle, her spokeswoman said, and would like to lead the charge for it.

The issue of a constitutional amendment requiring a balanced Federal budget has been before the states in one form or another for years. Twenty-nine legislatures have voted for a measure calling for a constitutional convention to deal with the matter. But most of those states acted before 1980, and the legislatures of three states—Alabama, Florida and Louisiana—subsequently voted to rescind their votes on the convention.

Many state officials say they want any constitutional amendment to include a provision prohibiting the Federal Government from passing on new obligations to the states without money to cover them. A measure limiting, although not outlawing, what are called unfunded mandates is now pending in Congress and will almost certainly become law. But chances are remote that such a provision would be written into a constitutional amendment.

Once Congress approves a constitutional amendment, there is no limit on how long the states have to ratify it. But the prevailing view among proponents and opponents of the balanced-budget measure is that if 38 legislatures do not adopt it in the first year or two, it will never be added to the Constitution.

''The political momentum slides across the country when time drags,'' said George D. Caruolo, leader of the Democratic majority in the Rhode Island Senate. ''People become more interested in parochial concerns, and the whole thing becomes more complicated.''

Parochial concerns are, indeed, the chief enemy of the balanced-budget amendment. ''When it comes to that vote,'' said David Harris, the Republican Secretary of Finance and Administration in New Mexico, the first question legislators will ask will be, ''What does it do to us?

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia [Mr. DEAL].

(Mr. DEAL of Georgia asked and was given permission to revise and extend his remarks.)

Mr. DEAL of Georgia. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to rise in support of the Barton-Geren-Tauzin constitutional amendment. Unfortunately, for the last few days we have heard a lot of partisan rhetoric about a balanced budget. I would like to remind my good friends on the Republican side of the aisle that no constitutional amendment will be passed without the assistance and the hard work of Members like the gentleman from Texas [Mr. PETE GEREN], the gentleman from Louisiana [Mr. TAUZIN], and especially the gentleman from Texas [Mr. STENHOLM], who have labored long and hard in the trenches, in fact, for more than 30 days.

□ 1030

It is with our bipartisan support that an amendment, which I think will pass today, will come about. Mr. Chairman, if a balanced budget amendment occurs, there will then be hard decisions that will have to be made to implement it in this body.

I would remind Members that last year we had the opportunity to vote on trying to just slow down the largest-growing part of our budget, that of entitlements, to slow them down to the growth of inflation plus 1 percent on top of that. I would remind Members that 80 percent of the votes that came for that proposal came from the Democratic side of the aisle.

Therefore, let us put aside partisan politics and get on with it. Let us ask the question: Will these two proposals, the one we are talking about now and the one that will follow, really make any difference?

Since 1977 there have been 15 tax increases approved by Congress. Had we had the Barton-Tauzin-Geren amendment in place, 9 of those 15 would have been blocked.

BACKGROUND

Since 1977, Congress has passed 15 bills increasing taxes:

Four received more than 60 percent votes in the House and Senate in each vote and would not have been affected by either Barton-Geren or Schaefer-Stenholm.

Two were passed by voice vote once but received more than 60 percent vote in every other vote in the House and the Senate.

Two bills received less than 60 percent vote, but more than a constitutional majority, in at least one vote in the House or Senate.

Seven bills received less than a constitutional majority in at least one vote in the House or Senate.

CONCLUSION

Using recent history as a guide, both Barton-Geren and Schaefer-Stenholm will be effective in blocking tax increases. The tax limitation in Barton-Geren would have been only marginally more effective in blocking tax increases than Schaefer-Stenholm since 1978.

If a three-fifths supermajority requirement for tax increases had been in the Constitution since 1977, 9 of 15 tax bills would have been blocked.

Seven bills raising taxes by a total of $558.9 failed to receive a constitutional majority and would not have passed if the tax limitation provision in Schaefer-Stenholm had been in effect.

TAX BILLS THAT WOULD HAVE FAILED IF HOUSE JOINT RESOLUTION 28, SCHAEFER-STENHOLM AMENDMENT, HAD BEEN IN EFFECT

1. 1977—SOCIAL SECURITY TAX

Summary

Increased Social Security payroll tax rates and the taxable wage base for both employers and employees.

Size of tax increase

$80.4 billion

Votes failing to receive constitutional majority

The Senate initially passed the bill by a vote of 42–25 on November 4, 1977.

The House passed the conference report by a vote of 189–163.

2. 1982—TAX EQUITY AND FISCAL RESPONSIBILITY ACT

Summary

Made a variety of tax changes, including repealing or curtailing several tax breaks and other tax changes to increase revenues by $99 billion and cut welfare, Medicare and Medicaid spending by $17 billion.

Size of tax increase

$99 billion

Votes failing to receive constitutional majority

Senate initially passed the bill by a vote of 50–47 on July 22, 1982.

3. 1982—TRANSPORTATION ASSISTANCE ACT OF 1982

Summary

Authorized $71.3 billion for highway construction over 1983 to 1986 and increased gasoline taxes.

Size of tax increase

$22 billion

Votes failing to receive constitutional majority

The House adopted the conference report by a vote of 180–87 on December 21, 1982. (R 73–46, D 107–41.)

4. 1987—OMNIBUS BUDGET RECONCILIATION ACT

Summary

Made a variety tax changes to increase revenues by $11.9 billion, made several spending cuts in entitlement programs and raised several user fees.

Size of tax increase

$11.9 billion.

Votes failing to receive constitutional majority

The House initially passed the bill by a vote of 206–205. (R 1–164, D 209–40.)

5. 1992—H.R. 4210 TAX FAIRNESS AND ECONOMIC GROWTH ACT

Summary

Permanently increased top tax rate and imposed a surtax on incomes above $250,000 in addition to other tax increases to offset a two-year temporary middle class tax cuts, expanded IRAs and other tax breaks.

Size of tax increase

$77.5 billion.

Votes failing to receive Constitutional Majority

The House passed the conference report by a vote of 211–189 on March 20, 1992 (R 1–149, D 209–40.

6. 1992—H.R. 11, URBAN AID TAX BILL

Summary

Created enterprise zones, changed passive loss rules and made other changes in the tax code. Increased taxes on securities firms, owners of real estate, increased estimated taxes for individuals and corporations, capped the business deduction for moving expenses and other tax increases.

Size of tax increase

$27 billion.

Votes failing to receive Constitutional Majority

The House adopted the conference report by a vote of 208–202 on October 6, 1992. (R 39–122, D 169–79).

7. 1993—OMNIBUS BUDGET RECONCILIATION

Summary

Increased taxes through an increase in the top tax rate, an increase in the gas tax, taxes on Social Security benefits and other tax changes, made changes in entitlement programs and placed caps on discretionary spending.

Size of tax increase

$241 billion.

Votes failing to receive Constitutional Majority

The Senate initially passed the bill by a vote of 50–49 on June 25, 1993.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the Barton substitute for several reasons. First of all, I will be offering one later in the day that does two things: It takes Social Security off budget, and it says that the Federal Government may be involved in capital budgeting for physical infrastructure.

What that means is that we build for growth in our balanced budget amendment, and we permit those things that help add to an economy, the roads, the bridges, the airports, the water, the sewer systems, the buildings. Those things that are necessary for growth can be accounted for and reflected and encouraged, not discouraged.

Mr. Chairman, I also want to talk for just a second about the provision of the Barton amendment that does trouble me. That is the supermajority. Yes, it is a great bumper sticker, three-fifths vote to raise taxes, 60 percent vote instead of a 50-percent vote; 60 percent, a supermajority, instead of a regular majority.

Where does this stop, Mr. Chairman? Should we have a 60-percent majority, for instance, to change Social Security? Perhaps so. Should there be a 60-percent majority required before a program can be cut, whether it is welfare or defense or something along those lines? Should there be a 60-percent majority for just about anything that we feel is important?

I guess what is most concerning to me, Mr. Chairman, on this is that where does the 60-percent majority stop and what are the priorities? I get concerned when somebody tells me they want a 60-percent majority in the Constitution to take money from a mother and father. Laudable, yes.

However, I am equally concerned, or more concerned, when I know that the toughest vote I will ever cast is whether or not to go to war, and yet it is only a 50-percent majority to take the son or daughter from the mother or father to send them to war.

Certainly, Mr. Chairman, majority rule is what has governed this country. Majority rule is what should continue. For those reasons, I oppose the Barton substitute.

The CHAIRMAN. The Chair would announce that the gentleman from Texas [Mr. BARTON] has 9 minutes remaining, the gentleman from Texas [Mr. PETE GEREN] has 9¾ minutes remaining, and the gentleman from Michigan [Mr. CONYERS] has 12 minutes remaining.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Kentucky [Mr. BUNNING].

(Mr. BUNNING of Kentucky asked and was given permission to revise and extend his remarks.)

Mr. BUNNING of Kentucky. Mr. Chairman, I thank the gentleman for yield time to me.

Mr. Chairman, I rise in strong support of the Barton substitute.

Mr. Chairman, I rise today in strong support of the balanced budget amendment. It is a step that Congress should have taken before now. The American people are depending on us to take the necessary action to put our financial house in order.

Almost exactly 1 year ago I signed a discharge petition to force the Democratic leadership to allow us to vote on a balanced budget amendment that had been locked away. What a difference an election makes.

I want to thank my good friend, the gentleman from Illinois, Mr. HENRY HYDE the Chairman of the Judiciary Committee, for making sure that we will get to vote on the balanced budget amendment in a timely manner as the people have indicated that they want.

This is a measure that I have supported since the day I arrived in Washington as a freshman Member of this great body. It is a measure that the American people have overwhelmingly called on us to pass. And now, the time has come for us to pass this amendment.

Every year we pass a budget that is not balanced and every year we put our children and grandchildren further in debt. No more.

Cutting the spending and establishing priorities about how we spend the people's money are ideas whose time have come. In fact, they are past due.

Why do we need a balanced budget amendment to do that? We need it because it has become crystal clear that the Congress is not capable of making the cuts to balance the budget without the discipline of a balanced budget amendment.

Opponents of the balanced budget amendment have resorted to the same old tired arguments that we can make the tough choices without the amendment. Well, we have not made those choices in over a quarter of a century.

Some of the enemies of the amendment have even resorted to trying to scare our senior citizens into believing that a balanced budget amendment would cut Social Security.

That simply is not true. As chairman of the Social Security Subcommittee, I would not support any measure which would jeopardize the safety and soundness of the Social Security trust fund and the longstanding contract that we have with our senior citizens.

That contract was made long before the Contract With America was ever conceived. We must and we will honor it.

The balanced budget amendment is the best insurance that I know for protecting the long-term solvency of the Social Security trust fund. Budget deficits and the need to borrow and pay interest on that borrowing are the real threats to Social Security.

I suspect that the reason that the spendaholics have taken these low-road attacks on the balanced budget amendment is because they are afraid that their pet pork programs will be found lacking merit when we sit down to decide what we need and what we can live without.

What a shame that some would stoop so low as to try to frighten elderly Americans to protect programs that are likely to be found unworthy of our support when deciding how to spend the people's money.

We all know that the Social Security trust fund operates in the black. It should not even be a part of this debate. The real issue is whether we will live up to our responsibilities or not.

Anyone who does not have the guts to live up to the responsibilities needs to find a new line of work. And they need to stop trying to scare senior citizens.

We must reject the business-as-usual approach by the naysayers who have run us into debt over the last quarter century. We have tried it their way and we have huge debts, yearly deficits and interest payments on the debt that eat up 18 percent of each year's budget.

It has been a long time coming; but, the time has finally come. I ask my colleagues to let us make this change that will turn our wagon away from the valley of debt and head back toward the economic high ground.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. CANADY], a subcommittee chairman of the Committee on the Judiciary.

(Mr. CANADY of Florida asked and was given permission to revise and extend his remarks.)

Mr. CANADY of Florida. Mr. Chairman, I rise in strong support of the Barton amendment.

Mr. Chairman, I am pleased to rise in support of the Barton balanced budget amendment to the U.S. Constitution.

The enactment of a balanced budget amendment is a top priority of the American people and it is very fitting that this amendment is among the first matters to be taken up by the House during the 104th Congress.

The balanced budget amendment is a top priority for the American people because they are frustrated and dismayed by the inability of Congress to do business in a responsible manner and to balance the Federal budget. The American people are rightly fearful that our children will pay dearly in the future for our imprudence and lack of discipline today.

We have all heard the statistics concerning the national debt. But those statistics bear repeating. During the past decade the national debt has tripled. The Federal Government now owes a staggering $4.7 trillion. Interest alone on the debt is over $200 billion annually. We now spend more on interest than we do on many major functions of the Federal Government.

The massive and mounting Federal debt threatens to severely damage our economy and to undermine the soundness of all governmental programs and activities.

Congress has engaged in extended efforts to control Government spending and to reduce and eliminate the Federal deficit. Those legislative efforts have been—by any reasonable standard—a total failure.

Placing limitations on debt is a time-honored tradition in the Congress. Unfortunately, it has also been a time-honored tradition regularly to increase the statutory ceiling on the Federal debt. Indeed, since 1960 Congress has on 64 separate occasions acted to raise the limit on the debt.

The Gramm-Rudman Act of 1985 established steadily declining deficit targets supposedly culminating in a balanced budget for 1991. But Congress has continually revised this law, circumventing its goals and indefinitely postponing the illusive balanced budget.

In the past 10 years, Congress has passed five balanced-budget statutes. But we are no closer to balancing our budget. With its insatiable appetite, Congress continues to spend money—borrowing and taxing more and more.

The history points up a basic institutional failure on the part of both the legislative and the executive branches of the Federal Government—and a failure that has involved Members of both political parties. And this history points unavoidably to the conclusion that we must take a fundamentally different approach to the budget process.

In short, we must provide for external discipline to rein in the deficit. Adoption of the balanced budget amendment will impose—by constitutional mandate—the requisite discipline on Congress.

The Barton amendment would discourage the Congress from deficit spending, increasing taxes, and raising the limit on the national debt. It would force Members of Congress to make tough necessary and long-avoided legislative choices about how to spend the hard-earned dollars of American taxpayers.

The three-fifths vote required to raise taxes is a vital part of the amendment. It discourages Congress from relying on tax increases rather than spending cuts to balance the budget—and forces Congress to limit the growth of the Federal Government.

We should only amend our Constitution when there is no other means to deal with an urgent need. A constitutional amendment should be adopted only as a last resort.

But I would submit to this House that we are faced with an urgent need to balance the budget, and with a long, disgraceful history of failed legislative attempts to force a balanced budget. We must move beyond these failed legislative approaches. We must reject the scare tactics of those who oppose a balanced budget. We must amend the Constitution to require a balanced budget.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. ISTOOK], one of our more thoughtful Members on the subject of constitutional issues.

Mr. ISTOOK. Mr. Chairman, as we move to balance the budget, pressure to raise taxes will intensify. Even with taxes as high as they are, we currently raise only about $3 in taxes for every $4 we spend.

Faced with equalizing taxes and spending, big spending groups will lobby us with more fervor than ever before, trying to scare folks into believing that taxes must go up rather than have spending come down.

Mr. Chairman, Congress is not known for resisting such pressure. We need a safeguard to make it tougher to raise taxes than to cut spending. We need a two-thirds supermajority of 60 percent on proposals to raise taxes.

Mr. Chairman, in Oklahoma, continuous tax increases prompted the people to pass a restriction. Oklahoma now requires that to raise taxes there must be a 75-percent supermargin in the legislature or a statewide vote approving it. It worked. Taxes in Oklahoma have stopped going up.

Mr. Chairman, we need similar protection for the American people. The 60 percent requirement is tame. It is reasonable. We need it. We need the Barton amendment.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to our distinguished colleague, the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Chairman, I rise today in opposition, of course, to the amendment of my friend, the gentleman from Texas [Mr. BARTON]. I have had the occasion to express my concern on the House floor on past occasions on the balanced budget amendment.

I have always, Mr. Chairman, and I say with pride, voted to defend the Constitution of the United States as it presently exists, as opposed to the suggestions that we solve our fiscal problems in this country, and we solve our lack of intestinal fortitude in this Congress, by changing permanently the one instrument that 5 billion people in this world envy the most, the Constitution of the United States.

At this point in the history of the United States, more than 10,000 amendments have been offered to the Constitution of the United States in more than 208 years. Of those 10,000, only 27 have been enacted.

Mr. Chairman, it is clear to me that as a result of the change of the structure of the House and the makeup of the House today on both the majority side and the minority side, that there will likely be a two-thirds majority of this House for some form of a balanced budget amendment to the Constitution.

Mr. Chairman, I fear the destruction of the Constitution, and I think that, as we learned from Prohibition in the 1920's, we may realize that what we think is a good solution and a fast solution to inject intestinal fortitude into this Congress and into this Government, that we may instead wreck havoc on the Constitution.

I think particularly the amendment offered by the gentleman from Texas [Mr. BARTON] requiring a three-fifths majority to either raise taxes or to run a deficit is particularly egregious. It indicates the lengths to which we are going to put into place an amendment to our sacred Constitution. The Barton amendment is an irresponsible proposal that must be rejected. I urge my colleagues to vote against this proposal.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. ROB ANDREWS], one of the real leaders for fiscal responsibility.

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I rise in support of the Barton amendment.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CONDIT].

(Mr. CONDIT asked and was given permission to revise and extend his remarks.)

Mr. CONDIT. Mr. Chairman, I rise in strong support of the balanced budget amendment.

As we all know, the greatest and gravest problem confronting our Nation is our skyrocketing budget deficit and national debt. In the last 14 years, the national debt has quintupled. Interest on this debt is now one of the largest portions of the Federal budget. If we do not take decisive action we will condemn our children and grandchildren to pay for our excesses. For the sake of future generations, we must correct this situation and passing the balanced budget amendment will do just that.

I do not take the step of supporting a balanced budget amendment to our sacred Constitution lightly. I would prefer that we not have to take this step. But the fact of the matter is that we have adopted, time and again, statutory measures to balance the budget and they have all failed because Congress has failed to live up to the letter of the law.

After careful consideration and analysis, I am convinced that a balanced budget amendment is the only way that we can instill the discipline needed to balance the budget. With a constitutional amendment, there can be no escape from fiscal accountability.

This morning, the American people have heard a lot of horror stories and gloom and doom scenarios about what will happen under a balanced budget amendment. The real truth, however, is that these scare tactics are not an argument against a balanced budget amendment—they are instead an argument against a balanced budget. So if you are opposed to what we are trying to do here today—fine. But, I wish that the opponents of a balanced budget amendment would quit trying to scare the American people with these gloom and doom scenarios.

When we vote this morning, I will support the three-fifths tax limitation. Should the three-fifths fails to receive the requisite number of votes for passage—and I think it will—I will then support the Stenholm version. I will oppose the other substitutes, which I believe are nothing more than an attempt to water-down and diminish the full effectiveness of a clean balanced budget amendment.

□ 1040

Mr. Chairman, I would be remiss if I did not close and say that the gentleman from Texas [Mr. PETE GEREN] and the gentleman from Louisiana [Mr. TAUZIN] have worked very hard on this issue and we would not be standing here today debating this issue had it not been for all the work the gentleman from Texas [Mr. STENHOLM] has done. He is the unquestioned leader in this Congress on the balanced budget amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. SCHAEFER], another of the outstanding leaders in the balanced budget effort, who is also, as manager, the leader of the congressional Republican baseball team.

(Mr. SCHAEFER asked and was given permission to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Chairman, this morning I rise in strong support of the contract version of the balanced budget amendment and that three-fifths vote requirement for tax increases.

The Federal budget can and should be balanced through spending cuts and not through tax increases. That was the message of the voters last fall: Cut spending first. That preference for spending cuts even if only effective after the year 2002 should be embodied in the U.S. Constitution.

I thank very much my friend from Texas [Mr. BARTON] for his leadership on this particular issue. We have worked long and hard on this. I encourage each and every one of my colleagues to support the Barton substitute.

My colleagues, let us do this for our children and for our grandchildren. Vote for the Barton amendment.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. HARMAN].

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Chairman, I come to the issues involved in a balanced budget amendment cautiously, mindful that many who support strong deficit reduction, as I do, still oppose amending the Constitution. Like so many other issues we deal with, the considerations are not black or white but, in the words of Bill Joel, ''shades of gray.''

On balance, I vote yes because I believe the tough choices to reduce our $5 trillion debt will not be made without the constitutional requirement to balance receipts and outlays. So I will support the Stenholm-Schaefer amendment as I did in the last Congress. But I will also support for the first time the Barton-Tauzin-Geren amendment to raise the threshold for raising taxes to a supermajority of 60 percent.

Constitutional amendments are different from laws or House rules for reasons carefully cited in this debate. But having watched Congress' frequent inability to rein in spending and to face tough choices, I feel that to be effective the amendment must put maximum pressure on us to reduce spending first and that is what raising the tax threshold will do.

A related and critical issue is the treatment of Social Security in any budget balancing process. Valid issues about fairness and viability of our Social Security system need to be addressed at a future time, but the Social Security trust fund which is funded by a 15-percent annual flat tax on America's workers must be protected. I support the Wise amendment because it takes Social Security off-budget and support House Concurrent Resolution 17.

Let me add two final thoughts. First, by taking clear action today the House is standing up to its responsibility to start the debate. No doubt what we finally do will be further amplified in the Senate, in conference, and in our statehouses. Everyone must participate in the national debate on the best form of the balanced budget amendment, and the blueprint to achieve a balanced budget.

Second, deficit reduction cannot wait on ratification of a balanced budget amendment. I will continue to support responsible bipartisan measures to cut spending now—in the interest of my constituents, our children, and our future.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the distinguished majority whip, the gentleman from Texas [Mr. DELAY], a strong supporter of tax limitation.

Mr. DELAY. Mr. Chairman, I want to congratulate the gentleman from Texas for all the hard work that he has put into this amendment and I hope that Members on that side of the aisle will recognize that this is the constitutional amendment that really has teeth in it. We try to play these games back and forth about the Constitution and what kind of balanced budget it should be.

This amendment is the real amendment. Congress, for instance, passed a law requiring a balanced budget in 1981, 1985, 1987, and in 1990, and we never get there.

The most important part of this is that the Government is too big, it spends too much, and it is too intrusive in our lives. We have to make it very difficult for anyone in this Congress to raise more money from the American people. Right now they pay over 53 percent of their income, which goes to the cost of government. It ought to be very hard to raise any more taxes. We ought to look at spending first and cutting that spending.

Ladies and gentlemen, I urge you to vote for the Barton amendment.

Mr. Chairman, I rise in support of the amendment offered by my good friend from Texas, Mr. BARTON.

The Barton amendment would require Congress to balance the Federal budget by the year 2002. It would require a three-fifths vote of Congress to run a budget deficit, and a three-fifths vote to increase the public debt. Most importantly, it would require a three-fifths vote to raise taxes.

Since 1930, the Federal budget has been balanced only eight times. The last time the budget was balanced was 1969—26 years ago. During the 8 years in which the budget was balanced, Federal spending averaged 16.2 percent of gross domestic product [GDP] and revenues averaged 17.5 percent.

According to the Congressional Budget Office, spending will be 21.7 percent of GDP this year and revenues will be 19.2 percent.This means Federal spending is 34 percent higher today than it was on average during the 8 years in which the budget was in balance. Revenue is 10 percent higher today than it was on average during those 8 years.

Clearly, the problem is not that taxes are too low, the problem is spending is too high.

Let me briefly review the dismal record of past efforts to increase taxes in order to reduce the deficit. In 1982, Congress increased taxes by $98 billion; in 1984, Congress increased taxes by $49 billion; in 1987, Congress increased taxes by $28 billion; in 1989, Congress increased taxes by $14.2 billion; in 1990, Congress increased taxes by $164 billion; and finally, in 1993, Congress increased taxes by $241 billion. Despite a decade of tax increases, the deficit is still projected to exceed $200 billion a year for the rest of this century.

Raising taxes to solve our deficit problem hasn't worked in the past, and there's absolutely no reason to think it would work any better in the future. Indeed a study by the Joint Economic Committee shows that since the end of World War II, Congress has increased spending by $1.59 for every dollar of additional taxes.

The Democratic leadership insists that a constitutional amendment to require a balanced budget is a copout. They claim that Congress already has the power it needs to balance the budget. This may be true, but it should be abundantly clear by now that in the absence of a constitutional amendment Congress will never make the tough choices. Congress has not only failed to balance the budget in 26 years, it has systematically passed and then ignored four separate laws requiring it to balance the budget.

In 1978, Congress passed a law requiring a balanced budget by 1981. In 1985, Congress passed a law requiring a balanced budget by 1991. In 1987, Congress passed a law to require a balanced budget by 1993. In 1990, Congress passed a law to balance the budget by 1995. None of these laws have produced the intended result.

Unlike the failed statutory efforts of the past, a constitutional amendment will force Congress to set budget priorities and make the tough decisions. Congress will finally have to choose between the special interests and the national interest.

I urge my colleagues to support the Barton amendment.

BALANCED BUDGET LAWS

Law	Goal	Result
Public Law 95–435 October 10, 1978	1981 $0	1981 −$79 billion
Public Law 99–177 December 12, 1985	1991 $0	1991 −$269 billion
Public Law 100–119 September 29, 1987	1993 $0	1993 −$255 billion
Public Law 101–508 November 5, 1990 [1]	1995 +$31 billion	1995 (est.) −$176 billion

[1] While the 1990 law excludes Social Security from its deficit calculations, on a unified budget basis, meeting the original −$83 billion deficit target would have resulted in a +$31 billion surplus in 1995.

Mr. CONYERS. Mr. Chairman, I yield myself 2 minutes.

Ladies and gentlemen, may I review with you the impact of the balanced budget amendment and the Contract With America on Social Security recipients.

The cuts in the Old-Age and Survivors and Disability Insurance under the balanced budget amendment would have a total cut of $73.2 billion. The average cut in each of the congressional districts would be $168 million. The average cut per each recipient would be $1,556.

When you add in the cuts in Old-Age and Survivors and Disability Insurance under the Contract With America, the total spending cuts in Social Security would then jump to $100.3 billion with an average cut per congressional district of $229 million and an average cut per recipient of $2,130. I refer you to the Economic Policy Institute figures on this subject.

I think that is too much. I protest that a constitutional amendment would do this to the seniors in America. I am totally at a loss to give anyone any explanations of how they would give an explanation to their constituents about a matter of this magnitude.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. HAYES].

Mr. HAYES. Mr. Chairman, I agree with those who say it should not be necessary to amend the Constitution and it should not be. If the Founders had ever thought that we would so disregard public service as to spend more than we got, they would have put it in there in the first place. We owe them an obligation to use their flexibility of the amendment process to change it, for surely from their graves they would wish they could change us.

Second, I am going to vote for both the Barton amendment and the Stenholm amendment because the difference is that one requires a supermajority in raising taxes. I can support that. Nine States already do and they are still able to have their taxpayers believe they would like to cut spending.

But the message of both of those votes is to cut spending first. That is an easy message to deliver. My only admonition to my friends on both sides of the aisle is, make sure you pass one of the two out of here. That is still the continuing obligation that you have on public service.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from New Hampshire [Mr. BASS], another outstanding Member of the freshman class.

(Mr. BASS asked and was given permission to revise and extend his remarks.)

Mr. BASS. Mr. Chairman, I rise in support of the Barton amendment.

Mr. Chairman, I rise in support of the balanced budget amendment with the three-fifths tax limitation. And I do so as a freshman Member of this body. I have only been here for 3 weeks and I don't know all the tricks of the trade and what all the Washington insiders say and think. But I do know what the people of New Hampshire say and think.

They say they want a balanced budget, not more debt for their kids.

They say they want smaller Government, not more Federal mandates in their lives.

They say they want less Federal spending to balance this budget, not more taxes for them to pay.

That is what the November election was about and that is what this amendment is about. The three-fifths limitation not only ensures a balanced budget, but helps ensure that it is done through a shrinking of Government and not a growth in taxes. That is what the people want and that is what this amendment delivers.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. CRANE], who year in and year out gains the most outstanding ranking as the most conservative Member of Congress.

Mr. CRANE. Mr. Chairman, I thank the gentleman for yielding me the time.

I salute his efforts in trying to get a balanced budget amendment finally passed in this Congress that imposes some discipline with regard to the question of escalating taxes.

I came here in 1969. The last time we had a balanced budget was that year. In the years since, we cut taxes once, very significantly, in 1981. Ironically, it produced almost a doubling of revenues in the course of the ensuing decade, but the spending has been out of control, and I hear a lot of good rhetoric on how we have got to discipline ourselves on spending. But we must remember that when you do not have some discipline from the standpoint of imposing restrictions on constantly raising taxes, we could be confronted with what we went through in 1993 with passage of the biggest tax increase in the history of civilization, and it still was not addressing that question of spending.

We are being overtaxed currently. We have got to get it under control. The supermajority requirement is a perfect way of approaching it. I urge my colleagues to support Barton.

□ 1050

Mr. CONYERS. Mr. Chairman, I am delighted to yield 2 minutes to the distinguished gentleman from New York [Mr. JOSÉ SERRANO] a member of the Committee on the Judiciary.

Mr. SERRANO. Mr. Chairman, this whole issue of the balanced budget amendment and the three-fifths super majority is one that if you really analyze it can confuse you a lot.

First of all, we all come here with an equal vote and now we are being told in order to accomplish something legislatively we have to get a special super majority.

How is it going to end? Any time we find an issue we do not have the courage to deal with ourselves we are going put forth a super majority so that everybody can deal with it that way and then throw it off to someone else?

The other issue that seems to create a problem here is that we cannot still get the truth from the other side, from the proponents of this bill, what it is they intend to do once they balance the budget the way they want to balance the budget.

This whole issue of Social Security that some people think we are trying to scare some folks here, this is a honest issue. This is a truthful issue.

Why will people not tell us what is going to happen to Social Security and Medicare once this constitutional amendment takes effect?

When I was much younger the airline industry went out to try to get new customers and they said ''fly now; pay later.'' What I am being told to do now is vote now and find out later. If we vote now we are going to find out later that we are going to be in deep trouble on the real contract, besides the Constitution, which is the only contract we have with America. The real contract was with senior citizens about their Social Security and their Medicare and now we are going to sell them this approach: We will balance the budget hopefully someday, and then next year and the year after we will tell you how we hurt you.

I think that is not right and that is not fair. We do not need a balanced budget amendment. We need to balance the budget and I am for that. We do not need a three-fifths super majority. We need to respect each individual vote in this House. We should not be afraid to exercise our right here. We should not support this amendment.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute and 15 seconds to the distinguished gentleman from Mississippi [Mr. PARKER].

Mr. PARKER. Mr. Chairman, when I first came to this body in 1989, I was not in favor of a balanced budget amendment. Since that time, I have reached the conclusion that the only way that the U.S. Congress will exercise true fiscal responsibility is through a balanced budget mechanism that forces us to reduce spending and set new budget priorities.

For 6 years, I have listened to the opponents of a balanced budget amendment say that we should exercise our current constitutional responsibility, and achieve deficit reduction through

the regular authorization and appropriation process. And yet, we don't do it.

I have listened for the last few weeks, and today, as the opponents say that we should tell the American people where the cuts are going to be made before we pass a balanced budget amendment. If you support a balanced budget, if you support deficit reduction, that argument is irrelevant. No one is disputing the fact that this amendment will require painful cuts.

But, that is what the American people are demanding. True, many people may not be aware what a balanced budget will mean in terms of cuts in programs. But, the people want reduced Government spending and an end to deficit spending. It is time for us to give the people what they want.

The Barton-Geren amendment is the most fiscally conservative proposal before us—which is why I support it.

I urge you to show courage, and do what the people demand.

I believe that today we will finally pass a balanced budget amendment. Once we do, and we have to begin to make the tough cuts in spending that it will require, there will be a tendency by the Congress to avoid the painful choices we will have to make. Only the Barton amendment makes it more difficult to resort to tax increases to avoid the pain of spending cuts. We need such a mechanism.

The only way to really reduce the size of the Federal budget is to reduce spending. The only way to justify politically unpopular but necessary cuts is with an amendment that makes it more difficult to turn to the option of more taxation. The only way to avoid future budgets like we got in 1992, is to pass the Barton-Geren balanced budget amendment.

Mr. CONYERS. Mr. Chairman, I yield myself 2 minutes.

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Chairman, I would like to review the important factor of judicial review under the proposed amendment. As currently drafted, the Barton substitute is totally silent on the issue of judicial review, creating what could be a serious legal quagmire.

One potential uncertainty concerns the applicability of the political question doctrine, which is designed to restrain the judiciary from inappropriate interference in the business of other branches of the Federal Government. We will not have to worry with that doctrine anymore because we are inviting the judiciary to come into the legislative business of Government, and we are not even giving any direction as we amend the Constitution of the United States to create this exception.

Many scholars have indicated that the political question doctrine is unlikely to limit judicial intervention in the present case.

An additional area of confusion relates to judicial limitations concerning standing. While a taxpayer may not be able to show sufficient injury to have standing to bring suit in Federal court that would allow him to challenge congressional failure to comply with the balanced budget amendment, standing may be far more compelling if sought by a Member of Congress or an entire House of Congress or an entitled recipient who has been denied benefits as a result of the questionable impoundment of funds. This is certain to be a thicket of confusion and tangled litigations and appeals.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary. I wish it could be more.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I just want to say to my friend from Michigan, the first amendment is silent on judicial review. All of the amendments are silent on judicial review. The courts will review or not. They have been doing it since 1791, and unfortunately or fortunately we have limited control over them.

As to my friend from North Carolina, the Constitution provides many interesting examples of supermajorities. One of the most interesting is the 25th amendment where the President and his advisers, his Cabinet, have a dispute over whether he is able to continue serving as President, and that dispute can finally be resolved by a two-thirds vote of Congress.

We have overriding vetoes, we have treaty ratifications, and so on.

The 14th amendment is very interesting. That requires a two-thirds vote to rehabilitate, to remove disqualifications from someone who had engaged in rebellion.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. BARTON], a cosponsor of the amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield that 1 minute to the distinguished gentleman from Illinois, Mr. DENNY HASTERT, our chief deputy whip.

Mr. HASTERT. Mr. Chairman, today, the American people will see who wants to do their business and who wants to give them the business.

Today, we vote on the balanced budget amendment. Since any amendment requires two-thirds of the final vote, the fate of the balanced budget amendment lies in the hands of our friends on the other side of the aisle.

I urge my colleagues on the other side of the aisle to join with Republicans and those who are supporting this to pass a tax-limitation balanced budget amendment.

The reasons to vote for the Barton substitute are clear.

The American people want their Government to be fiscally responsible. They want us to balance the budget in order to lower our debt and make our children's futures brighter.

But they want us to cut spending first, not raise taxes even higher. The Barton substitute makes it more difficult for the Government to balance the budget on the backs of middle-class taxpayers by requiring a three-fifths vote on tax increases.

□ 1100

Mr. Chairman, I urge my colleagues to pass the Barton substitute. It is the best alternative for the middle-class taxpayer.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I first want to stand and commend my colleague and fellow Texan for the yeoman's work he has done in promoting his proposal to amend the Constitution to require a balanced budget. JOE has worked tirelessly for an ideal he believes in passionately, not only this year but for most of his career here in the House of Representatives.

I also want to say, as I have before, that I know JOE is sincere about his desire to move us toward a balanced budget. I have seen JOE cast the hard votes which both opponents and supporters of a constitutional amendment say must occur if we are ever to reduce our deficit. For example, last July, when I offered my entitlement cap proposal on the floor, which CBO scored as saving approximately $150 billion over 5 years, JOE was one of the 37 Members, 9 Republicans, who got onto my good-guy list by supporting this amendment. I know that whatever the ultimate conclusion of this debate may be, we can count on JOE to be there in the future for the hard votes.

I do want to take this opportunity to clarify one issue which has become somewhat confused in the rhetoric over the past few weeks. It is true that JOE's amendment has a stronger restriction against raising revenues, the three-fifths vote requirements, but to say that Schaefer-Stenholm is absent on tax restraint is simply wrong.

After years of wrestling with various formulations, in June 1992 the principal sponsors of the leading Senate and House versions came together and arrived at the bipartisan, bicameral consensus version of the BBA embodied in Senate Joint Resolution 41/House Joint Resolution 103 of the 103d Congress. As my colleagues know, this language is now embodied in H.J. Res. 28, as well as the Schaefer-Stenholm amendment to be considered today or tomorrow. This is the strongest version—indeed, the only version—with a realistic possibility of obtaining two-thirds majorities in both bodies.

H.J. Res. 28 is not a simple balanced budget amendment; it does contain a meaningful tax limitation. If this balanced budget amendment had been in effect since 1977, 7 of the 15 tax increases which were approved would not have been possible, at least in the form in which they passed. Interestingly enough, the three-fifths supermajority requirement for tax increases would have blocked only two additional tax increases.

Therefore, recent history indicates that some of the hysteria about the differences between these leading constitutional proposals is

not founded in fact. Although the debate on tax limitation has made it appear that Barton-Geren and Schaefer-Stenholm are dramatically different, the practical effects would have been very similar.

I also want to point out that a balanced budget requirement itself would promote tax limitation. As long as the power to deficit spend remains unrestrained, the deficit will be used as an excuse to raise taxes. A civic-minded public will be at least somewhat susceptible to this appeal for ''shared sacrifice,'' while the higher taxes actually pay for more spending. In contrast, once a balanced budget becomes the norm, the public will see the clear, $1-for-$1 relationship between higher taxes and bigger Government and reject those taxes. Therefore, even if it did not contain explicit tax limitation language, the amendment would operate to limit tax increases.

It also should be noted that a balanced budget requirement itself would promote spending restraint. Currently, Federal spending escalates because the special interest political rewards for spending outweigh the generalized public interest in spending restraint. Without a balanced budget amendment, there is no clear procedural or political barrier to ever-spiraling spending—because it is the unlimited ability to borrow that creates the unlimited ability to spend without immediate consequence. In contrast, the amendment would perfect the democratic process, by visibly reconnecting the demand for new spending with its true costs to taxpayers and the economy.

Finally, I would like to emphasize that the experience of the States proves how requiring a balanced budget also promotes restraint in taxing and spending. In 1992, the CATO Institute noted that 49 State governments have balanced budget requirements and found that:

> From 1940 to 1990, State and local spending climbed from 12 to 14 percent of national income [while] Federal spending climbed from 13 to 28 percent. * * * It is inconceivable that Federal spending would have skyrocketed as it has if Congress had had to raise taxes every year to pay for its spending, as the States do. (National Review, June 8, 1992.)

Clearly, the most effective amendment is the one that passes. The bipartisan bicameral language offers the best opportunity to effect a change that is good for the country. Votes in 1986, 1990, 1992, and 1994 and the whip counts that many folks have conducted this year demonstrate that, in both bodies of Congress, support for the bipartisan, bicameral balanced budget amendment is plus or minus the necessary two-thirds majority by a hairsbreadth

This is a situation that must not be wasted. Vote for the constitutional amendment in which you most sincerely believe. But if you believe in a balanced budget amendment, do not squander this rare opportunity.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. SCOTT], a member of the Committee on the Judiciary.

Mr. SCOTT. Mr. Chairman, I rise today to state my opposition to the Barton amendment.

Mr. Chairman, if you actually read the bill rather than read the title, you will find that the amendment does not require a balanced budget. It only requires a three-fifths vote to pass an unbalanced budget. It requires nothing before the year 2002.

So since there is no plan and since the sponsors propose no plan to get to a balanced budget, we can assume, based on the testimony, that unless you are going to cut Social Security, you are not going to have a balanced budget.

If we use our past experience to guide us, we can find that Congress is unwilling to make the tough, necessary cuts to bring the deficit down, but we have been very willing to add pork to a budget to get the extra votes needed to pass it.

Mr. Chairman, if we actually look at that history, we will see that the three-fifths vote may make it more difficult to pass an unbalanced budget, but it is also going to make it more difficult to pass a budget with a lower deficit, so either you are faced with no budget at all or a budget with a higher deficit.

Therefore, Mr. Chairman, this should be called the pork protection plan rather than the balanced budget amendment. Simply put, it will allow a minority of Members in either the House or the Senate to hold out for the spending projects in their district.

The way you reduce the deficit, Mr. Chairman, is the tough decisions. Making the tough decisions ought to require only a majority of the vote, because we have seen no evidence that we can get a majority of the Members to step up to the plate to make those spending cuts.

Mr. Chairman, if the Barton amendment passes, we will find we will need a three-fifths vote to pass a budget only, and the only way to do that is to pork it up to make sure we can get the requisite votes.

Mr. Chairman, I would hope that the Barton amendment would fail.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from New York [Mr. BOEHLERT].

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. PETE GEREN of Texas. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. The gentleman has 3¼ minutes remaining.

Mr. PETE GEREN of Texas. Mr. Chairman, we would not be here today if it were not for the tireless efforts of the gentleman from Texas [Mr. STENHOLM] and the gentleman from Texas [Mr. BARTON], and I think it is so important that we recognize their tireless efforts over the last decade to bring us where we are on the verge of this victory. The taxpayers of America, future generations, and this Congress owe the gentleman from Texas [Mr. STENHOLM] and the gentleman from Texas [Mr. BARTON] a thank you for their hard work.

Mr. Chairman, if you listen to the opponents of this amendment, you would think that this is going to bring about the end of Western civilization. They talk about these cuts; they talk about the disaster that would come if all we do is only spend what we take in.

Mr. Chairman, right now, if we do not do anything, our Government will increase in spending, between now and 2002, 50 percent. Mr. Chairman, all we need to do to balance the budget is limit that increase to 30 percent, not increase by 50 percent, limit. Let me repeat that point: Right now, if we do not change anything, spending in this Government will increase by 50 percent between now and the year 2002. To bring our budget into balance, all we need to do is limit that increase to 30 percent rather than 50 percent.

I raise that point to those who talk about the draconian side effects of living within our means. Mr. Chairman, people say that this is not fair.

Spending somebody else's money, spending other generations' money year after year, decade after decade, Mr. Chairman, that is not fair.

Let me quote Thomas Jefferson on this point:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts and morally bound to pay them ourselves.

Mr. Chairman, I believe strongly that we are morally bound to pay them ourselves, and that is why our balanced budget amendment is so critical.

Why three-fifths? Many people ask that. You can look over the last 15 years of the experience of our Government. In the best of times and in the worst of times, Government grew. In spite of all the rhetoric about what happened in the 1980's, Government grew. Government grew by almost 50 percent.

Mr. Chairman, in our legislative process, there is a bias toward growing Government. The power of the bureaucracy to influence legislation, the power of the bureaucracy to frame issues gives them influence in the legislative process that needs to be checked, that needs to be offset. That is why we need this three-fifths limitation.

Mr. Chairman, I urge our colleagues to support this important initiative, this historic initiative. It is fair. It is reasonable. And it is most importantly a practical response to a real-world problem that we can use this year to document last year, to document in every year but 2 years in the last half of the century to document. This institution is not going to live within its means unless we do this.

It is a fact. Anybody who says they want us to do without it, I applaud that, but it is not going to happen.

The CHAIRMAN. All time of the gentleman from Texas [Mr. BARTON] has expired.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BERMAN], a member of the Committee on the Judiciary.

(Mr. BERMAN asked and was given permission to revise and extend his remarks.)

Mr. BERMAN. Mr. Chairman, I rise to express my strenuous opposition to the balanced budget amendment.

This debate is about far more than the critical task of balancing the Federal budget. The amendment strikes me as a dangerous and insidious means of fundamentally altering articles 1, 2, and 3 of the Constitution, upsetting the separation and balance of powers that has served this Nation so well for two centuries.

Has our confidence in our ability to make the tough choices ebbed so dramatically that we would cast away for all time the carefully wrought balance among the three branches of Government?

At a time when U.S. constitutional law experts have fanned out around the globe, advising brand-new democracies on how to write their constitutions, it is a bitter irony that we find ourselves on the verge of forsaking the very model so many seek to emulate.

Many of my colleagues who support this amendment have done so out of reluctance to saddle future generations with the burden of our national debt.

I concur. But I am equally loathe to consign our children to relive the terrible constitutional crises of our past:

A Supreme Court nullifying acts of Congress designed to pull the United States out of the Depression and to ease the pain of our fellow citizens; and

The Congress and the President locked in combat over the President's efforts to impound appropriated funds.

And unless the amendment before us is merely hortatory, a suggestion I am certain its proponents would roundly deny, our children face the prospect of an unelected judiciary plunging into the adjudication of patently political questions they have strenuously and wisely sought to avoid for over 200 years. I fear that we face the unprecedented prospect of the courts ordering cuts in fundamental Federal programs in order to effect compliance with the amendment.

Even for those who believe that achieving a zero budget deficit is the paramount objective of our times, I would contend that this provision does not belong in our Constitution.

For the entirety of U.S. history, our Constitution and the very small number of amendments we have adopted thereto have served two key functions: allocating power within our democracy, and protecting fundamental individual rights.

The amendment under consideration today has a strikingly different purpose: enshrining a particular fiscal policy in the Constitution. I would submit that article 1 already provides ample authority to the Congress to hew to that fiscal policy. But it dishonors our sacred Constitution to clutter it with a particular view of budgeting and economics that has not stood the test of time.

In fact, economists on both sides of the political spectrum have raised serious concerns about forcing the Federal Government to always adopt a balanced budget. Herb Stein, a senior fellow at the American Enterprise Institute and an adviser to Presidents Nixon, Ford, and Reagan, objects to a balanced budget because it would result in ''needless confusion, evasion, and litigation'' and ultimately would be very ''unfair.''

The balanced budget amendment has been mischaracterized as a way to protect the American people's pocketbook. The Contract With America heralds it as ''keeping Congress from passing the bill on to you, the American people.'' Who do you think will foot the bill if not the American people?

No matter how you disguise it the American people will end up footing the bill. It's just a question of which Americans. Aside from Defense, which the Republicans have vowed not to increase, more than 80 percent of Federal spending consists of payments to individuals. Wealthy individuals and corporations get their Government benefits from tax subsidies.

A three-fifths vote requirement for tax increases serves to enshrine a principal of protecting the rich and burdening the poor. Although the middle class will end up bearing the brunt of any effort to balance the budget, the mix of tax increases to payment cuts will determine whether it is the rich or the poor who must make the greatest sacrifices.

However, even conservative economists who are not concerned about this equity issue and who believe that draconian spending cuts are necessary, recognize that a balanced budget amendment is simply bad fiscal policy. They know that a constitutional amendment would risk making recessions more frequent and deep.

In years of slow growth or recession revenues rise more slowly while costs for programs such as unemployment insurance increases more rapidly. Consequently the deficit will be larger during recessions and smaller during expansions. Under the fiscal straitjacket of a balanced budget amendment greater deficit reduction would be required during a recession while less deficit reduction would be required during an expansion. This is precisely the opposite of what most economist feel should be done to stabilize the economy and avert recessions.

Also, the balanced budget amendment is bad fiscal policy because, unlike most State balanced budget amendments, the amendment before you today fails to distinguish between operating budgets and long-term investments. Businesses and homeowners know the difference between borrowing to consume and borrowing to invest. It is ludicrous to enshrine a fiscal policy that forces the Federal Government to be shortsighted and that makes long-term investments more difficult.

Finally, the balanced budget amendment is premised on a faulty notion that all debt is bad. Government bonds represent wealth to their holders—in large part the American public. When the Government spends more than it takes in, it adds to their wealth. This does not mean that the Government should always run a big deficit, but rather that our Government should choose carefully whether a deficit is wise at any particular time. As a government that makes fiscal policy we must be free to decide whether achieving a balanced budget is really in the best national interest of the United States.

Mr. Chairman, I urge all my colleagues to protect the Constitution, support sound fiscal management, and get down to the business of making the hard choices we were elected to make. I urge my colleagues to oppose the balanced budget amendment.

Mr. CONYERS. Mr. Chairman, I yield the balance of my time, 1 minute, to the gentlewoman from California [Ms. LOFGREN], a member of the Committee on the Judiciary.

Ms. LOFGREN. Mr. Chairman, I urge that we step back from this amendment today and take the time that is necessary to analyze what this amendment would do to our Constitution.

You know, as a member of the board of supervisors in Santa Clara County, I am mindful we spent more time analyzing the impact of a use permit for a golf course than this body has spent analyzing the impact of this amendment.

Whether you are for or against the amendment, our people sent us here to make sure that we avoid the law of unintended consequences, and I do not think we can honestly say that we understand the unintended consequences of this amendment today.

What is an outlay under the amendment? Is it a Federal loan program? Would it include guaranteed loans? Would it include working capital for the Federal Deposit Insurance Corporation? Does it include the Postal Service? Does it include the Federal Reserve and Fannie Mae? We do not know. What about tax compliance? Does it include a bill that raises taxes for some and not for others?

I urge that we take our time and do the job people sent us here for.

The CHAIRMAN. All time has expired for the minority.

The gentleman from Texas [Mr. BARTON] is recognized for 4 minutes to close the debate.

□ 1110

Mr. BARTON of Texas. I thank the distinguished chairman. Let me say what a pleasure it is to have the gentleman from Pennsylvania [Mr. WALKER] presiding over this historic debate.

The CHAIRMAN. The Chair thanks the gentleman from Texas.

(Mr. BARTON of Texas was asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Chairman, let me thank the distinguished chairman of the Committee on the Judiciary, the gentleman from Illinois [Mr. HYDE] for his leadership in this effort.

Mr. Chairman, I would also like to thank the new Republican majority leadership for their support. Special thanks to LAMAR SMITH, the task force leader on this item in the Contract With America, for his excellent work to get the three-fifths' vote in the contract.

I would like to thank the gentleman from Texas [Mr. STENHOLM], the gentleman from Texas [Mr. GEREN], the gentleman from Colorado [Mr. SCHAEFER], the gentleman from California [Mr. CONDIT,] and the gentleman from Louisiana [Mr. TAUZIN], and all the other strong Members who, in a bipartisan way, have been pushing for a balanced budget amendment to the Constitution.

We have won the debate that there needs to be an amendment. The question is what kind of an amendment?

Opponents have spoken on this floor, talked about the mechanics. They have talked about issues that are not the principal issue. The principal issue is how are we going to amend the Constitution? How are we going to get spending under control?

It is not whether the Committee on the Judiciary is going to have oversight capability. The basic premise is we have simply got to stop spending as much money as we have been spending.

Since 1965, which was the last year Federal spending went down, spending has gone up every year for 29 straight years: an amazing percentage of 1,300 percent.

We are going to spend more money this year on interest on the debt than we spent for the entire Federal budget in fiscal year 1971. It is amazing.

We do not have the backbone in the Congress of the United States to say no. We have to amend the Constitution, and if we are going to do it, let us look at the problem. The problem is not lack of revenue. The problem is too much spending. If you want to limit spending, what do you do? You limit revenues. How do you limit revenues? By limiting the ability to raise taxes. That is what generates the revenue.

There are nine States that have tax limitation provisions either in their constitutions or on their statutes. The chart to my left shows that those States that have tax limitation provisions, they work. Taxes go up less in those States. They still go up, but they go up less. When the taxes go up less, spending goes up less. That means there is a greater likelihood that the budget will be balanced.

My brother, Jay Barton, is a history teacher in Mt. Pleasant, TX. He is not a political expert.

He called my staff this morning, and the said, ''Tell Joe Congress is like an addict. They are addicted to spending. They say give us one more spending fix, one more year, and then we will do the right thing.'' We have not balanced the budget since 1969.

We have not had spending go down since 1965. Unless we do go into a cold turkey withdrawal by passing a constitutional amendment with a tax limitation provision, spending is going to spiral out of control and when that happens society as we know it today is simply going to collapse.

The plain and simple solution is a balanced budget amendment to the Constitution, with a three-fifths' tax limitation provision in it. This three-fifths provision is not overly difficult. We have three-fifths to borrow money in the Stenholm/Schaefer amendment, three-fifths to increase the debt ceiling; let us go the third leg, put the three-fifths' provision to actually prevent tax increases.

As has been pointed out since 1970, there have been 16 major tax bills on the floor of the House. Seven of those did pass with more than 60 percent. Seven failed, and two passed by voice vote. The largest tax increase in history passed this body a year-and-a-half ago by 2 votes, by 2 votes, 218 to 216. It would have failed if we had had the three-fifths' provision in. Would we have not addressed the budget problem? No. We would have done it by cutting spending, not raising taxes. Please vote for the tax limitation balanced budget amendment.

The chart follows:

DO YOU REALLY THINK THE PROBLEM IS THAT TAXES ARE TOO LOW? SPENDING IS SIMPLY TOO HIGH

[In billions of dollars]

Year	Federal spending	Increase
1964	118.5	.....
1965	118.2	(0.3)
1966	134.5	16.3
1967	157.5	23.0
1968	178.1	20.6
1969	183.6	5.5
1970	195.6	12.0
1971	210.2	14.6
1972	230.7	20.5
1973	245.7	15.0
1974	269.4	23.7
1975	332.3	62.9
1976	371.8	39.5
1977	409.2	37.4
1978	458.7	49.5
1979	503.5	44.8
1980	590.9	87.4
1981	678.2	87.3
1982	745.8	67.6
1983	808.4	62.6
1984	851.8	43.4
1985	946.4	94.6
1986	990.3	43.9
1987	1,003.9	13.6
1988	1,064.1	60.2
1989	1,143.2	79.1
1990	1,252.7	109.5
1991	1,323.8	71.1
1992	1,380.9	57.1
1993	1,408.1	27.2
1994	1,461.0	52.9
1995 (projected)	1,531.0	70.0

Spending increase since 1965—1,300 percent.
Average spending increase—$65 billion.

Source: Congressional Budget Office.

Cut spending, don't raise taxes. Support the tax-limitation balanced budget amendment.

Mr. MARKEY. Mr. Chairman, I rise today in strong opposition to the balanced budget constitutional amendment sponsored by my colleague, Mr. BARTON.

Three substitutes to the Barton amendment will be considered later today, each of which specifically exempts Social Security from balanced budget calculations. The Barton amendment, taken from the Republican Contract with America, does not specifically exempt Social Security from cuts. Now, I know that the Republican leadership has said that ''Social Security is off the table,'' but we're about to set the table, and Social Security is still on it. I think when we are talking about a program that means as much as this one does to ordinary Americans, it is not unreasonable to ask for this commitment on paper. Like they say in the long-distance business, ''put it in writing.''

Let's compare how the Republicans handle a question they really care about. In their balanced budget amendment, they put in a line that says, to raise taxes, even on the wealthiest 1 percent of Americans, a supermajority of House Members would have to vote for the increase. This means that a tax increase, no matter how necessary, how targeted towards the wealthy, could be blocked by a minority in the House. So, there are specific protections written into the Republican amendment—but those protections aren't for the elderly. When it comes to taxes, they want the protection enshrined in the Constitution. When it comes to Social Security, they want it shunted off to a concurrent resolution.

Today's vote will divide this body into two groups: those who are serious about protecting Social Security by law, and those who are not. No amount of rhetoric will change that.

Mr. FIELDS of Texas. Mr. Chairman, when the American people gave the Republican Party and its Contract with America a mandate on November 8, they were telling Congress to give them the change that had been promised, but not delivered, in 1992. They liked what they saw in the Republican contract; so they overwhelmingly voted in the first Republic House in 40 years.

So what have we done the first 20 days of the 104th Congress? We passed the Congressional Accountability Act, something that was a long-time coming, that simply makes Congress live under the same rules as all Americans. Now, today, we have a historic opportunity to do one more thing the American people want: To pass a real balanced budget amendment. That is why I urge all of my colleagues, Republican and Democrat, to support the bipartisan Barton-Tauzin amendment with the tax limitation that three-fifths of each House of Congress must approve a tax increase before it can be enacted. This long overdue step will restore fiscal control to the Federal budget and prevent politicians in the future from increasing spending and leaving the bills to the future generations.

To simply require a balanced budget would not be the proper cure to this lingering virus because, unfortunately, many politicians then would simply try to use the amendment as an excuse to raise taxes after failing to keep spending under control. We need to cut the Federal budget, not the family budget, to balance our budget.

This debate today should be a foregone conclusion. For 25 consecutive years, Americans have been saddled with budget deficits and it continues to happen. Meanwhile, our deficit and our debt continue to rise astronomically. The requirement to have three-fifths approval to raise taxes is not something new. There are already 10 States that require supermajorities to raise tax revenue. Seven of these States that have lived under this requirement for a significant amount of time show substantial savings to the taxpayers.

Mr. Chairman, Americans are getting tired of broken promises to cut the deficit that never materialize. As a result, we have seen strong voter support for real budget reform. We have seen what has happened in the absence of the balanced budget. If supermajorities are required for both taxes and borrowing, legislators in the future will find it difficult to increase spending as rapidly as it has grown in recent years.

Mr. Chairman, we did the right thing by passing the Accountability Act to require Congress to live under the same laws it imposes on the American people. Today, let's continue this positive, productive approach to governing and pass the Barton-Tauzin balanced budget amendment.

Mrs. VUCANOVICH. Mr. Chairman, I rise in strong support of the Barton balanced budget amendment. Irresponsible Federal spending and the resulting high taxes and annual Federal deficits affect us all, in terms of lower productivity, stifling investment and economic growth while inhibiting U.S. competitiveness abroad.

A balanced budget amendment would require close scrutiny of Federal spending habits—and unless we start looking at every dollar of Federal spending, spiralling interest payments on the Federal debt will continue to compete with other Federal spending and lead us to economic ruin.

Annual interest payments on the Federal debt are expected to reach nearly $300 billion by the end of the decade. That's $300 billion a year that could be going towards real investment in our Nation's future.

The Congressional Budget Office and most economists warn that continued deficit spending will lead to lower productivity, deteriorating living standards, and a sharp decline in U.S. competitiveness.

On the other hand, if we act promptly and use reasonable restraint to cut programs which are not essential, rather than tax increases that leave less and less real dollars in the pockets of hardworking Americans, we could reach a balanced Federal budget within a relatively short timeframe.

I support the Barton balanced budget amendment; we must have this tool to stop out of control spending.

Mr. HALL of Texas. Mr. Chairman, I rise today in strong support of House Joint Resolution 1, the Barton-Geren tax limitation balanced budget amendment. The Federal Government must learn to live within its means. Now more than ever, we must take responsibility for this dilemma and work to pass a constitutional amendment requiring a balanced budget.

The astounding national debt is not an overnight disaster—it is the result of a generation's worth of bipartisan irresponsibility and thus, should be handled in a bipartisan manner. It is time for Congress to stop putting off until tomorrow what we can do today. We must act now to reduce this enormous Federal deficit, which is threatening to drain America's savings and cripple the American dream. Measures must be taken to protect future generations from inheriting an insurmountable debt.

For too many years the Federal Government has asked the taxpayers to pick up the tab for its bloated budget. In fact, just 2 years ago, we asked American citizens to pay up again, and they have. Now, those same citizens are asking us to balance the Federal budget. I believe it is time for us to return the favor.

It has been said that knees will buckle if the national budget is to be balanced. Many citizens' knees buckle every April 15 and every month when they are forced to make the difficult choices required when they balance their own family budgets. Additionally, every year State and local governments are forced to do the same.

I urge you to support the Barton-Geren tax limitation balanced budget amendment, which will allow future generations to have the opportunity to enjoy the American dream.

The CHAIRMAN. All time has expired.

The question is on the committee amendment in the nature of a substitute.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BARTON of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 253, noes 173, not voting 9, as follows:

[Roll No 41]

AYES—253

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bono
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Pallone
Parker
Paxon
Peterson (MN)
Petri
Pombo
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—173

Abercrombie
Ackerman
Baldacci
Barrett (WI)
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Boehlert
Bonior
Borski
Boucher
Brown (FL)
Bryant (TX)
Cardin
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hostettler
Houghton
Hoyer
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Porter
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Rose
Roukema
Roybal-Allard
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Traficant
Tucker
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—9

Bishop
Brown (CA)
Cox
Fields (LA)
Jefferson
Matsui
Morella
Rush
Towns

□ 1131

The Clerk announced the following pair:

On this vote:

Mr. Cox for, with Mr. Brown of California against.

Mr. GORDON changed his vote from ''no'' to ''aye.''

So the committee amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. MORELLA. Mr. Chairman, I would like the RECORD to show that because I gave a speech at the Carnegie Commission Symposium on Science, Space and Technology with Governor Thornburgh and others throughout the Nation, I unfortunately missed the lst vote, rollcall No. 41. Had I been here, I would have voted ''no.''

PERSONAL EXPLANATION

Mr. COX of California. Mr. Chairman, on rollcall 41, I am recorded as not voting. Had I been present, I would have voted ''aye.''

The CHAIRMAN. Pursuant to House Resolution 44, further amendments may be offered in the following order:

First, amendment No. 4 by the gentleman from New York [Mr. OWENS];

Second, amendment No. 1 by the gentleman from West Virginia [Mr. WISE];

Third, amendment No. 25 by the gentleman from Michigan [Mr. CONYERS];

Fourth, amendment No. 29 by the gentleman from Missouri [Mr. GEPHARDT]; and

Fifth, amendment No. 39 by the gentleman from Colorado [Mr. SCHAEFER].

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. OWENS

Mr. OWENS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. OWENS: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

''ARTICLE —

''SECTION 1. Prior to each fiscal year, Congress shall, by law, adopt a statement of receipts and outlays for such fiscal year in which total outlays are not greater than total receipts. Congress may, by law, amend that statement provided revised outlays are not greater than revised receipts. Congress may provide in the statement for a specific excess of outlays over receipts by a vote directed solely to that subject in which three-fifths of the whole number of each House agree to such excess. Congress and the President shall ensure that actual outlays do not exceed the outlays set forth in such statement.

''SECTION 2. Prior to each fiscal year, the President shall transmit to Congress a proposed statement of receipts and outlays for such fiscal year consistent with the provisions of this Article.

''SECTION 3. Congress may waive the provisions of this Article for any fiscal year in which a declaration of war is in effect. The provisions of this Article may be waived for any fiscal year in which the United States faces an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law. The provisions of this Article may be waived for any fiscal year for which the President notifies the Congress that the national unemployment rate is projected to exceed 4 percentum and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

''SECTION 4. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal.

''SECTION 5. The amount of the debt of the United States held by the public as of the date this Article takes effect shall become a permanent limit on such debt and there shall be no increase in such amount unless three-fifths of the whole number of each House of Congress shall have passed a bill approving such increase and such bill has become law.

''SECTION 6. All votes taken by the House of Representatives or the Senate under this Article shall be rollcall votes.

''SECTION 7. Congress shall enforce and implement this Article by appropriate legislation.

''SECTION 8. This Article shall take effect for the fiscal year 2002 or for the second fiscal year beginning after its ratification, whichever is later.''.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. OWENS] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

□ 1140

Mr. OWENS. Mr. Chairman, I yield myself 4 minutes.

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, this is a full employment substitute for the main amendment, and it makes unemployment equal in importance to a military threat. That is one of the conditions on which the balanced budget amendment requirements are waived.

I want to first than the gentleman from New York [Mr. SOLOMON] for his wisdom, and the members of the Committee on Rules for their wisdom in making it possible for us to have the opportunity to place the discussion of unemployment on the table at this time. It is just as important as any other element of our national security.

Unemployment is the best measure of the status of one of the most vital elements of our economy, and that is job creation and job security. Unemployment, underemployment, and the anxiety about losing jobs, all add up to a hidden time bomb threatening our national security and sowing the seeds of division and unrest.

The unemployment rate answers the following question: Is our society providing minimal opportunities for citizens to earn the wages needed for survival with dignity? But that is not the only question that should be explored. Underemployment and employment anxiety, that is, fear of losing one's job, are closely related illnesses which also should be regularly measured along with the unemployment rate.

Presently these combined illnesses are having a negative impact on the sense of security felt by the majority of the Nation's wage earners. We are fortunate that we do regularly report the unemployment rate, and we should make greater use of this official measurement in our fiscal and economic policy making.

Given the fact that the economy is fragile, the Federal Reserve Board keeps threatening to raise interest rates and the public is jittery. Any plans to balance the budget must be accompanied by a plan to bolster people's confidence in our economy.

Mr. Speaker, the 32-member Progressive Caucus has such a plan, which we call the Fiscal Fairness and Full Employment Act. This substitute being offered today is the first installment of 11 bills that comprise the progressive promise, the Progressive Caucus' response to the Contract with America.

Our substitute differs from House Joint Resolution 1 in two ways. First, it allows a majority of Congress to waive the balanced budget provisions in any fiscal year that the national unemployment rate exceeds 4 percent. Second, it does not require a three-fifths majority to impose a tax increase.

The unique point that we are making with this substitute is that jobs must be the No. 1 priority in all fiscal and budgetary deliberations. While the balanced budget amendment attempts to address the budget deficit, it does not address the jobs deficit. Our substitute will address the fears of American workers by using the Humphrey-Hawkins Act's goal of 4 percent unemployment as a hallmark of a stable economy.

When unemployment rises above 4 percent, Congress could waive the balanced budget requirements in order to implement policies and programs which provide jobs for American wage earners. This exception has been placed immediately after the exception which, ''An imminent and serious military threat to national security'' that is contained in the bill already.

We contend that high unemployment also is an imminent and serious threat to national security. All governments have an obligation to manage their economies in ways that provide opportunities to earn a living. More specifically the U.S. Constitution requires that Congress act to promote the general welfare. The 4 percent Humphrey-Hawkins goal has been forgotten in recent years, due to the complacency about the severity of recessions and the weakness of ensuing recoveries.

To illustrate my point, I would like to offer recent economic information about past recessions. In these past recessions, we have been left after the recession with large unemployment rates, and this kind of amendment to the main bill would allow us to take action as a Congress, provide the necessary funds to stimulate the economy, and provide jobs when necessary.

Mr. Chairman, unemployment is the best measure of the status of the most vital elements of our economy—job creation and job security. Unemployment, underemployment, and anxiety about losing jobs all add up to a hidden time bomb threatening our national security and sowing the seeds of division and unrest.

The unemployment rate answers the following question: Is our society providing minimal opportunities for citizens to earn the wages needed for survival with dignity? But that is not the only question that should be explored. Underemployment and employment anxiety, the fear of losing one's job, are closely related illnesses which also should be regularly measured along with the unemployment rate. Presently, these combined illnesses are having a negative impact on the sense of security felt by the majority of the Nation's wage earners. We are fortunate that we do regularly report the unemployment rate, and we should make greater use of this official measurement in our fiscal and economic policymaking.

Given the fact that the economy is fragile, the Federal Reserve Board keeps threatening to raise interest rates, and the public is jittery, any plan to balance the budget must be accompanied by a plan to bolster people's confidence. Mr. Chairman, the 32-member Progressive Caucus has such a plan which we call the Fiscal Fairness/Full Employment Act. This substitute being offered today is the first installment of 11 bills that comprise the ''Progressive Promise,'' the Progressive Caucus' response to the ''Contract With America.''

Our substitute differs from House Joint Resolution 1 in two ways: first, it allows a majority of Congress to waive the balanced budget provisions in any fiscal year that the national employment rate exceeds 4 percent; and second, it does not require a three-fifths majority to impose a tax increase. The unique point that we are making with the substitute is that jobs must be the No. 1 priority in all fiscal and budgetary deliberations.

While the balanced budget amendment attempts to address the budget deficit, it does not address the jobs deficit. Our substitute would address the fears of American workers by using the Humphrey-Hawkins Act's goal of 4 percent unemployment as the hallmark of a stable economy. When unemployment rises above 4 percent, Congress could waive the balanced budget requirements in order to implement policies and programs which provide jobs for American wage earners.

This exception has been placed immediately after the exception for ''an imminent and serious military threat to national security'' which is contained in the bill. We contend that high unemployment also is an imminent and serious threat to national security. All governments have an obligation to manage their economies in ways that provide opportunities to earn a living. More specifically, the U.S. Constitution requires that Congress act to promote the general welfare.

The 4 percent Humphrey-Hawkins goal has been forgotten in recent years due to complacency about the severity of recessions and the weakness of the ensuring recoveries. To illustrate my point, I would like to compare recent economic recoveries to the recoveries of past recessions.

There were five recessions between 1949 and 1973. During the years following each of these recessions, unemployment rates averaged 3, 4, 5.5, 4.6, and 5.5 percent, respectively. But during the years of recovery following the four recessions that have occurred since 1973, unemployment rates have averaged 6.7, 7.6, 6.7, and 7 percent. When comparing the recent figures to the 3, 4, and 5 percent figures of earlier years, it becomes clear that we face an unemployment problem which is quite vexing.

Yes, we must have sound fiscal policies, but certainly we can afford to tackle the problem of unemployment. a full employment economy is an economy that grows and can afford to do more. People with jobs produce goods and services, generate income, buy goods and services, pay taxes, and consume less Government transfer payments such as Aid to Families with Dependent Children [AFDC] and unemployment insurance. Even the Congressional Budget Office [CBO] has acknowledged that a 1 percent reduction in the unemployment rate leads to a net gain in the U.S. Treasury of $40 to $50 billion. Therefore, our substitute improves House Joint Resolution 1 by helping to achieve its mission of raising more revenue for the Federal Government.

In fact, right now there are 7.2 million Americans who are unemployed, or 5.4 percent of the workforce. If we allow ourselves to spend just enough money to stimulate the economy to employ another 2 million people, thereby lowering the unemployment rate to 4 percent, then we will have saved $60 to $100 billion. The Progressive Caucus jobs bill, another part of the ''Progressive Promise'' which Congressman SANDERS and I will introduce on Monday, would achieve such savings by creating at least 2 million jobs in 2 years.

Safeguarding American jobs is central to all of the other problems that plague this country today. Without jobs, many people will turn to crime to put food on the table. Without jobs, many people will not have access to medical care unless it is through a hospital emergency room. Without jobs, more people will remain on the welfare rolls. And without jobs, families will be weaker as they buckle under the stress that poverty breeds.

American voters have spoken loud and clear about their job fears and anxiety. In the interviews at the exit polls on November 8, working people explained their anger. Wages are too low. Corporate downsizing, streamlining, and the pursuit of slave labor in Mexico and China have intensified the fears of those who are working today about losing their jobs tomorrow. And among the millions who have been unemployed for many months, and some for years, all hope of ever getting a decent job in fading fast.

The voices of fear and anger are loud and clear, but nobody in power is listening. This substitute is designed to send a message to the working families of America. We are listening. Members of the Progressive Caucus are listening. We are fighting to have your concerns and priorities recognized. When the jobs crisis becomes more obvious to our colleagues here in Congress, the speeches we are making today will shape the policies of tomorrow.

Mr. Chairman, I reserve the balance of my time.

Mr. HYDE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman is recognized for 30 minutes.

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I take this opportunity to commend the gentleman from New York [Mr. OWENS] for offering a substitute that includes a number of the features in House Joint Resolution 1 as reported by the Committee on the Judiciary. But I am constrained to speak in opposition to this pending version of the balanced budget amendment for a couple of reasons.

First, it includes a waiver mechanism that will undermine the effectiveness of the amendment. And second, it omits any special voting requirements to increase taxes. Section 3 of the pending substitute permits a waiver of the proposed constitutional amendment's provisions based not only on a declaration of war or an imminent and serious military threat to national security, which are features of the joint resolution as reported by the Committee on the Judiciary, but also based on a projected national unemployment rate exceeding 4 percent.

In view of the fact that the national unemployment rate has not fallen below 4 percent since the late 1960's, when the United States was involved in the Vietnam war, making a waiver available based on unemployment exceeding such a low threshold permits Congress whenever it chooses to disregard the amendment.

The current unemployment rate of approximately 5.4 percent is viewed by economists as approaching what is considered the natural unemployment rate, namely, a rate that can be sustained without generating inflationary pressures. A waiver based on the criterion of over 4 percent projected unemployment effectively can turn this constitutional amendment into a dead letter.

The pending substitute also fails to include a tax limitation section. House Joint Resolution 1 requires a three-fifths vote of the whole number of each House to increase taxes, and the rationale for a tax limitation provision is to discourage excessive reliance on tax increases rather than spending cuts to achieve a balanced budget.

Tax increases, as we have learned from historical experience, often prove harmful to the economy by depressing economic growth. We need to encourage spending cuts and discourage tax increases if we hope to put our economy on a sounder financial footing.

So I urge the defeat of the pending substitute.

Mr. Chairman, I reserve the balance of my time.

Mr. OWENS. Mr. Chairman, I yield 4 minutes to the gentleman from Vermont [Mr. SANDERS], the chairman of the Progressive Caucus.

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am delighted to work with the gentleman from New

York [Mr. OWENS] on this amendment, which is fully supported by the Progressive Caucus. This is the first of 11 amendments which the Progressive Caucus intends to offer in opposition to the Republican Contract With America.

Mr. Chairman, the Republican proposal for a balanced budget amendment is wrong for a number of reasons. It is wrong because within the context of its offering, there will be major tax breaks for the wealthiest people in America. There will also be significant increases in defense spending.

□ 1150

Every economist, therefore, understands that if we move toward a balanced budget within that context in a period of 5 years there will be devastating cuts in Social Security, Medicare, Medicaid, veterans programs, college loan and grant programs, and nutrition programs for hungry children.

When my friend from Illinois talks about spending cuts, in essence that is what he is talking about, savage cuts which will impact horrendously on some of the weakest and most vulnerable people in this country.

But there is another reason why the Republican balanced budget amendment is wrong. And that is, it does not deal with the economic crisis which this country is currently experiencing. Despite articles in the newspapers which tell us how the economy is booming, many of us in the Progressive Caucus do not believe that. We see that the rich are getting richer, but we also see that poverty is growing, that the middle class is shrinking, and that the new jobs being created in this country are very often low-wage, part-time, temporary jobs without decent benefits.

What the Republican balanced budget amendment would do is make it virtually impossible for this country to go forward with a major jobs program to put millions of people to work, rebuilding this country at decent wages.

Mr. Chairman, all over the world, in Japan, in Europe and in Canada, governments are rebuilding their physical and human infrastructure, their mass transportation systems, their sewer systems, their roads, their bridges, their child care needs. And in the process, they are putting large numbers of people to work making those countries more competitive, more efficient, and paying their workers good wages in doing that work.

What our amendment does is say, let us not tie the hands of the Federal Government in rebuilding our infrastructure and putting Americans back to work at decent wages, making this a better country for all people.

Mr. HYDE. Mr. Chairman, I reserve the balance of my time.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. CLAY], the ranking Democrat on the Committee on Economic and Educational Opportunities, a gentleman who was here when the Humphrey-Hawkins bill was passed.

Mr. CLAY. Mr. Chairman, I certainly want to commend the gentleman from New York for offering this substitute.

I rise in strong support of it and commend him for bringing it to the floor, a balanced budget amendment, a substitute that acknowledges the need to protect unemployed Americans from the harsh consequences of the balanced budget amendment.

I support this amendment for two basic reasons: first, the Owens substitute strips from the bill of three-fifths supermajority provision for raising revenue. That provision is unconstitutional and has no place in the bill. Second, and just as important, the Owens substitute seeks to preserve the full employment policies maintained by the Congress for more than 50 years.

Other versions of this amendment constitute a de facto repeal of laws such as the Humphrey-Hawkins Act that seek to guarantee jobs for all Americans who desire to work. As the Humphrey-Hawkins law states, and I quote, ''Without full employment we deprive workers of job security and productivity to maintain and advance their standards of living.''

Mr. Chairman, I urge support of the amendment.

Mr. Chairman, by waiving the balanced budget requirement when the unemployment rate exceeds 4 percent, the Owens substitute is the only version of the balanced budget

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, many of my colleagues on the other side of the aisle have advanced the argument that because families and States must balance their budgets, so too should the Federal Government.

Well, we can cite many examples of acceptable and necessary deficit spending done by both families and States. Anyone who has bought a home the old fashioned way knows this all too well. And anyone who has supported a bond referendum for their State and local government knows that this is necessary.

Advancing the personal pocketbook metaphor, while simple and innocently appealing, just is not accurate. We should not hamstring ourselves because of a marketing slogan for bad policy cooked up in some think tank.

The Owens substitute allows an exemption from the balanced budget requirement in the case of national disaster and war. The Owens amendment adds an exemption for a less than full employment economy. If it is in the national interest to win a war and to rebuild from national disasters, it is not also in our national interest that every able-bodied American have a private sector job.

I urge my colleagues to support the Owens amendment.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I rise in strong support of the Owens substitute. Like several other measures introduced today, the Owens amendment rejects the three-fifths majority straight jacket that the majority has sewn for the balanced budget amendment.

However, only this substitute will maintain our national commitment to economic opportunity and full employment. Under its provisions, Congress retains authority to enact emergency measures necessary to help every man and woman in this country take their place in the work force.

This body has affirmed its obligation to maximize employment opportunities on several occasions since the Great Depression. With the Full Employment Act and the Humphrey-Hawkins bill, we established full employment as a national priority.

Today, Congress threatens to repeal that oath. With passage of an unamended balanced budget amendment, we severely restrict our ability to respond to economic downturns, and resulting job losses. We forgo our ability to invest in the labor force through skills development, job creation, and income support. We tell the unemployed and the underemployed, ''Sorry, we can't help, our hands are tied.''

This is precisely the wrong time in our Nation's history to hamstring Congress. The current recovery compares poorly with those that followed the previous two recessions. Fewer jobs are being generated. Much of the current economic growth is taking place in lower wage industries. Moreover, workers least able to weather economic downturns have fared poorly. Between 1991 to 1994, the unemployment rate fell only two-tenths of one percent for African Americans. The number of Latinos without jobs increased by 13 percent.

The response from the other side of the aisle might be that nothing in the balanced budget amendment or their so-called Contract With America precludes Congress from helping to increase job prospects for the unemployed or the under employed.

True enough, but does their party's platform inspire confidence? This after all is the party that will keep the books closed to the people denying them the details as to how billions of dollars will be trimmed from the budget in 7 years. Will the party that proposes capital gains giveaways to the rich cut back on corporate welfare, in favor of labor force investment? Will the majority trim the $51 billion in direct subsidies that corporations will pocket this year? Will they draw down from the $53 billion corporate tax breaks to balance the budget? I think not.

Blind faith is too much to ask of our working men and women. They deserve our commitment to a strategy of investment and opportunity. That is what this amendment will preserve. I urge my colleague to join me in voting for the Owens substitute.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Chairman, I rise in support of the Owens substitute by way of an example.

In 1983, as a freshman member of the State assembly in Pennsylvania under the leadership of Gov. Dick Thornburgh, during a recession at that time the State legislature and the Governor moved forward on a borrowing program called Penn Pride that invested over $160 million at that time in job training programs like the Pennsylvania Conservation Corps, employee ownership programs, business incubators and the like.

The State took the opportunity in a time of economic downturn to invest in business and job training activities to benefit the citizens of the Commonwealth.

This amendment would give the U.S. Government the same opportunity so that when there is a downturn in the economy and unemployment is unreasonably low, that we would have that opportunity.

I would hope that the House would seriously consider the Owens amendment.

□ 1200

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, 1 minute is not nearly enough for me to say all I want to say about this amendment or this bill, but I will do the best I can.

Mr. Chairman, I rise today in support of our balanced budget amendment substitute being offered by my good friends, the gentleman from New York [Mr. OWENS] and the gentleman from Vermont [Mr. SANDERS].

As most of my colleagues know, I have consistently opposed the balanced budget amendment over the years. In the current form that is proposed, I will vote against it again, but I will defy my own history and vote for this substitute, because this version of the balanced budget amendment puts the American people first and upholds one of the most basic American values, the value of work.

Mr. Chairman, this version of the balanced budget amendment is like every other, except it gives us, the Members of this body, the flexibility we need to do the work of the Nation. This version contains a provision that would allow Congress to waive the requirement in any year that unemployment exceeds 4 percent.

Mr. Chairman, this makes perfect sense. If we achieve 4 percent unemployment or less, balancing the Federal budget will be easier and possible. We will have fewer people receiving benefits, such as unemployment and welfare, and more people in the workplace. It is a fairly simple formula. Revenues increase and expenditures decrease.

However, if we enact a balanced budget amendment that does not give us this flexibility, we will not be able to help those who will need our help in future recessions.

Imagine the shape our Nation would be in today if we had this constitutional provision during the Great Depression when the employees, the people of this country, were being crushed by depression. The New Deal programs could not have been passed, and of course, many of you would praise that.

In the past 60 years, Congress has passed emergency job bills to pull our economy out of recession, the most recent of which was the 1982 Reagan recession. However, even in times of great prosperity there has been a continued commitment to the idea of putting people to work.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

(Ms. WATERS asked and was given permission to revise and extend her remarks.)

Ms. WATERS. Mr. Chairman, I rise in support of the Owens substitute. It is very simple. It would waive the amendment if unemployment exceeds 4 percent.

Mr. Chairman, I do not think the American people realize the devastation that this constitutional amendment could cause in our society. Aside from doing away with services that are so desperately needed, aside from perhaps dismantling Social Security, Head Start programs, Medicare, veterans' services, all of the jobs that are associated with those services will be lost. Unemployment could plummet.

Let me just tell the Members, Mr. Chairman, it is time for us to focus on what we have been doing to the American people. We have allowed our industries to export jobs to Third World countries for cheap labor.

I just heard the other day that Reebok is going to move its operations to India. They are going to get that cheap labor. They are going to give them the jobs. Then they are going to send those sporting goods back here for us to pay $125 and $150 for tennis shoes, but we will not be able to have the jobs making those goods.

Mr. Chairman, when are we going to stop taking jobs away from Americans? When are we going to draw the line? Mr. Chairman, we have to draw the line with this constitutional amendment.

It may pass. The Contract With America says they are going to do it. It may happen, but for God's sake, let us have a safety valve. Let us put in this amendment so that if it reaches above 4 percent, we will be able to suspend it.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, today the American people are learning some very important things about the Contract With America. They are learning that many people in this Chamber keep saying they want to balance the budget, but that they will not muster the political will to lay out a plan. They will not protect Social Security from future budget cuts. And they will not give jobs and full employment the priority they deserve.

And this is only the beginning of the Contract With America, Mr. Chairman. As we debate other items in the contract, it will become clear that star wars has priority over student aid, and that maintaining the CIA budget is more important than preventing crime on out streets.

That is why the Progressive Caucus is offering an alternative to the Contract With America which replaces the contract's voodoo economics with a restoration of fairness to this country.

The Owens-Sanders amendment is the important first step in a progressive plan which waives the provisions of the balanced budget amendment when unemployment exceeds 4 percent.

Too often these days, conservative economists fail to consider the employment rate as a serious indicator of economic health. Well, Mr. Chairman, the Progressive Caucus believes that it doesn't matter how fast America is growing if people are not working.

We must invest in jobs. We cannot tell unemployed people throughout this country that, ''We're sorry, but the Constitution of the United States of America does not allow us to invest in job creation that will put you back to work and help you feed your family.''

Mr. Chairman, we now have the opportunity to correct the contract's mistakes—by voting in favor of the Owens-Sanders amendment to protect working people of this country.

Mr. OWENS. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I would like to take 1 minute to make an urgent appeal to the other side that they give us some more time. I have a long list of speakers who would like to talk about this subject.

Right now there are 7 million Americans who are unemployed. It we allow ourselves to spend just enough money to stimulate the economy to employ another 2 million people, thereby lowering the unemployment rate to 4 percent, we will save $60 billion to $100 billion. The Congressional Budget Office has indicated that every 1-percent reduction in unemployment leads to a net gain in the U.S. Treasury of $40 to $50 billion.

This is an item that we would like to have at least an hour to discuss, if the opposition is not going to use their time. Let us speak for those American voters who have a great deal of anxiety about jobs.

Americans voters have spoken loud and clear about their fears about losing their jobs. In the interviews at the exit polls on November 8, working people explained their anger: Wages are too low. Corporate downsizing, streamlining, and the pursuit of slave labor in Mexico and China, have intensified

fears of those working today about losing their jobs tomorrow. Among the millions who have been unemployed for many months, and some for years, all hope of every getting a decent job is fading fast.

The voices of fear and anger are loud and clear, but nobody in power in Washington wants to listen. I regret it very much that nobody wants to listen.

This substitute is designed to send a message to the working families of America: We are listening. Members of the progressive caucus are listening.

We are fighting to have your concerns and your priorities recognized. When the jobs crisis becomes more obvious to our colleagues here in the Congress and other powers in Washington, then the speeches we are making today will be used to help shape the policies of tomorrow.

The CHAIRMAN. The gentleman from New York [Mr. OWENS] has 9½ minutes remaining.

Mr. HYDE. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from Texas [Mr. STENHOLM.]

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I voted against the previous amendment because of my belief of the unintended consequences that could happen with the language of the three-fifths increase in taxes. The arguments that were made were many, but there were tremendous unintended consequences that I believe could happen.

Mr. Chairman, I want to commend my colleague, the gentleman from New York [Mr. OWENS] for his proposal to this debate. I am pleased that he had joined the growing number of Members who support the principle of amending the Constitution to mandate a balanced budget. However, I must oppose his amendment also because of what I believe are unintended consequences.

Under the Owens amendment, the balanced budget requirement could be waived by a simple majority if the President notifies Congress that the national unemployment rate is projected to exceed 4 percent. Unemployment has exceeded 4 percent for 36 of the last 40 years.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I am happy to yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, the gentleman makes the point that unemployment is, as my friend says, 5, perhaps 5½ percent now.

Does the gentleman really believe, forgetting the official statistics, that with the growth of jobs at 20 hours a week, is he aware, sir, that if one works for 20 hours a week for $4.50 an hour they are considered employed, even if they had a post-graduate degree?

Mr. STENHOLM. No, sir, I am not.

Mr. SANDERS. If the gentleman will yield further, Mr. Chairman, that is in fact the case. Part-time workers are considered as employed workers.

The gentleman is aware of the fact that if you have a job for 3 months, a temporary job, you are considered fully employed?

□ 1210

You are aware of the fact that if in your community there are no jobs and you give up actively searching for a job, that you are not considered part of the unemployed.

The point that I am trying to make to my friend from Texas is that while the official statistics may say 5.5 percent, what serious economists will tell us is that real unemployment in terms of people wanting to work 40 hours a week is probably double that.

That is the point that I wanted to make. I thank the gentleman for yielding.

Mr. STENHOLM. I thank the gentleman for making that point. I would just point out that is not relevant to the debate that we are talking about today in my opinion.

I will be joining with the gentleman and the lady sitting behind him who will be chairing a task force on welfare reform in which we begin to look at how we solve that problem in the proper course, in the proper place in the legislative effort. Just as I have argued also with those that suggest that we ought to lay out our plan before we pass a balanced budget constitutional amendment, that is getting the cart before the horse. We all know that this year's budget resolution is when we are going to put the plan out, and unless we do a credible job in the first year with projections for 7 years, we will, in fact, not have the credibility that this Member of Congress wants to see that we do. And I answer the same way on both your question and your point as I do on the point I am making.

Going back to the point I was trying to make on the amendment before us, in other words, the Owens amendment would have prevented us from accumulating $4.3 trillion in debt over the last 25 years.

So many of the arguments we are hearing today seem to be arguing against balancing the budget. I am arguing for balancing the budget. The debt that we have piled up is the greatest threat to our economic well-being, including specifically the people the gentleman from Vermont has talked about just a moment ago.

The General Accounting Office has warned us that if we continue on our current course, we will doom future generations to a stagnating standard of living, damage U.S. competitiveness, and hamper our ability to address pressing national needs. The interest on this debt crowds out other spending and prevents us from making the investments we should make to strengthen our economy.

We spend 5½ times as much on interest on the debt as we do on all Federal education, job training, and employment programs. This will only get worse until we stop accumulating debt.

Requiring Congress to bring the budget under control will improve our ability to respond to recessions. The existing deficit problem prevents Congress and the President from effectively responding to recessions. We currently run deficits in good times as well as bad.

Large annual deficits provide a political and economic impediment to enactment of tax cuts or investment spending to stimulate the economy during economic downturns. We are already stimulating the economy to the tune of $150 to $200 billion in deficit spending each year today.

In this climate, the short-term economic impact of any stimulus package enacted by Congress would be minimal at best and the long-term impact is simply an addition to the economic drag of the deficit. The political climate will be unfavorable for tax cuts or spending increases that are not offset until the budget is balanced.

I agree that Congress must have the flexibility to respond to recessions. The Schaefer-Stenholm amendment provides this flexibility. In the event of a serious economic downturn or other national emergency, Congress would be able to muster a three-fifths majority to enact a countercyclical package of tax cuts or investment spending as rapidly as it does currently. If Congress cannot obtain three-fifths support to respond to unbalance the budget, the situation probably is not a true emergency.

What the Schaefer-Stenholm amendment will do is stop us from spending and borrowing in good times as well as bad. The automatic stabilizers such as unemployment insurance would continue to operate under the balanced budget amendment. If CBO projects that increased spending and lower tax revenues resulting from the automatic stabilizers may cause outlays to exceed receipts, we will be able to determine the reason for the deficit and act accordingly.

The Schaefer-Stenholm amendment will force Congress to acknowledge the impending deficit and decide whether the economic circumstances justify deficit spending.

For the sake of our economic future, I urge you to vote against the Owens amendment and for the Schaefer-Stenholm amendment.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Minnesota.

Mr. SABO. I do not wish to ask the gentleman from Texas a question. I would like to direct a question to the chairman of the committee, if I might.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Illinois for a response to the gentleman from Minnesota.

Mr. HYDE. I thank the gentleman for yielding. I will engage in a dialog with

the gentleman from Minnesota if he wishes to commence it.

Mr. STENHOLM. I yield to the gentleman from Minnesota.

Mr. SABO. I thank the gentleman.

My question to the chairman of the committee through the gentleman from Texas is, I am curious how your basic amendment deals with our unemployment compensation program in this country.

Mr. STENHOLM. I will be happy to yield to the gentleman from Illinois to respond to the question of the gentleman from Minnesota.

Mr. SABO. Let me explain.

Mr. STENHOLM. I yield back to the gentleman from Minnesota.

Mr. SABO. It is a Federal program. However, the benefits are established by States. The unemployment tax is decided by the States. Those revenues then flow into what is a Federal fund. Those revenues are considered part of our revenues. The expenditures are also considered Federal expenditures. During times of higher employment, the States accumulate surpluses, but those are also counted in the Federal budget.

In time of recession, in a downturn of the economy, the State balances go down, but that also is reflected in the Federal budget. If the States, as I understand it, their fund goes to zero, they then borrow from the Federal Government, and I recall that happening when I was in the State legislature.

Mr. HYDE. Mr. Chairman, I yield myself 1 minute to say that the amendment does not deal with that specific subject as the gentleman knows. Outlays and revenues are still computed under the amendment as they are today.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Minnesota.

Mr. SABO. The outlays, then, of the State unemployment comp funds, even though they are really State funds, would be considered Federal outlays.

Mr. HYDE. How are they considered now?

Mr. SABO. They are counted as outlays in the Federal budget.

Mr. HYDE. Then they would be outlays——

Mr. SABO. Even though they are funds collected at the individual State level.

Mr. HYDE. CBO has answered that question, that outlays and receipts will be treated under the amendment such as you are speaking of exactly as they are treated now. There will be no change.

I am running out of answers, I tell the gentleman. The same treatment that exists now will exist under the amendment insofar as outlays and receipts. If it is considered a Federal outlay, then it will be a Federal outlay and will count against the ceiling of the balanced budget amendment.

Mr. OWENS. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, my remarks are in connection with the Barton amendment which was previously passed.

Mr. Chairman, I rise in opposition to the Barton version of the balanced budget amendment. To expect the Federal Government to operate with a minimum of budget deficits and national debt, is only common sense.

It is also only common sense to expect citizens to drive safely, or to engage in safe sex. Yet we know that many do neither. The short-term thrill of reckless driving, or reckless sex, overcomes the perception of obvious risk.

The Reagan administration, which ran up the largest annual deficits and the biggest increase in national debt in U.S. history, knew that it was wrong to do so. But it took the risk. And a Democratic Congress cooperated.

These risks were undoubtedly rationalized on many grounds. There was the short-term thrill of major tax cuts and large military buildups, including star wars. There was the short-term thrill of economic stimulation and rapid job growth built on Federal spending. There was the unfounded economic dogma that tax cuts and increased spending would generate offsetting revenues that might bring the budget into balance. And there was the hidden rationale that budget stringency could be used to better justify reducing or eliminating programs that did not fit into Reagan's ideological framework. That too was thrilling to the idealogues of that administration.

And for the Republicans, the final thrill, after the pain of unbalanced budgets became obvious to all, was to be able to blame all that pain on a Democratic Congress, and to take credit for all those thrills.

Mr. Chairman, we do not need new risk-assessment legislation to know that reckless budgets, as with reckless driving and reckless sex, are dangerous to our economic or personal health. We also should know that a constitutional amendment is neither necessary or desirable as a strategy to prevent reckless sex or reckless driving. Why do we believe that such a constitutional amendment will present reckless budgets?

Why not try common sense?

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. SABO].

Mr. SABO. Mr. Chairman, I say to the gentleman from Illinois [Mr. HYDE], I think you have major problems with how this amendment treats the unemployment comp fund, which are funds that are accumulated at times when the economy is working better, spent out in times of recessions. The natural countercyclical impact of the unemployment comp program, which is a unique Federal-State program, I think there are serious complications for that program under the language of these amendments.

Another question that I frankly have is because the revenues which are levied by States as unemployment premiums or taxes, I do not know if they are considered taxes under the bill.

□ 1220

I do not know that the relationship is of the new requirements of any revenue being passed by whatever percentage it is in Congress and the relevance of that to when the actual decision currently is made by State legislatures. It clearly is a different type, but clearly a complicated legal question.

Mr. HYDE. Mr. Chairman, I yield myself 30 seconds.

Under section 8 of the proposed amendment, implementing legislation is proposed—or there is the opportunity for legislation to help implement the amendment, and these difficult problems of definitions can be addressed when we legislate pursuant to section 8.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from New York, [Mr. HINCHEY].

(Mr. HINCHEY asked and was given permission to revise and extend his remarks.)

Mr. HINCHEY. Mr. Chairman, I think we have just had some very important and useful insight into the difficulties of this problem resulting from the conversation that has just been had between the former chairman of the Committee on the Budget and the now chairman of the Committee on the Judiciary. We are beginning to see in that window, and others which will be provided, the serious deficiencies in this proposed constitutional amendment dealing with establishing a supermajority to raise taxes and to deal with the necessities of this country.

I am opposed to amending the tampering with the Constitution in this way, but if we are to do it, we ought to at least to do it in a way that recognizes the basic needs of the people of this country. We have just seen, for example, that such basic needs as unemployment insurance are going to be threatened as a result of passage of this constitutional amendment, should it pass.

We ought to at least adopt the kind of safeguards that are proposed in the Owens-Sanders amendment. First of all, it removes the obnoxious provision requiring a three-fifths or supermajority to do the important work of this Congress. Once you establish the need for a supermajority, you put into power a minority and you establish a situation, contrary to the 206-year history of this country, which will allow a minority of the Members of this House of Representatives and the Members of the Congress to make important decisions and, in fact, guide and rule the country. That is a very serious mistake. The Owens-Sanders amendment does away with that.

Second, it does something else that is very important. It recognizes that we have now a constitutional responsibility to not only provide for the common defense, but also to promote the general welfare, and we promote the general welfare in many ways, not the

least of which is by attempting to provide honest opportunities for employment for the people of this country. That is why this amendment is so important and ought to be passed.

Mr. HYDE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Chairman, I thank the chairman for yielding to me and I just want to make one basic point. As I understand, this constitutional amendment would be waived, should it become law, any time that the unemployment rate goes above 4 percent, and if we look at this, the amendment, should it be passed, would have been waived every year since 1969. So I am not really sure what we are trying to accomplish here. Particularly in the time element I have been in Congress, the national debt has gone up $3 trillion in about 11 years. So I would just say that I strongly oppose this amendment and support the Schaefer-Stenholm amendment.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. PAYNE], the chairman of the Congressional Black Caucus.

Mr. HYDE. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey.

The CHAIRMAN. The gentleman from New Jersey [Mr. PAYNE] is recognized for a total of 3 minutes.

(Mr. PAYNE of New Jersey asked and was given permission to revise and extend his remarks.)

Mr. PAYNE of New Jersey. Mr. Chairman, I appreciate the gentleman yielding me the time.

Mr. Chairman, I rise in opposition to the balanced budget amendment as it currently stands and urge my colleagues to support the Owens substitute. The Owens substitute does not include the provision requiring a supermajority vote to raise taxes and more importantly adds a provision stating the terms of the constitutional amendment may be waived for any fiscal year for which the President notifies the Congress that the national unemployment rate is projected to exceed 4 percent. Mr. Chairman, the Owens substitute offers a very feasible alternative to House Joint Resolution 1, because it recognizes the need to balance the budget without being fiscally irresponsible.

It allows the Congress to balance the budget so long as the jobs and livelihood of hard-working Americans are not jeopardized. Without the fiscal flexibility provided in this substitute, the Congress will be stripped of our power and obligation to help provide jobs to unemployed Americans at least during bad economic periods. Our country would have never pulled out of the Great Depression 50 years ago if Congress had not been able to enact job programs such as the WPA and CCC Program. Since that time Congress has repeatedly needed to enact emergency jobs bills to pull our Nation out of recessions, such as the deep recession of 1982.

Mr. Chairman, I strongly urge my colleagues to understand the importance of fiscal flexibility in regard to the budget. That is one of the reasons I oppose House Joint Resolution 1. It is fiscally irresponsible as well as deceiving to the American people. I call on the leaders of the majority to explain to the American people how you intend to balance the budget without touching Medicare and Social Security and without raising taxes. I would also ask the majority leadership to explain what it intends to do when America is faced with an economic crisis and the hands of Congress are tied due to the language of House Joint Resolution 1. Mr. Chairman, Congress cannot afford to approve legislation that may be popular or sounds good but has devastating consequences in the future. Let us put people before politics. Support fiscal responsibility; support the Owens substitute.

Mr. HYDE. Mr. Chairman, I reserve the balance of my time.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BECERRA].

(Mr. BECERRA asked and was given permission to revise and extend his remarks.)

Mr. BECERRA. Mr. Chairman, I thank the gentleman from New York and the gentleman from Vermont for bringing forward what I believe is a prudent and real life circumstance substitute amendment to this balanced budget amendment we have before us. I say real life because we are always told to look at what a family does to balance its family budgets. I think that is what we need to do.

In my family, when I think back to the times I was in college, to get through school I had to borrow money. My parents worked to help pay, but could not pay for it all, so I worked as well, and I could not pay all of my expenses just by working as well. My father happened to be a day laborer where he worked all his life out in the streets. He built roads. During rainy seasons he worked less and would have to find a second job, so his income fluctuated. In the less rainy season he worked quite a bit more than in the rainy seasons where it rained a lot and he would have to find a second job.

If my parents had had to live under the current budget amendment proposed by the majority party, I would not have been able to make it through school. Under the Owens amendment I could have done so, my family could have done so. That is why I think we have to take into account real family circumstances, and I urge Members to vote for this Owens amendment.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. HYDE. Mr. Chairman, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

(Mr. SANDERS asked and was given permission to revise and extend his remarks.)

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, let me conclude my thoughts by making just several points.

The balanced budget amendment approach being brought forth by the Republican majority, within the context of asking, as I understand it, for a $60 billion increase in military spending, and major tax breaks for the wealthiest people in this country, leads all serious economists to the conclusion that the balanced budget amendment will be a disaster for working people, for elderly people, for low-income people.

□ 1230

It will mean, in my view, the destruction of the Social Security system as we know it. It will mean savage cuts in Medicare, in Medicaid, in the opportunity of young people to get grants and loans to go to college. It will mean major cutbacks in nutrition programs for hungry children. It will tamper with the unemployment compensation program, as we heard earlier. It will be a disaster for the vast majority of the people in this country.

The gentleman from New York [Mr. OWENS] and I and members of the Progressive Caucus furthermore do not accept the belief of some that our economy is booming and doing well. We think, in fact, that if you look at part-time jobs, if you look at temporary jobs, if you look at people who would like to work but have no jobs in their communities, that unemployment is probably 10 percent or higher, and we think it would be devastating to the future of this country and the needs of middle-income and working people if we took away the ability of the U.S. Government to go forward with jobs programs, and we believe, especially right now, we need to go forward in that direction.

The essence of what we are saying is that the economy is not booming. The standard of living of Middle America and working people is in decline. Unemployment is far higher than the official statistics indicate.

It seems to us to be very foolhardy to take away an option, an option of the Federal Government that we may wish to use which says that when our physical and human infrastructure is in collapse, when our mass transportation system is in so much need, when our roads are falling apart, when our bridges are collapsing, that it does not make sense to take away the option that the U.S. Congress may wish to use and which the Progressive Caucus believes is necessary to rebuild the physical and human infrastructure of America and, in the process, put a million people to work.

Mr. OWENS. Mr. Chairman, I yield myself 1½ minutes, the remainder of my time.

Mr. HYDE. Mr. Chairman, I yield 1 additional minute to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I thank the gentleman.

Mr. Chairman, to close out, I would like to urge a vote for this substitute, because it addresses a very deeply rooted and urgent problem in our economy.

There were five recessions between 1949 and 1973. During the years following each of these recessions, unemployment rates averaged between 3 and 5.5 percent respectively. But during the years of recovery following the four recessions that have occurred since 1973, unemployment rates have averaged 6.7, 7.6, 6.7, and 7 percent, higher, far higher, than before.

We have a deep structural problem. People who are unemployed have been just left out there to suffer. No Government policies have been designed to lift them out of unemployment. They have just been ignored, and they are still being ignored.

The American workers, those who are working, are being ignored, because they have wages at much lower levels than they ever had before. Those who are working and are fearful of losing their jobs because the companies are picking up to go to Mexico or to China are concerned, and they have expressed their anger. They are now the vast majority of people who are unemployed who are not even counted because they have stopped looking for work.

So we have a problem. To promote the general welfare is as much the responsibility of our Government as any other responsibility. We are ignoring the people who need help the most. We are ignoring the fact that the management of the economy is one obligation of all of those who are in power.

Those who govern must govern in a way to guarantee that there is at least an opportunity to earn a living with dignity, to earn an income which allows a person to survive with dignity. We are ignoring that at our own peril.

The advice we are giving today, the jobs bill that will be sponsored by the Progressive Caucus and offered on Monday, will offer an alternative to ignoring this phenomenon. It will offer an alternative to the indifference.

We have heard the voice of the American wage earners. We are listening. We intend to do a great deal about it, and we would like to have in the future the option to do whatever is necessary, whatever is necessary by promoting those fiscal policies and economic policies which will increase the opportunities for employment.

Job-creation programs are as important as any other activity of the Government. No balanced budget amendment should close off the option to deprive us of the opportunity of providing jobs for the American people.

I urge a ''yes'' vote on this substitute.

The CHAIRMAN. The time of the gentleman from New York [Mr. OWENS] has expired.

Mr. HYDE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from New York [Mr. OWENS].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. OWENS. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. The gentleman requests a recorded vote and makes the point of order that a quorum is not present. Evidently a quorum is not present.

Mr. OWENS. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. The Chair has already indicated a quorum is not present and so, therefore, the Chair, pursuant to the provisions of clause 2, rule XXIII, announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No 42]

ANSWERED ''PRESENT''—424

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Reynolds
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—10

Bishop	Frank (MA)	Rush
Bono	Istook	Stark
Brown (FL)	Moran	
Fields (LA)	Portman	

□ 1255

The CHAIRMAN. Four hundred twenty-four Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from New York [Mr. OWENS] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 64, noes 363, answered ''present'' 1, not voting 6, as follows:

[Roll No. 43]

AYES—64

Abercrombie	Gephardt	Payne (NJ)
Becerra	Gonzalez	Rahall
Beilenson	Gutierrez	Rangel
Bonior	Hastings (FL)	Reynolds
Borski	Herger	Richardson
Brown (CA)	Hilliard	Roybal-Allard
Brown (FL)	Hinchey	Sanders
Clay	Jackson-Lee	Scott
Clayton	Jefferson	Stark
Clyburn	Johnson, E.B.	Stokes
Collins (IL)	Kennedy (RI)	Thompson
Collins (MI)	Lewis (GA)	Torres
Conyers	Martinez	Towns
Coyne	McKinney	Tucker
Dellums	Meek	Velazquez
Dixon	Mfume	Waters
Engel	Miller (CA)	Watt (NC)
Evans	Mineta	Wise
Fattah	Mink	Woolsey
Flake	Mollohan	Wynn
Ford	Olver	
Frank (MA)	Owens	

NOES—363

Ackerman	Callahan	Doolittle
Allard	Calvert	Dornan
Andrews	Camp	Doyle
Archer	Canady	Dreier
Armey	Cardin	Duncan
Bachus	Castle	Dunn
Baesler	Chabot	Durbin
Baker (CA)	Chambliss	Edwards
Baker (LA)	Chapman	Ehlers
Baldacci	Chenoweth	Ehrlich
Ballenger	Christensen	Emerson
Barcia	Chrysler	English
Barr	Clement	Ensign
Barrett (NE)	Clinger	Eshoo
Barrett (WI)	Coble	Everett
Bartlett	Coburn	Ewing
Barton	Coleman	Farr
Bass	Collins (GA)	Fawell
Bateman	Combest	Fazio
Bentsen	Condit	Fields (TX)
Bereuter	Cooley	Filner
Berman	Costello	Flanagan
Bevill	Cox	Foglietta
Bilbray	Cramer	Foley
Bilirakis	Crane	Forbes
Bliley	Crapo	Fowler
Blute	Cremeans	Fox
Boehlert	Cubin	Franks (CT)
Boehner	Cunningham	Franks (NJ)
Bonilla	Danner	Frelinghuysen
Bono	Davis	Frisa
Boucher	de la Garza	Frost
Brewster	Deal	Funderburk
Browder	DeFazio	Furse
Brown (OH)	DeLauro	Gallegly
Brownback	DeLay	Ganske
Bryant (TN)	Deutsch	Gejdenson
Bryant (TX)	Diaz-Balart	Gekas
Bunn	Dickey	Geren
Bunning	Dicks	Gibbons
Burr	Dingell	Gilchrest
Burton	Doggett	Gillmor
Buyer	Dooley	Gilman
Goodlatte	Luther	Royce
Goodling	Maloney	Sabo
Gordon	Manton	Salmon
Goss	Manzullo	Sanford
Graham	Markey	Sawyer
Green	Martini	Saxton
Greenwood	Mascara	Scarborough
Gunderson	Matsui	Schaefer
Gutknecht	McCarthy	Schiff
Hall (OH)	McCollum	Schroeder
Hall (TX)	McCrery	Schumer
Hamilton	McDade	Seastrand
Hancock	McDermott	Sensenbrenner
Hansen	McHale	Serrano
Harman	McHugh	Shadegg
Hastert	McInnis	Shaw
Hastings (WA)	McIntosh	Shays
Hayes	McKeon	Shuster
Hayworth	McNulty	Sisisky
Hefley	Meehan	Skaggs
Hefner	Menendez	Skeen
Heineman	Metcalf	Skelton
Hilleary	Meyers	Slaughter
Hobson	Mica	Smith (MI)
Hoekstra	Miller (FL)	Smith (NJ)
Hoke	Minge	Smith (TX)
Holden	Moakley	Smith (WA)
Horn	Molinari	Solomon
Hostettler	Montgomery	Souder
Houghton	Moorhead	Spence
Hoyer	Morella	Spratt
Hutchinson	Murtha	Stearns
Hyde	Myers	Stenholm
Inglis	Myrick	Stockman
Istook	Nadler	Studds
Jacobs	Neal	Stump
Johnson (CT)	Nethercutt	Stupak
Johnson (SD)	Ney	Talent
Johnson, Sam	Norwood	Tanner
Johnston	Nussle	Tate
Jones	Oberstar	Tauzin
Kanjorski	Obey	Taylor (MS)
Kaptur	Ortiz	Taylor (NC)
Kasich	Orton	Tejeda
Kelly	Oxley	Thomas
Kennedy (MA)	Packard	Thornberry
Kennelly	Pallone	Thornton
Kildee	Parker	Thurman
Kim	Pastor	Tiahrt
King	Paxon	Torkildsen
Kingston	Payne (VA)	Torricelli
Kleczka	Pelosi	Traficant
Klink	Peterson (FL)	Upton
Klug	Peterson (MN)	Vento
Knollenberg	Petri	Visclosky
Kolbe	Pickett	Volkmer
LaFalce	Pombo	Vucanovich
LaHood	Pomeroy	Waldholtz
Lantos	Porter	Walker
Largent	Portman	Wamp
Latham	Poshard	Ward
LaTourette	Pryce	Watts (OK)
Laughlin	Quillen	Waxman
Lazio	Quinn	Weldon (FL)
Leach	Radanovich	Weldon (PA)
Levin	Ramstad	Weller
Lewis (CA)	Reed	White
Lewis (KY)	Regula	Whitfield
Lightfoot	Riggs	Wicker
Lincoln	Rivers	Williams
Linder	Roberts	Wilson
Lipinski	Roemer	Wolf
Livingston	Rogers	Wyden
LoBiondo	Rohrabacher	Yates
Lofgren	Ros-Lehtinen	Young (AK)
Longley	Rose	Young (FL)
Lowey	Roth	Zeliff
Lucas	Roukema	Zimmer

ANSWERED ''PRESENT''—1

Neumann

NOT VOTING—6

Bishop	Hunter	Rush
Fields (LA)	Moran	Walsh

□ 1300

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. HERGER. Mr. Chairman, I inadvertently voted ''yes'' on the last amendment, the Owens amendment. I meant to vote ''no.'' I would ask that my statement appear in the RECORD directly after the vote.

PERSONAL EXPLANATION

Mr. NADLER. Mr. Chairman, on rollcall vote 43 I meant to vote ''yes.'' I am recorded as voting ''no.'' I ask that the RECORD reflect my intent to vote ''yes.''

The CHAIRMAN. It is now in order to consider amendment No. 1 offered by the gentleman from West Virginia [Mr. WISE].

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WISE

Mr. WISE. Mr. Chairman, I offer an amendment in the nature of a substitute that has been made in order and printed in the RECORD.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. WISE: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

''ARTICLE—

''SECTION 1. Total outlays of the operating funds of the United States for any fiscal year shall not exceed total receipts to those funds for that fiscal year plus any operating fund balances carried over from previous fiscal years.

''SECTION 2. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution adopted by a majority of the whole number of each House of the Congress, that becomes law. If real economic growth has been or will be negative for two consecutive quarters, Congress may by law waive the article for the current and the next fiscal year.

''SECTION 3. Not later than the first Monday in February in each calendar year, the President shall transmit to the Congress a proposed budget for the United States Government for the fiscal year beginning in that calendar year in which total outlays of the operating funds of the United States for that fiscal year shall not exceed total receipts to those funds for that fiscal year.

''SECTION 4. Total receipts of the operating funds shall exclude those derived from net borrowing. Total outlays of the operating funds of the United States shall exclude those for repayment of debt principal and for capital investments in physical infrastructure that provide long-term economic returns but shall include an annual debt servicing charge. The receipts (including attributable interest) and outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as receipts or outlays for purposes of this article.

''SECTION 5. This article shall be implemented and enforced only in accordance with appropriate legislation enacted by Congress, which may rely on estimates of outlays and receipts.

''SECTION 6. This section and section 5 of this article shall take effect upon ratification. All other sections of this article shall take effect beginning with fiscal year 2002 or the second fiscal year beginning after its ratification, whichever is later.''

The CHAIRMAN. Pursuant to the rule, the gentleman from West Virginia [Mr. WISE] will be recognized for 30 minutes, and the gentleman from Florida [Mr. CANADY] will be recognized in opposition for 30 minutes.

The Chair recognizes the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we are going to talk about an amendment before us, a balanced budget amendment to the Constitution, that has an element in it we are not going to hear in any of the others, and that deals with public investment capital budgeting.

We have heard a lot of statements here today, and the statements are that the Federal Government ought to balance its budget like States and businesses do or the Federal Government ought to balance its budget just like families do. Both of those statements are correct, and that is what this amendment does. It balances the Federal budget just like families, businesses, and every local government would do.

We have two main elements. First of all, we take Social Security off budget. People have been vowing not to affect Social Security. We give Members the chance to say, ''We are not going to do that, it's off budget, it's out of the picture.''

But let us talk about the public investment part of it, because that is what distinguishes this amendment from any of the others that have come before and will come after.

Basically, every family balances its budget, but it recognizes something important. The family in Berkeley County, WV, one of the fastest growing areas in our State, that looks to buy a new home knows that it cannot pay for the house in 1 year, but it enters into a mortgage over 10, 20, or 30 years. The family in Kanawha County that needs to buy that car to get to work knows that it cannot pay for the car in 1 year, so it borrows for that car because it is a long-term investment and pays for that car over several years.

So the family in Berkeley County that is buying the home, the family in Kanawha County that is buying the car, and the family in Lewis County that is trying to send their son or daughter to college and borrowing to do it know that they have a long-term investment, and they budget accordingly. So it is that we would say that the Federal Government must balance its operating income but could borrow for physical infrastructure, for the roads, the bridges, the airports, the water systems, the sewer systems, the buildings, and the other capital investments, physical construction, physical investments that make it strong.

I think here, too, we will hear a word we are not going to hear too much in other debates. It is called ''productivity.'' The fact of the matter is that while cuts must be made to balance the budget, we have got also to have to grow to get ourselves out of this ditch, and we cannot simply grow our way out by only cutting; we have got to put into place those policies that promote growth.

This chart tells the story. Those countries that have the most public investment in physical infrastructure have the greatest productivity. This first chart is a chart that shows the public infrastructure investment ratio in regard to gross domestic product of the G–7 nations, the most powerful industrial nations.

The United States is in the brownish line, and as we can see, it is basically in a flat line from the year 1978 to the year 1992. But look at the others, how they have invested in their roads and bridges, in their physical infrastructure. Now, let us look at the result according to this following chart. The correlation is quite clear.

□ 1310

If you look at the second chart, it tells a story as well. Along here is the percentage investment in relation to gross domestic product that a country makes in its public infrastructure. You can see where Japan is way out here, Italy, and so on.

The chart on the left, going up, shows you productivity increase. So what you have is a direct correlation between the more you invest in your physical infrastructure, the more your productivity increases. There is a reason that the United States from 1978 to 1990 was basically 1 percent productivity increase, and that is because our investment in infrastructure just about trended out at about that level of gross domestic products. But Japan, with half the population and 60 percent of the economy, spent more in real dollars than the United States on physical infrastructure and you see the corresponding growth in productivity. Productivity growth equals growth, equals more tax revenues, equals a stronger economy, equals a whole lot of things, and it also gets you to a balanced budget. So we urge that we put these policies into effect.

Let me say in conclusion, Mr. Chairman, that you will be following then what every State does. Every Member in this hall represents an entity, a State or delegate, district, whatever, that has capital budgeting in place. The only entity that does not is the Federal Government. So let us do what our families do, let us do what our businesses do, let us do what our States do, and let us encourage public investment and include capital budgeting and make this balanced amendment public investment friendly and growth friendly.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE] reserves one-half minute from the time he allocated himself.

Mr. CANADY of Florida. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to salute the gentleman from West Virginia [Mr. WISE]. Coming from West Virginia, as he does, he possesses a peculiar expertise about infrastructure, and I yield to his superior familiarity with that subject. However, I do oppose the Wise substitute because it is too weak to facilitate efforts to facilitate a balanced budget.

The absence of a provision making it harder to increase the debt ceiling removes a major deterrent to deficit spending. The lack of special voting requirements to increase taxes can lead to excessive reliance on tax increases rather than spending cuts to achieve a balanced budget. Such a course of action can only be harmful and frustrate what we are trying to do with the balanced budget amendment.

The exclusion of capital investments in physical infrastructure from total outlays allows substantial deficit spending that can undermine the objective of protecting future generations from progressively higher interest payments.

The exclusion of Social Security from receipts and outlays will be harmful rather than helpful to older Americans. Including Social Security in computations will not put the Social Security surplus at risk or divert it to other purposes as several Members have erroneously suggested. You include Social Security for computation purposes, which we do now, today, to compute the deficit. That does not mean it is included for invasion purposes.

The reality is that older Americans will suffer unnecessarily if we ignore the surplus—for calculation purposes—in Social Security, because the consequences will be greater pressure to cut, or to cut more substantially, programs such as Medicare and Medicaid that older Americans rely on so heavily.

In the years ahead, Social Security recipients will be protected because the congressional leadership and the Members of the House and the Senate are committed to preserving and protecting this vital program, not because of the formula we use for determining the extent of cuts in other budgetary programs.

Excluding Social Security from computations of receipts and outlays is also a shortsighted response to a surplus in the fund that is temporary in nature. Demographic changes in our

population will cause the Social Security program, in the absence of congressional action, to begin running a deficit approximately a decade after the amendment's effective date. A balanced budget amendment that ignores a Social Security deficit for computation purposes, which is the corollary of ignoring a surplus, will be less effective, a fact that will not be overlooked by financial markets. Higher interest rates as a consequence can be anticipated, which will crowd out other essential expenditures and exacerbate pressure to cut Social Security.

Including specific reference in the Constitution to Social Security creates a loophole for Congress to define anything as Social Security in order to avoid a balanced budget. Such a course can render a balanced budget constitutional amendment ineffective and undermine the integrity and viability of Social Security by weighing it down with other extraneous programs.

Finally, we must not overlook the fact that the greatest threat to Social Security is the continued growth in the national debt, which is expected to result in higher and higher interest payments in the years ahead. The vulnerability of Social Security is the result of our failure to adhere to balanced budget principles. By providing the fiscal discipline to get our economic House in order, the balanced budget constitutional amendment will protect the value of the Treasury securities in which Social Security surpluses are invested, and facilitate our national capacity to honor its commitment to older citizens.

This substitute, offered in all good faith by the gentleman from West Virginia, does not substantially advance balanced budget objectives. In fact, it impedes them. I therefore urge my colleagues to defeat it.

Mr. WISE. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. POMEROY] who has been active in this amendment, both this time and the last session.

Mr. POMEROY. Mr. Speaker, I am a cosponsor of this balanced budget version. I am proud to speak for its passage. Like so many in this Chamber, I have concluded it is time for this Congress to send the States a balanced budget amendment. The long-term prospects of this country absolutely require us to get our financial house in order, and I reluctantly have come to the conclusion it will take a balanced budget amendment to the Constitution to get us to do it.

The balanced budget debate under way, however, is not a conceptual exercise. We are talking about amending the governing charter of our country. If there is ever a moment for us to rise above petty partisanship or ideological extremism, it is now. We are about to approve a balanced budget amendment to the Constitution. For the sake of our children, our grandchildren, and their children and grandchildren, we have got to get this right.

Of all the amendments to be considered on this question, this is the one that will work. It contains the essential components for honest, prudent financial discipline. It imposes a balanced budget requirement. It is the most stringent of all the balanced budget proposals we will consider. When it comes to exceptions, it only allows them for war and recession. That is it.

It implements the successful language used by State governments in their balanced budget proposals by providing for a capital budget for physical investment in infrastructure. After all, a highway has a long, useful life. There is no budget rationale requiring the complete charge off of that investment in 1 year.

The final provision vital to this amendment is the exclusion of the Social Security trust fund. Make no mistake about it: The only way to safeguard the security of the trust fund is to take it off budget in the text of the amendment. Other language about protecting Social Security that does not put it in the amendment are words only and cannot bind this or a future Congress.

□ 1320

I commend the gentleman from West Virginia [Mr. WISE] for advancing this amendment and urge its support.

Mr. WISE. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise in favor of the Wise substitute because it is the one balanced budget amendment which would accomplish four important goals:

It would allow us to keep the safety net for the poor alive and keep programs that encourage economic growth. It would allow us to preserve this Nation's infrastructure. It will also be consistent with the way States, cities, and families achieve a balanced budget. And it could achieve a Federal balanced budget.

Now I hear my colleagues saying that borrowing money for capital is a gimmick. But if it is a gimmick, then every family who tries hard to retain the American dream of home ownership, a capital investment, is engaging also in a gimmick, unless they are wealthy or one of those families who get $4.5 million on a book deal and who can put cash money down. They, therefore, have to borrow money.

Most Americans are not in such a financial position, nor is the Federal Government. So let us support the wise Wise amendment.

Mr. CANADY of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. Mr. Chairman, looking at the text of the amendment that has been offered by the gentleman from West Virginia [Mr. WISE], it provides an exclusion for ''capital investments in physical infrastructure that provide long-term economic returns.''

That can include aircraft carriers and space stations, elevated freeways in Boston and national monuments at Lawrence Welk's birthplace in North Dakota, sewage treatment plants in Wisconsin, and bridges in West Virginia. And this is a loophole that is wide enough to drive practically anything through. About the only thing that would be put under that balanced budget amendment are payments to individuals, whether they would be entitlement programs, except Social Security, or salaries or other types of payments that are given both to Federal employees as well as to citizens of the United States.

Now, the argument advanced by the gentleman from West Virginia [Mr. WISE] in support of this amendment is that investments in physical infrastructure increase productivity and inferentially increase prosperity.

Well, there has been a lot of infrastructure built in West Virginia over the past several decades. And if that were the case, West Virginia would be the most productive and the most prosperous State in the Union. And yet, all of the statistics that I have seen indicate that that is not the case and that is why the eloquent West Virginia congressional delegation repeatedly comes before this Congress and asks for more investment in infrastructure in their own State.

Now, I do not fault them for that. But I think that shows the argument advanced on behalf of this amendment by the very eloquent member from West Virginia [Mr. WISE] is a fallacious argument and thus this amendment should be rejected.

Mr. WISE. Mr. Chairman, I yield myself 30 seconds to reply.

Mr. Chairman, there may be a need for more infrastructure. I might add capital budgeting might be an improvement. There might be a need for more sewage treatment plants in Wisconsin as well as many of the other areas that the gentleman mentioned. Our productivity happily is increasing. As we have made the transition in West Virginia from a basically mining and manufacturing economy, one reason is because of roads.

I might add that a lot of studies demonstrate that a four-lane highway in a rural county increases job growth and productivity about three times that of areas where they are not. So there is a clear gain, and we need to focus on infrastructure, not just in my State but nationwide.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Oregon [Ms. FURSE] a cosponsor of this amendment.

Ms. FURSE. Mr. Chairman, I rise today in strong support of the Wise-Furse-Pomeroy balanced budget amendment. I have had the honor of co-authoring this for 2 years and of all the amendments before the House today, this is the toughest one which

also gives Social Security ironclad protection.

Now, I believe we need a constitutional balanced budget amendment to hold Congress' feet to the fire on excessive and unnecessary spending. But keeping Social Security in the budget masks the true size of the deficit and puts all of us, including our seniors, at risk.

I say to my colleagues that if it is true that Social Security is not on the table, then put it in the law. Vote for the Wise amendment. The Wise amendment protects Social Security as a pension plan. It puts that protection in law. It is honest. It keeps the promises we have made.

Now, Oregon, like many other States, has a balanced budget amendment that very wisely allows for capital investment. And this Wise-Furse-Pomeroy amendment is the only one that is truly based on a State model. The Government should operate like our businesses and our family budgets. And this is really the only one that has that commonsense approach.

Mr. Chairman, let us today do as our States do and as our families do, let us have wise budgeting. Support the toughest amendment before the House today, which also gives the only ironclad protection to Social Security.

I urge my colleagues to pass the Wise-Furse-Pomeroy amendment.

Mr. CANADY of Florida. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia. [Mr. GOODLATTE].

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding time to me.

I rise in strong opposition to this amendment because it would certainly defeat the efforts of those who truly want to bring about a balanced budget and bring it about in a sensible fashion.

As the gentleman from Wisconsin pointed out, this exception for capital investment is a gigantic loophole, one large enough to fly the space shuttle through or a space station. I would suggest that not only is it wrong because capital investment is not tightly defined, but it also cannot be accepted because of the fact that while it is true that some States having balanced budget amendments do have exceptions for capital investment, there is a big difference between them and the situation we have now. And that is that they did not start out with a $4.7 trillion national debt growing at the rate of $200 billion a year. This is a way to continue to grow that debt which costs right now more than $225 billion a year, even at lower interest rates. If interest rates go up, it is going to be an even more serious problem. It is simply not acceptable to create that kind of exception when we need to go about getting this budget balanced.

Second, this balanced budget waives the balanced budget requirements in case of a recession, even though it does not specify that there would have to be any harm to the budgeting process by granting it during the time of a recession.

Finally, I think the argument that this amendment, as has been offered by several on the other side, that this amendment protects Social Security, is entirely fallacious. I would suggest that the contrary is in fact true, that this amendment will endanger Social Security for several reasons.

First of all, we have taken numerous steps on numerous occasions as a Congress to protect Social Security. And we will continue to do that. But if we put into the constitution only an exception for the Social Security trust fund, then that Social Security trust fund will become the vehicle for all manner of abuse, because any type of social spending program, from housing programs to food stamps to Medicare or Medicaid, could be put into the Social Security Act.

This does not take away from the Congress the right to change the Social Security Act. All it does is put the trust fund in there.

If we want to protect a particular program from the budgetary requirements, a future Congress could put an item that they wanted to protect into the Social Security fund and dilute that fund and tamper with the intent of the Social Security Act.

In addition, as the chairman of the committee, the gentleman from Illinois, pointed out, the pressure on other programs for senior citizens, like Medicare, will be so great, if because of computational purposes the level that needs to be reached in order to achieve a balanced budget is changed by the purposes of this amendment.

□ 1330

As a result, not only will there be greater pressure on Medicare, not only if that pressure becomes so great, this amendment does not protect Social Security from future Congresses going in and changing the level of payment, the age of retirement, the amount of contribution by employees and others in this country. As a result, Mr. Chairman, this endangers Social Security. It does not protect it.

Mr. Chairman, I would strongly urge the Congress to reject this amendment.

Mr. WISE. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentleman from New Jersey [Mr. MR. TORRICELLI]. I would note that the previous speaker is from a State that has capital budgeting.

Mr. TORRICELLI. I thank the gentleman for yielding time to me, and for bringing this most thoughtful of amendments to the floor of this institution.

Mr. Chairman, for as long as this Congress has been debating the problems of debt in American, I have heard Members say, why is it the States balance their budgets and we do not? Why does every American family balance their checkbook and we cannot, and why can we not run the Federal Government more like a business?

If Members have made one of those speeches, this is their amendment, because every one of those corporations, every one of those States, and indeed, most American families have arranged their finances on a sound practice of capital budgeting.

Fifty-three percent of the people of the United States have a larger home mortgage than they have an income. They recognize that you do not go through life saving all of your money before you buy a home.

The accumulated capital expenditures of business in America is $4.5 trillion more than the Federal debt, but business understands the difference between building plant and equipment which will last 20, 30, or 40 years, and consumption.

The other night the Governor of my State was lecturing us on the need to balance our budget. My State of New Jersey, like most of the Member's States, has a balanced budget amendment, but they also have a capital budget. They know the difference between paying a State employee and building a highway or a university.

Central to this argument is that all spending is not the same. Spending on consumption is one thing, spending on investment is another: roads, aircraft carriers.

Many things this government builds last beyond the life of a generation. They produce income to this country. They should be in a capital budget. They are not consumption.

The gentleman has made a great contribution to this debate with his amendment. It is the most thoughtful, the most sound. I urge its adoption.

Mr. CANADY of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. I thank the gentleman from Florida for yielding time to me.

Mr. Chairman, I will be very brief here. For 14 years now we have been in the process of fine-tuning the language in this balanced budget amendment that our friend, the gentleman from Texas, [Mr. BARTON], and myself have introduced today.

I think that the gentleman from West Virginia is very well-intentioned in this, and I think he also agrees we should have a balanced budget, but I think we disagree over whether the Constitution should establish budget priorities.

Mr. Chairman, I believe this is not the place to dictate how we lay a pavement or that we put up bricks or what we do anything else along the capital budgeting line. I just think that would clutter up the language we have at the present time, and I would oppose the amendment.

Mr. WISE. Mr. Chairman, could I ask of the Chair how much time remains on each side?

The CHAIRMAN. The gentleman from West Virginia, [Mr. WISE] has 17¾ minutes available, and the gentleman

from Florida [Mr. CANADY] has 18 minutes available.

Mr. WISE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. BORSKI], another active Member on this amendment.

(Mr. Borski asked and was given permission to revise and extend his remarks.)

Mr. BORSKI. Mr. Chairman, I oppose the idea of a constitutional amendment requiring a balanced budget. A constitutional amendment—without a plan to balance the budget—is a bad idea.

This vote will have enormous consequences but our friends on the other side of the aisle have refused to tell us how it would be implemented because, according to the majority leader, our knees would buckle—or because the voters would find out what this proposal would really mean to their lives.

This is what the balanced budget amendment really means. It will strike directly at middle-income families and senior citizens.

The Medicare Program, which is vital of millions of people around this country, could face as much as a 30-percent cutback—$7 billion in my State of Pennsylvania alone, if this balanced budget plan is adopted.

Mr. Chairman, I stand with Oliver Wendell Holmes, one of our great Supreme Court Justices who said, ''A Constitution is not intended to embody a particular economic theory.''

Mr. Chairman, if our Nation is to have a constitutional amendment requiring a balanced budget, the Wise amendment is the way to do it.

When we say we want the Federal Government to balance its budget in the same way everyone else does—this is it. A capital budget.

The Wise amendment will accomplish the goal of requiring the annual operating budget of the Federal Government to be balanced while protecting long-term capital investments and Social Security.

I commend the gentleman from West Virginia for proposing this amendment to set the same budget procedures as almost everyone else uses.

I find it extremely baffling that the Federal Government does not have a capital budget already.

A capital budget was approved last year by the Public Works and Transportation Committee unanimously on a bipartisan basis.

It had the support of every Republican on the committee.

Capital budgeting is used by virtually all State and local governments. They may not realize it but most families use their own home-made version of a capital budget.

Nobody includes long-term investments with current operating expenses—except the Federal Government.

It makes no sense to mingle capital investments with current operating expenses—yet that is what we do in the Federal Government.

If we are going to have a rational, reasonable method of calculating our debts, we must have a capital budget.

This amendment is a means of putting the Federal Government's fiscal house in order, which, I believe, is what we are all hoping to achieve.

The important thing is to balance our operating accounts on an annual basis. That should be done at all times except in the most dire emergencies.

However, it would be unduly restrictive and counterproductive to place those same limits on long-term capital investments.

It makes sense to include only the annual debt service on those investments—not the entire cost of capital projects.

The average American family does not include the total cost of its capital investments, such as the purchase of a new house, in its monthly or annual budget. They only pay the debt service or mortgage.

In the same way, the Federal Government should not be paying the entire cost of an infrastructure project in the first year. That cost should be included in the capital budget while debt service should be part of the operating budget.

It simply makes no sense from a budgeting standpoint.

It is also counterproductive because we will be limiting our ability to make the capital investments that have positive economic paybacks.

We should be encouraging investment in our Nation's infrastructure to promote productivity and growth.

We should not be restricting capital investments. We have huge infrastructure investment needs.

At the end of the last Congress, our Investigations and Oversight Subcommittee, on a bipartisan basis, issued a report detailing these needs.

The needs are just staggering: $32 billion more is needed each year to bring our highways and bridges up to standard; $11 billion more is needed each year for our transit systems; $4 billion more is needed each year for our airports; $5 billion more is needed for our ports and inland waterways; $137 billion is needed for our wastewater treatment systems.

A balanced budget amendment without a capital budget would stand in the way of meeting our vital, essential infrastructure needs.

For these reasons, I urge the Members of this House to support the Wise substitute to House Joint Resolution 1.

Mr. CANADY of Florida. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from Minnesota [Mr. MINGE].

(Mr. MINGE asked and was given permission to revise and extend his remarks.)

Mr. MINGE. Mr. Chairman, the various versions of the balanced budget amendment are on the table today. They have their respective strengths and weaknesses. Of course, that is the subject of the debate.

The real question is, first, which of the options gives us the greatest chance of eliminating the deficit, and at the same time stands the best chance of not only congressional ratification or congressional approval, but State ratification. I see my responsibility as a Member of Congress to vote for the amendment which meets those two tests.

Mr. Chairman, the Stenholm-Schaefer proposal is clearly the best. The Barton substitute is pretty stiff medicine. I think many of us would like to see that passed, but I fear it stands little chance of State ratification.

State and local governments have already become concerned or weak-kneed about the problems that they will face if they have to pick up Federal programs that are popular in their area. The super majority to approve any revenue increase is what they would find at the Federal level unacceptable, I fear.

The Wise amendment, although well-intentioned, is also, I feel, a mistake in terms of our deliberations today. We have a debt of almost $5 trillion. This reflects a capital investment that exceeds what the States have on their books. We already have the capital investment exception on the books.

The Social Security exception goes further. It creates the opportunity for a shell game to hide entitlement programs of all stripes under the label of Social Security.

It is critical that we exercise the self-discipline in Congress to meet the challenge before us. We must not lose sight of our goal of balancing the budget and actually adopting an amendment here that is ratified by the States.

Mr. Chairman, we must not allow ourselves to do what we think is the fleeting, popular thing and approve exceptions which may at this time be popular at home. Instead, we must take the stiff medicine and approve a constitutional amendment here today, or this week, that we can go home and explain to our children and our grandchildren as one that actually gives them the hope that they will have a future without ever-increasing national debt.

□ 1340

Mr. WISE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. MINK], who has been very active as well on this amendment.

Mrs. MINK of Hawaii. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, this amendment offered by my colleague, the gentleman from West Virginia [Mr. WISE], I think is a very important explanation of what we are talking about when we say we want to reduce the deficit and balance the budget.

The public out there has no understanding and appreciation of the fact that the Federal Government does not budget the same way that the States do.

The new majority that is now in control of the House of Representatives has argued that what is wrong with the way we run the Federal Government is that we don't allow the States to do the things that the States do best.

Well, the States all have capital budgets and they have operating budgets, and, like in my State as my colleague the gentleman from Hawaii [Mr. ABERCROMBIE] will attest to, we have a constitutional requirement of a balanced budget, but that applies only to the operating balanced budget. And thus everybody who talks about balancing the budget believes that we are only directing our comments to the day-to-day expenditures of salaries and other things that are required.

That when it comes to capital improvements, buildings, roads and whatever the States need, that that is a separate budget, and is dealt with differently.

How could any family in America today sustain their quality of life if they could not go to the bank and borrow for their needs, for an automobile, for whatever, a college education for their kids or their house? We value the fact that people have the power to borrow, and a person's wealth and financial acumen is looked at very highly if they have the opportunity to borrow and to increase their standing in the community.

What is wrong with the balanced budget amendment is that we have failed to consider the assets that have been acquired by this tremendous debt that people decry.

I believe that we really should follow what the States are doing, and that is to balance their operating budget and allow them to decide what kinds of investments they should make in the future. We should vote for the Wise substitute.

Mr. Chairman, I rise in support of the substitute to House Joint Resolution 1, the balanced budget amendment, offered by Congressman BOB WISE of West Virginia.

Proponents of House Joint Resolution 1 assert that their version of the balanced budget amendment will force the Federal Government to exercise the same fiscal discipline as States with balanced budget mandates. This assertion would be valid only if the Federal budget were structured along the lines of State budgets. There are, however, fundamental differences in the way the Federal Government and the States account for their operating costs and long-term investments and reflect these costs in their budgets.

States account for their operating costs and long-term investments in separate operating and capital budgets. And, it is important to note that States with balanced budget mandates are required to balance only their operating budgets and can—and do—continue to assume long-term debts to pay for such capital projects as new road and school construction.

The Federal Government, on the other hand, does not distinguish between its operating costs and long-term investments. In other words, the Federal budget treats salaries, health research, education, and long-term investments like highway construction in the same way. As such, the debt associated with Federal long-term investments is not spread out over 10 or 15 years as it is in the capital budgets of the States, but rather combined with Federal operating costs and shown as part of the current year's Federal deficit.

I believe the Federal Government should—and must—maintain a balanced budget to cover its operating costs. However, just as families choose to assume long-term debts to purchase homes or finance their children's education and States take on long-term debts to improve their airports, highways, and harbors, the Federal Government must be allowed to make long-term capital investments to assure and ensure the Nation's continued economic vitality and viability.

I cannot stress enough how a balanced budget amendment applied to a Federal budget that does not distinguish between operating costs and long-term investments will also undermine the Government's ability to make long-term investments and hamper the Nation's ability to compete in an increasingly global economy.

The Congressional Budget Office has determined that $1.2 trillion in spending cuts will be required over the next 7 years if the balanced budget amendment is to be enforced by 2002. Proponents of House Joint Resolution 1 have yet to advance a plausible explanation as to how such massive spending cuts will leave programs like Social Security and Medicare, which together account for nearly one-third of all current Federal spending, unscathed. Proponents of House Joint Resolution 1 also fail to explain how such Federal programs as the student loan program and earthquake and flood disaster relief can be maintained in the face of their balanced budget amendment.

I agree that we must do much more to restore discipline to the Federal budgetary process. However, I do not believe we will attain that goal by supporting a balanced budget amendment that is notable more for reducing the complex factors and components that make up the Federal budget to an appealing yet false simplicity rather than offering measurable and plausible solutions to our budget problems. If proponents of House Joint Resolution 1 are truly serious about wanting to balance the Federal budget, they must spell out just what tough and difficult choices will need to be made to achieve that end by 2002. Until and unless they do, House Joint Resolution 1 offers only the promise of a balanced budget and a pay-after-we're-gone balanced budget at that.

I believe the continued debate over deficits and balanced budget amendments stems from the Federal budget's failure to distinguish between operating costs and long-term investments. While the Congress and the American public have not rallied to the cause of a restructured Federal budget with quite the same degree of enthusiasm they have shown for a balanced budget amendment, I believe a Federal budget that distinguishes between operating costs and long-term investments will provide the foundation for a cleaner and sounder fiscal policy and restore the public's confidence in our ability to set such policy. To be more succinct, it will allow the Federal Government to balance its budget just as States with balanced budget mandates balance their budgets.

I therefore urge my colleagues to join me in supporting the Wise substitute to House Joint Resolution 1.

Mr. WISE. Mr. Chairman, I yield 1½ minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I think that the proposal before us today which this amendment is trying to correct simply presents the country with what I would call consumer fraud. It pretends to balance the budget but if you read the text rather than the title, it does nothing of the kind. All it says is that anytime you can get 60 percent of this House to agree, you can pass any unbalanced budget you want. That is what the proposal really says.

In contrast, the Wise amendment says that in no condition whatsoever can you have an unbalanced budget unless you have a grave threat to national security or unless the country is dealing with a recession. Outside of those two very narrow exceptions, there would be no occasions on which you can have an unbalanced budget.

I think that is a much tighter proposition, and I think we ought to adopt it so that this proposal does what it actually would otherwise simply pretend to do.

I think our Government needs to be running a balance and in fact running a surplus any time when the economy is healthy. But if we are in wartime, we have to put survival ahead of accounting. If we are in a recession, we need to put the health of the economy and job creation ahead of accounting. In all other circumstances, we ought to be running a balance or a surplus and that is what the Wise amendment would produce. That is why I support it.

Mr. WISE. Mr. Chairman, I yield 1½ minutes to the gentleman from Ohio [Mr. SAWYER] who has been very active in the formation of this amendment.

Mr. SAWYER. Mr. Chairman, I rise in strong support of the Wise amendment.

We have all heard the comments associated with the example that the States, local governments, corporations, and families have offered with regard to the efficacy of maintaining balanced budgets and doing so through the distinction between operating and capital budgets.

States and localities must build roads, sewers, water systems, airports, and schools. Corporations invest in plant and equipment, families invest in cars and houses, the kinds of things that nurture them for the long run. They do it by borrowing for capital assets, that is to say investment, repaid over a period of time that reflects that the cost of the debt is paid for by regular payments through operating accounts over the life of the debt.

We simply have to break the notion that this country can operate in modern times out of the cash drawer as it did 200 years ago. This alternative provides for a rational distinction between timely payments for continuing short-term needs and the large capital formation needed to make long-term investments in lasting assets. It offers the discipline of rational, planned borrowing which can be measured by our need, our capacity to pay and the investments we can make.

Annually, we are going to have to agree on what those needs are and recognize that those needs will change over time. We have to build that kind of elasticity into the future.

Like wise families we can borrow to invest, and like wise families we would not borrow to pay for the electric bill or for the groceries.

Mr. WISE. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I rise in opposition to the Wise amendment, which would enshrine in the Constitution a capital budget that, along with Social Security, would be moved off-budget.

I do commend my friend from West Virginia for his work on this amendment and, furthermore, for the improvements he made to his amendment since last spring. I have confidence in the sincerity of my colleague but I continue to believe that his amendment is seriously flawed for numerous reasons.

As I mentioned last year, I also would like to thank the gentleman for helping bring us to a point where far more than two-thirds of the House Members agree that we need a constitutional restraint to balance the budget. He helped convince several Members to make the philosophical leap to supporting a constitutional amendment. I have been trying to nudge Members in that direction for years, and I appreciate the help from the gentleman.

I must oppose the Wise amendment, however, because it includes provisions which are not appropriate to include in the Constitution and because I am not convinced it will change the status quo. The Schaefer-Stenholm amendment is both stronger and more flexible than the Wise amendment, more appropriately passing constitutional muster.

I can appreciate the argument Mr. WISE makes in comparing the Federal budget to State and local budgets, but he misses one critical element in the analogy. It is true that State and local governments develop capital budgets, but those governments also have a check on the use of their capital budgets through bond ratings. If a State government were to abuse its capital budget, the bond rating would drop and the State would be unable to continue to finance new capital expenditures for borrowing. In addition, many States require that bond issues be approved by the voters. These checks on the abuse of capital budgets would not exist under a Federal capital budget, failing to close the gate on potential abuse.

While the proponents of the Wise amendment argue that we will not exercise those opportunities for abuse, either through the off-budget capital budget or through Social Security trust fund, we have little reason to feel confident that Congress will resist the temptation to do so.

The State government analogy is flawed for a second reason. Obviously, the share of capital expenditures in the Federal budget is much smaller than it is in the States. While there may be a justification at the State level to borrow money for capital expenditures, the Federal Government should be able to fund capital investments on a pay-as-you-go basis. Even the Federal Interstate Highway System, the largest capital investment in our history, was financed on a pay-as-you-go basis at the urging of Senator Albert Gore, Sr.

I also continue to find distressing the insistence that Social Security be removed from the budget. As we have heard here on the House floor during the past 2 days, there is disagreement about the best way to protect the integrity of the Social Security program, although I am confident that there is no disagreement that the program's integrity must be shored up, both for present and for future beneficiaries. I believe that keeping Social Security in the framework of the amendment will ensure that we will take the actions we all know are necessary to deal with the unfunded liability in the trust fund and preserve the long-term soundness of the trust fund. If we don't bring our deficit under control, the integrity of the Social Security program will be threatened early in the next century. Exempting the Social Security trust fund creates the temptation to abuse that exception and undermine the integrity of the fund.

The greatest threat to Social Security and to investments is the enormity of growing interest payments that are crowding out all other spending. Continued deficit spending, even if it is off budget, would result in a debt which continues to grow and in rising interest payments which squeeze our ability to fund investments and Social Security.

The Wise amendment may or may not result in less borrowing than we currently have, but that is primarily a matter of bookkeeping. There is no question that under the Wise amendment, especially compared to the Schaefer-Stenholm amendment, we will face increasing interest payments and have less money available to spend on other worthwhile programs. While there may be different opinions about the best way to protect Social Security and capital investments, there can be no question that the only way to ensure that future generations can make capital investments and meet the obligations of the Social Security trust fund is to put an end to our spiraling debt.

A surprising contrast to the leniency of these off-budget items is the lack of flexibility when it comes to instances of national emergency. The Schaefer-Stenholm amendment recognizes that we cannot anticipate all of the circumstances that may justify deficit spending some point in the future. We should not try to write all of the possibilities into the Constitution. We believe that it is more appropriate to provide the flexibility of allowing deficit spending if 60 percent of Congress believes that we face an emergency that justifies deficit spending.

The Wise amendment does not allow for this flexibility. We would not have the option, for example, of waiving the amendment in order to respond to a natural disaster or any other national emergency except a recession or declared war.

Obviously, Congress would feel the need to respond to serious national emergencies, but they would be forced to do so through bookkeeping gimmicks which further complicate an already byzantine Federal budget process, further fueling public confusion and cynicism. Clearly, this is not the effect we hope to accomplish in amending the Constitution.

My criticism of this constitutional amendment should not be construed as a failure to understand the critical differences between investment spending and consumption spending. Under the Schaefer-Stenholm amendment, it would be entirely possible to separate capital investments from operating expenses in the regular budget process. We simply say that we should do this within the context of an overall balanced budget.

Clearly, the General Accounting Office agreed with that sentiment when it stated: "The choice between spending for investment and spending for consumption should be seen as setting of priorities within an overall fiscal constraint, not as a reason for relaxing the constraint and permitting larger deficits."

I do commend my colleague for refining his amendment this year by narrowing the definition of capital to meaning physical capital, although he did leave undefined how to deal with military capital. Unfortunately, that improvement still leaves standing a lack of agreement on what would be included in a capital budget.

Finally I will ask this question about the Wise amendment: How will the Wise amendment improve upon the status quo? Depending on how we define a capital budget, we could run deficits as large or larger than our current deficits without violating the Wise amendment. I do not believe we should be amending the Constitution simply to enshrine the status quo.

I encourage my colleagues to vote against the Wise amendment. But I would also say to my colleagues, regardless of how you vote on this amendment, all Members who believe that we need a constitutional restraint to change the status quo in this body should vote for the Schaefer-Stenholm amendment.

Mr. Wise. Mr. Chairman, I yield 1½ minutes to the gentleman from Arkansas [Mr. THORNTON], an eloquent spokesperson for investment spending.

(Mr. THORNTON asked and was given permission to revise and extend his remarks.)

Mr. THORNTON. Mr. Chairman, we need a balanced budget and we need a sound approach to accomplish this goal. I am disappointed my colleagues and I were not given an opportunity to debate and vote on my own substitute amendment which called for capital budgeting while protecting Social Security, Medicare, and veterans' benefits.

However, there are many similarities between my proposal and the amendment offered by the gentleman from West Virginia and I rise today in support of the Wise balanced budget amendment.

Mr. Chairman, this proposal is aptly named, for it is wise to recognize the need to distinguish between operating expenses and investments for the future when balancing our budget.

I do not know of any wise family that is not willing to provide for long-term investments in their home or in the education of their children. I do not know of any wise business that will not borrow money to make capital investments to improve its profits and profitability. I do not know of any wise State or local government in this United States that does not allow for long-term investment in a sound infrastructure of roads and bridges.

It is time for the Federal Government to wise up and balance its budget while bringing the budgeting system into the 20th century.

My granddad said that if a family found itself head over heels in debt, it could not spend its way out of debt. But it cannot starve its way out of debt. It has to work its way out of debt by making an investment in the future.

Mr. WISE. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. ESHOO], another cosponsor of our amendment.

(Ms. ESHOO asked and was given permission to revise and extend her remarks.)

Ms. ESHOO. Mr. Chairman, I rise today in strong support of the Wise substitute and am proud to be an original cosponsor of it now and in the 103d Congress.

In my view, this is the most important debate of the 104th Congress.

Those opposed to a balanced budget amendment are concerned about its affect on critical programs. I have been and continue to be an ardent supporter of education, environmental and health programs and it is for this reason I believe a balanced budget amendment is critical.

The interest payments on our debt are taking greater and greater slices of the budget pie and crowding out important programs for our people.

The Wise amendment addresses this by requiring a balanced operating budget but also establishes a capital budget which enables us to continue to make necessary long-term investments in roads, bridges, water and sewer systems, airports, and telecommunications.

Last week, 435 economists issued a statement urging Congress to increase public investment in our Nation's infrastructure. They all agree that long-term public investment means a more productive America.

While millions of Americans work hard to balance their checkbooks every month, they continue to borrow for long-term investments in homes and education. States do the same for investments in roads, schools, prisons, and hospitals.

It is time the Federal budgeting process distinguish between capital and operating expenses, particularly as we make the tough choices necessary to balance our budget.

As we make these tough choices Social Security surpluses will become tempting to tamper with. Our amendment protects Social Security and takes it off-budget. In doing so, it ends the practice of using the Social Security surplus to mask the true size of the deficit.

Mr. Chairman, we must cut spending and balance our budget but we cannot neglect our continuing long-term needs and our responsibilities for the future. We can't chop off growth.

The Wise amendment requires honest and sensible budgeting and recognizes the continued importance of investment and growth. I urge my colleagues to support this substitute.

□ 1350

Mr. Chairman, I salute the gentleman from West Virginia and thank him for his leadership.

Mr. WISE. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. CLYBURN], who has been active in this area as well.

(Mr. CLYBURN asked and was given permission to revise and extend his remarks.)

Mr. CLYBURN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I support the Wise amendment because in addition to protecting Social Security the Wise substitute also includes a capital budget for investments for our Nation's physical infrastructure.

Many of my colleagues have pointed out that families all across America as well as State governments always balance their budgets and we here ought to do the same.

But American families are often forced to borrow to finance a college education or to buy a home, and nearly every State government that I know that is required to balance the budget uses capital budgeting to differentiate between operating expenses and capital expenditures.

Just last week over 435 economists urged the Federal Government to expand domestic investment in our Nation's infrastructure. Their message was clear: Investment in our Nation's infrastructure is vital to American productivity and competitiveness. The Wise substitute recognizes the importance of these vital, long-term investments in our Nation's economy.

Mr. WISE. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding the time. I am happy to support the substitute offered by the gentleman from West Virginia [Mr. WISE] for three things that it does and one thing that it does not do.

First of all, it protects Social Security fully, that contract between working people and their parents for their security.

Second, it establishes capital budgeting. There is no family, no business, and no State that pays for critical long-lived investments in any single year and it is time the Federal Government operated the way all of those family businesses and States operate.

Third, it exempts not only national security in war but also recession or depression, and allows us to run an unbalanced budget during such times, and that is critical.

Four, and that is the thing that it does not do, it does not establish minority control over the budgets.

I hope the amendment by the gentleman from West Virginia [Mr. WISE] will pass.

Mr. WISE. Mr. Chairman, may I ask how much time is remaining.

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE], has 5¾ minutes remaining, and the gentleman from Florida [Mr. CANADY] has 15½ minutes remaining. The gentleman from Florida has indicated to the Chair he intends to reserve the balance of his time, and intends to use no more time at this point.

Mr. WISE. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. WYNN].

(Mr. WYNN asked and was given permission to revise and extend his remarks.)

Mr. WYNN. Mr. Chairman, I thank the gentleman for yielding the time to me.

Today we debate a most important matter, the balanced budget. Today it is not just a matter of wearing a button on your chest that is red and has a fraction on the front of it. It is about a lot more important issues.

I support the Wise amendment because it addresses the fundamental issue of capital budgeting.

The most frequent analogy in this debate is we ought to run the Federal Government the way the States run their government. The States have capital budgets so they can pay for roads, bridges, university facilities and pay for these items over the useful life of the item.

They say, well, we ought to run the family government like families. Families too use a version of capital budgets. It is called credit, and they pay for mortgages and large purchases over the life of the item. We should do the same thing.

Mr. Chairman, it would be a great mistake for the Federal Government to pay for emergency funding for natural disasters such as rebuilding roads having to use pay-go mechanisms while the State we are trying to help gets to use a capital budget and spread the cost over a number of years.

Let us invest in our country; let us have a capital budget.

Mr. WISE. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BECERRA], another cosponsor of this amendment.

(Mr. BECERRA asked and was given permission to revise and extend his remarks.)

Mr. BECERRA. Mr. Chairman, I wish to thank the gentleman from West Virginia [Mr. WISE], and I must say anyone who votes against the Wise substitute amendment must not be very wise. The Wise substitute is the one version of the balanced budget amendment that will allow us to balance the budget, and at the same time protect Social Security and make prudent and necessary investments in our Nation's schools, roads and the environment.

Over the past 15 years, unfortunately we have been spending less and less on our Nation's infrastructure needs, such as our highways, our bridges, our water systems and so on. That is a big mistake. If we do not invest in our infrastructure and we cannot, by the way,

under the Republican version of the balanced budget amendment, we will pay the price later on. It is the reality of life, you pay now or you pay much more later.

Let us protect our seniors while planning prudently for our children.

Vote for common sense and long-term stability, Members, vote for the Wise substitute.

Mr. WISE. Mr. Chairman, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, anybody want to make a bet? I will wager that by the time this historic debate is over, the American people know more about the technical specifics of the O.J. Simpson trial than they do about the most rudimentary basic matters of accounting of the Federal budget. But this debate helps to teach them one thing: We want government run like a business.

Being from Montana, I want the Federal Government to keep its books like my State keeps its books because it has a balanced budget. I want the Federal Government to keep its books the way our families have to keep their books.

That is what the Wise amendment does; it is called capital budgeting.

Let the Federal Government keep their books the way Montana keeps our books, the way our families keep their books.

Pay attention, because the Members who do not vote for this budget do not really want to run this Government the way businesses run their businesses, the way a family keeps its books.

Now we are going to find out who really means it.

Mr. WISE. Mr. Chairman, I have no additional speakers except myself to close, and I ask whether the gentleman intended to make any remarks in closing.

Mr. CANADY of Florida. Mr. Chairman, I do not yield any time now. I understand I have the right to close.

The CHAIRMAN. The gentleman from Florida is correct that he has the right to close.

Mr. WISE. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island [Mr. REED].

(Mr. REED asked and was given permission to revise and extend his remarks.)

Mr. REED. Mr. Chairman, I rise in strong support of the Wise amendment and in opposition to the other amendments being proposed here today.

We have to recognize first that if we are going to balance the budget in a constitutional fashion, we have to protect Social Security. The Wise amendment does this.

We also have to recognize that one of the first problems we face in creating a budget is to recognize the difference between capital expenses and operating expenses, and the Wise amendment does this also.

This amendment, I think, will be something that we can use to help us balance the budget and not ultimately, as under the other versions, result in simply litigating the budget every year, which would not effectively help us and in fact would diminish, I think, the quality of our government.

So I would be very enthusiastically in support of the Wise amendment and reject the other versions offered here today.

Mr. Chairman, I rise in support of the Wise balanced budget amendment and in opposition to the Barton, Stenholm, Owens, Conyers, and Gephardt proposals.

If the Congress is going to amend the Constitution and insert economic policy into the document that has guided our Nation for over 200 years, then only a proposal that is similar to State constitutional balanced budget amendment should be passed.

If Members truly want to protect Social Security from cuts, then it must be included in the Constitution.

If Members really want to remain faithful to the intentions of the Constitution's framers, then they need to maintain their tradition of simple majority rule.

If Members want to allow Federal responses to national economic emergencies, they need to support a national economic emergency provision.

Only the Wise balanced budget amendment contains all these elements, and that is why I support it.

Mr. Chairman, we are debating this issue today because the American people want Congress to do something about the budget deficit.

However, with Congress soon to debate a return to supply-side economics, it is important to remember when the deficit problem began and what policies led to a burgeoning deficit.

During the 1980's, under Republican President's, the deficit and debt ballooned massively. Unfortunately, the much-ballyhooed rising tide only increased the deficit. Some benefited from upper-income tax cuts, but the majority of Americans lost out.

We should also recognize that the most ardent proponents of the Republican balanced budget amendment did not vote for the President's $600 billion deficit reduction bill. Indeed, for the first time since President Harry Truman, the deficit has fallen for 3 years in a row. Members who supported the President's deficit reduction package took a tough vote that has really reduced the deficit.

As I said before, our constituents want us to take further action on the deficit, but there is nothing stopping us from doing so right now. We don't need a Constitutional amendment, we just need Members who are willing to make some of the hard choices they get paid to make.

I have a number of specific problems with the Stenholm and Barton balanced budget amendments.

First and foremost, neither version constitutionally protects Social Security from the chopping block. Social Security is at the heart of our social compact with the American people. Most importantly, we should not allow future Congresses, which will actually have the responsibility for enacting a balanced budget under these amendments, to balance the budget on the backs of America's elderly by raiding the Social Security Trust Fund.

Second, these proposals are an invitation to litigate rather than legislate budgets. Future Congresses could find it too politically difficult to take the painful steps necessary to eliminate the deficit under these amendments. Or, establishing a constitutional imperative to balance the budget will inevitably draw the courts into a myriad of questions involving procedures, definitions, and substance. Disgruntled participants in the budget process such as citizens who loose benefits or Governors trying to deal with Federal mandates will flock to the courts.

Third, for the most part, Members of Congress are not economists and we would be wise to recognize that the economic impacts of a balanced budget on financial markets and the pocket books of working Americans could be very severe. For example, do Members really understand the difference between receipts and revenues? Do you really feel that Congress or even the Congressional Budget Office can accurately estimate receipts and outlays? Indeed, when the Republicans on the Judiciary Committee changed the definition of ''receipts'' to ''revenues'', they conveniently left the door open for new user fees or increases in existing user fees. The American people should realize that under the Barton amendment fees to enter National Parks could skyrocket.

Fourth, the American people should realize that none of these proposals outlines how to balance the budget. The new Republican leadership is unwilling to say what they would cut. Instead, their contract promises to cut taxes and increase defense spending which will actually increase the deficit. They say they will balance the budget without cuts in Social Security, but why won't they put it in the amendment? If they are not going to cut Social Security, what will they cut? Will they cut veterans benefits? Again, they say no, but the Judiciary Committee Republicans did not vote for the Reed amendment to protect these benefits from the cuts needed to achieve a balanced budget. So I ask my colleagues, what will you cut?

Finally, nothing in these amendments recognizes that Congress has no control over a large portion of the budget, namely interest payments. In addition, Congress has little or no control over the Federal Reserve which basically establishes interest rates. In one fell swoop, the Federal Reserve could raise interest rates in mid-fiscal year and throw a monkey wrench into all of Congress' estimates as well as cause drastic reductions in Federal programs.

Mr. Chairman, the American people want us to reduce the deficit, and I share this goal. I have already voted to reduce the deficit by $600 billion, and I stand ready to work for fair, honest, well-thought-out cuts. However, I cannot and will not support those versions of the balanced budget amendment which do not protect Social Security.

Mr. WISE. Mr. Chairman, I yield myself my remaining time.

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE] is recognized for 1¾ minutes.

□ 1400

Mr. WISE. Mr. Chairman, this debate is about whether or not we invest in

our future, and there are a lot of balanced budget amendment proposals out here today. But make sure everyone understands this is the only one that truly reflects the way families balance their budgets and the way States and businesses balance their budgets.

Every small business person knows when they buy that piece of equipment to increase productivity that is something that is a long-term asset, and they borrow to do that. They do not borrow, or they should not borrow, for their payroll. They should not borrow for consumption expenditures. Every family knows the same thing, whether it is the mortgage or the car or the college education.

When does the Federal Government learn this lesson? We all want a balanced budget? We want to make sure that we also have in it what is necessary for growth. I think it should be pointed out that physical infrastructure expenditures have been cut by one-half over the past two decades as a percentage of gross domestic product. We are spending half as much in relation to our economy as we did before. We see it reflected in productivity.

Other nations spend far more in relation to their economies. Their economies and productivity are much higher. It is time for us to be moving in line.

With this amendment you get several things. You take Social Security off budget. You take it out of the balanced budget procedure. No one can go after it. You make it possible for investment, just like families do, just like businesses do.

I urge adoption of the Wise amendment.

Mr. CANADY of Florida. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All the time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from West Virginia [Mr. WISE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WISE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 138, noes 291, answered ''present'' 1, not voting 4, as follows:

[Roll No 44]

AYES—138

Abercrombie
Ackerman
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Clay
Clayton
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Engel
Eshoo
Farr
Fattah
Fazio
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kildee
LaFalce
Lantos
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McKinney
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pastor
Payne (NJ)
Pelosi
Pomeroy
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Roybal-Allard
Sanders
Sawyer
Schumer
Scott
Slaughter
Stark
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Tucker
Velazquez
Volkmer
Waters
Watt (NC)
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOES—291

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Deutsch
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Evans
Everett
Ewing
Fawell
Fields (TX)
Filner
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
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Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennelly
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vento
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED ''PRESENT''—1

Neumann

NOT VOTING—4

Bishop
Fields (LA)
Rush
Spratt

□ 1419

Mr. WARD changed his vote from ''aye'' to ''no.''

Mr. MCDERMOTT and Mr. DE LA GARZA changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

□ 1420

The CHAIRMAN. It is now in order to consider the amendment numbered 25 to be offered by the gentleman from Michigan [Mr. CONYERS].

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. CONYERS:

Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification.

''ARTICLE —

''SECTION 1. Prior to each fiscal year, Congress shall, by law, adopt a statement of receipts and outlays for such fiscal year in which total outlays are not greater than total receipts. Congress may, by law, amend that statement provided revised outlays are not greater than revised receipts. Congress

may provide in that statement for a specific excess of outlays over receipts by a vote directed solely to that subject in which a majority of the whole number of each House agree to such excess. Congress and the President shall ensure that actual outlays do not exceed the outlays set forth in such statement.

''SECTION 2. Prior to each fiscal year, the President shall transmit to Congress a proposed statement of receipts and outlays for such fiscal year consistent with the provisions of this Article.

''SECTION 3. Congress may waive the provisions of this Article for any fiscal year in which a declaration of war is in effect. The provisions of this Article may be waived for any fiscal year in which the United States faces an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

''SECTION 4. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal. Total receipts shall not include receipts (including attributable interest) for the financing of benefits and administrative expenses of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or any successor funds, and total outlays shall not include outlays for disbursements of the Federal Old-Age and Survivors Insurance Trust Fund for benefits and administrative expenses and the Federal Disability Insurance Trust Fund for benefits and administrative expenses, or any successor funds. The receipts and outlays referred to in the preceding sentence shall be limited to receipts and outlays that provide old-age and survivor cash benefits for individuals based upon their earnings and dependents of such earners or provide disability cash benefits for disabled individuals based upon their earnings and dependents of such earners.

''SECTION 5. All votes taken by the House of Representatives or the Senate under this Article shall be rollcall votes.

''SECTION 6. Congress shall enforce and implement this Article by appropriate legislation.

''SECTION 7. This Article shall take effect for the fiscal year 2002 or for the second fiscal year beginning after its ratification, whichever is later, if Congress agreed to a concurrent resolution setting forth a budget plan to achieve a balanced budget not later than that fiscal year as follows:

''(1) A budget for each fiscal year beginning with fiscal year 1996 and ending with that first fiscal year (required by this article) containing—

''(A) aggregate levels of new budget authority, outlays, revenues, and the deficit or surplus;

''(B) totals of new budget authority and outlays for each major functional category;

''(C) new budget authority and outlays, on an account-by-account basis, for each account with actual outlays or offsetting receipts of at least $100,000,000 in fiscal year 1994; and

''(D) an allocation of Federal revenues among the major sources of such revenues.

''(2) A detailed list and description of changes in Federal law (including laws authorizing appropriations or direct spending and tax laws) required to carry out the plan and the effective date of each such change.

''(3) Reconciliation directives to the appropriate committees of the House of Representatives and Senate instructing them to submit legislative changes to the Committee on the Budget of the House or Senate, as the case may be, to implement the plan set forth in the concurrent resolution.''

The CHAIRMAN. Pursuant to the rule, the gentleman from Michigan [Mr. CONYERS] will be recognized for 30 minutes, and a Member opposed, the gentleman from Virginia [Mr. GOODLATTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

My colleagues, I am offering the amendment that has been called the truth in budgeting amendment, and I do so for a simple reason. It is time that we force ourselves to quit talking in glittering generalities about wanting to balance the budget by showing exactly how the deficit will be reduced over the next 7 years. Without full disclosure of the details, Mr. Chairman, we are simply engaging in a rhetorical exercise that will signify nothing.

My amendment requires that before the balanced budget amendment could be ratified and take effect, the Congress would be required to formally adopt a plan showing precisely how it would propose to achieve a balanced budget.

Mr. Chairman, my amendment sets out in a simple and straightforward fashion, first, before the constitutional amendment could take effect, Congress would be required to pass legislation showing precisely what the budget will be for the fiscal years 1996 through 2002, containing aggregate levels of new budget authority, outlays, reserves, and the deficit and surplus, as well as new budget authority and outlays on an account-by-account basis.

Let us be clear. Cutting the deficit is important work, and Congress and the administration took significant and painful action over the last 2 years to bring about the $700 billion in deficit reduction. The effort needs to continue unabated. I am convinced that the American people want action, not talk, and they want Congress to deal with them openly and honestly, and that is what this amendment proposes to do, and it is inconceivable that we would consider and vote on a constitutional amendment without even discussing the foreseeable outcomes of that amendment in terms of the budget cuts that will necessarily ensue.

We are still waiting for the Contract With America group to release the details of their specific plans to balance the budget, and in the meantime they move at fast forward to amend the Constitution of the United States. Just last week the Speaker promised the voters an explicit statement of how Republicans plan to balance the budget by the year 2002. At his news conference he stated that we will have probably at the end of April a thoroughly laid out 7-year trajectory that will get us right to a balanced budget. But seconds later the distinguished new chairman of the Committee on the Budget, the gentleman from Ohio [Mr. KASICH] said this was not true. To say what it is going to be like 7 years from now, and I quote, ''would be an exercise that would not tell the real story. Rather,'' he said, ''the Budget Committee will present a 5-year budget plan for how to get the road map to get us on a glide path to zero.''

If that is the case, my colleagues, then why are we voting on an amendment to balance the budget before we vote on the budget plan? It makes no sense. But my amendment corrects the illogic of this provision.

The second major change that I propose in this substitute would be able to safeguard Social Security benefits. I think we have heard this subject before. We keep coming back to it, safeguard Social Security benefits.

The Social Security system is the most successful social insurance program in the Nation's history. Forty-two million Americans currently receive Social Security benefits, and another 134 million citizens are working and building credits for future benefits. Because of the public's concerns that the Social Security surplus not be used to pay for other Government programs, there has been a longstanding consensus that it should be taken off budget. This is not an historical vestige from the 1930's or the 1940's. It was reaffirmed in a unanimous vote last year implementing the Budget Enforcement Act's determination to exclude Social Security receipts and outlays from traditional budget calculations, and again on this subject there has been a variety of Republican explanations about whether we will keep it in for calculation or whether it is on the table or off the table, and I am saying to my colleagues that we should clear it up in this substitute amendment that now speaks to truth in budgeting and safeguarding Social Security benefits.

□ 1430

Yet at the Committee on the Judiciary debate and at the Committee on Rules hearing, we learned that the other side had no intention of balancing the budget without tapping into, if necessary, the Social Security trust fund.

The respected chairman of the Committee on the Judiciary said cuts would be ''too draconian'' otherwise. The devastating corollary is that the Social Security benefits will indeed be on the chopping block, either when the surplus runs out of money, or perhaps even earlier.

We all know that concurrent resolutions which purport to protect Social Security, like the one we voted on yesterday, are often not worth the paper they are printed on. Perhaps they are not even fig leaves.

The only way to truly protect Social Security is to provide clear and explicit language in the Constitution providing that Social Security receipts and outlays are to be excluded from budget calculations. My amendment

gives every Member a chance to go on record in support of maintaining our trust with the American people in this regard.

Truth in government has to start with truth in budgeting. This amendment, I suggest, gives everyone in the Chamber a chance to sign a real pledge with the American people with respect to each citizen's right to know about the hard choices ahead. Let us not lose heart now. Please support my amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLATE. Mr. Chairman, I rise in opposition to this amendment, and I yield such time as he may consume to the gentleman from Illinois [Mr. HYDE], the distinguished chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, truth in budgeting has a ring to it. I will tell you another phrase I like, truth in debating. Not that anybody tells an untruth around here, but there are shadings of meanings that sometimes distort the reality.

Social Security is containly one. I have been quoted, and I quote from my distinguished friend from Michigan, that I was supporting ''tapping into the Social Security fund.'' The last thing I want to do is tap into the Social Security fund.

The gentleman the other day said that I said Social Security was on the table. I do not know what that means, but I will tell you what I mean. I mean that the present situation which exists as we speak, that Social Security is included in calculating receipts to the Government for purposes of ascertaining the deficit, is exactly the situation that will obtain and continue under the balanced budget amendment. No change whatsoever from current practice. The balanced budget amendment does not have a word in it about tapping into Social Security. You calculate it, but that is all you do. You do not invade it. And there is nothing in the amendment that will indicate that you do that.

So I want to make it clear, I am adamantly opposed to tapping into Social Security, and I oppose the notion of Social Security being on the table, unless it is for calculating only what the total receipts of the Government are, as we do today for figuring the deficit.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I respect the chairman and am glad he yielded. But being able to put it on the table for calculation only leaves it vulnerable to being tapped into.

Mr. HYDE. But, sir, no more vulnerable than it is today. It is on the table for that purpose today.

Mr. CONYERS. But we are taking it out. That is the point we have been debating on Social Security for 2 days now and in our committee. We want to take it off the table and out of it for calculation purposes as well, sir.

Mr. HYDE. Mr. Chairman, reclaiming my time, I thank the gentleman. We Republicans have been beaten over the head with the Social Security issue for years by the opposition party, the recent majority party, now minority party. ''Save Social Security, vote Democrat.'' In 1982 it was particularly effective. So you have gotten on to a good thing. And despite the fact we are trying to protect Social Security, you accuse us of trying to weaken it and endanger it.

The real protection of Social Security comes from having a sound economy and stopping the mounting debt, which is already $4.7 trillion, and stopping the erosion of our economy by having to be obligated every year for $225 billion in debt service, which buys nothing but pays off the bondholders. If we keep pursuing that course of action, the seniors do have a lot to worry about.

So let us get that straight. It was your party that taxed Social Security in the last budget that you gave us, and we to a man resisted it. So let us not pretend we are the valiant defenders - of - all - things - Social - Security, when you are the people who taxed it, and, if we follow your recommendation, the economy will be down the tubes.

So that is, indelicately, where we are.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I like the gentleman's recent history about who supported which party. May I remind the gentleman that Social Security was a Democratic Social Security insurance policy.

Mr. HYDE. Absolutely. I remember that. I was alive then.

Mr. CONYERS. That was opposed by Republicans. That is where this division came from. Did you recall that in history?

Mr. HYDE. Yes, 1935. I remember. I was there. The Cubs won the pennant, and so did Detroit.

Mr. CONYERS. The point of the matter is that Republicans have resisted the Social Security program.

Mr. HYDE. They were wrong.

Mr. CONYERS. But when it was brought first to the Federal debate in Congress. So it is not something recent that just happened, that we were tagging you. This resistance has been revealed time and time again, and comes up again in this debate.

Mr. HYDE. Mr. Chairman, reclaiming my time, I would say we are now the quick learners, and the gentleman's party is on the opposite side of that barricade.

Mr. Chairman, under article V of the Constitution, the House and Senate by two-thirds votes can propose amendments. Article V specifies in part that such amendments shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States.

The Conyers substitute imposes an unprecedented condition on a constitutional amendment taking effect. The effective date provision of House Joint Resolution 1, section 9, says the article shall take effect for the fiscal year 2002 or for the second fiscal year beginning after ratification, whichever is later.

The Conyers substitute, however, amends section 9 to condition the article taking effect on Congress having passed a concurrent resolution setting forth a budget plan with all the various ingredients and nuances and guesses and speculations to achieve a balanced budget by the effective date.

Mr. Chairman, I suggest a ratification process which requires favorable action by 38 States is a sufficient deterrent to improvident changes in the Constitution, a sufficient deterrent to the fast track the gentleman complains about. The fact that in over two centuries, only 27 times has the Constitution been amended, including the first 10 amendments of the Bill of Rights, demonstrates that the process is already sufficiently and advisedly cumbersome.

□ 1440

The condition the Conyers substitute would impose is congressional agreement to a concurrent resolution setting forth a budget plan—not only does the amendment specify where we are headed, but he wants a road map as part of the amendment—to achieve a balanced budget not later than the fiscal year when the amendment takes effect.

The language of the substitute is ambiguous on when Congress has to agree to the current resolution, but the implication from requiring budgets for fiscal years beginning in 1996 is that Congress must speculate in advance details of the Federal budget for at least a 7-year period. Such an unreasonable requirement is inconsistent with the purpose of the amendment itself: namely, that the discipline of a constitutional amendment is desperately needed to achieve a balanced budget.

Experience documents the failed legislative attempts we have made over and over, wearyingly, to achieve a balanced budget in the absence of a constitutional amendment.

The language of the Conyers substitute ignores this experience by mandating that agreement on the details of achieving a balanced budget must be reached before it can be determined that the Constitution will be amended. That puts the cart before the horse.

It is impractical to delineate budgetary details 7 or more years in advance. That ought to be obvious. The dramatic changes in our world during the last 7 years underscore the futility of predicting national needs through fiscal year 2002 or beyond.

We can agree now that we do not want our country to continue spending beyond its means. But we cannot predetermine priorities among future needs. We know we must not continue spending beyond our means, but we are not omniscient and cannot allocate resources way into the future with any degree of logic or accuracy. We just lack the information to make informed judgments today about the details of spending priorities in the year 2002.

Two very important provisions of House Joint Resolution 1 are omitted from the substitute of the gentleman from Michigan [Mr. CONYERS]. The absence of special voting requirements to increase taxes certainly will lead to excessive reliance on tax increases rather than spending cuts, a course of action that can depress economic growth. The absence of protections against increases in the debt ceiling may result in continued borrowing. It will result in continued borrowing, which will cloud our country's future.

A balanced budget constitutional amendment that overlooks the potential for tax increases and continued borrowing is borrowing trouble. It is seriously deficient.

Finally, the pending substitute's treatment of Social Security detracts from rather than enhances protections for old Americans.

For these reasons and many others, I urge my colleagues to vote against the Conyers substitute.

Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentlewoman from Florida [Mrs. THURMAN].

(Mrs. THURMAN asked and was given permission to revise and extended her remarks.)

Mrs. THURMAN. Mr. Chairman, recent polls show that 86 percent of the American people want to know where the cuts will be made before a balanced budget amendment is approved; 80 percent of voters want Social Security excluded from a balanced budget amendment, and a broad cross section of voters across both age and political lines believe Social Security and Medicare should not be cut in order to balance the budget.

Why then has the Republican leadership refused to include the American people in the process by keeping them in the dark regarding the specific cuts that will be made?

In the 103d Congress we discussed on this floor the discharge petition process. This became an issue between secrecy and openness. A current Republican member of the Committee on Rules said then, and I quote, ''the American people have said Government has to change. The American people have said that Government needs to respond to openness, that Government needs to do its business in the open and Government needs to be honest with the people it represents.''

Also, during the A-to-Z spending cuts deliberation, the Republicans demanded that an open discussion on budget policies be allowed. I rose then in the spirit of bipartisanship and pleaded that my own party permit a legistimate debate which would afford Memberts and all Americans the opportunity to address their concerns. I stood with the Republican leadership and insisted that openness supersede secrecy.

Today we are faced with a vital issue, amending the Constitution of the United States. Yet the same Members who pleaded, demanded, and cried that we proceed with openness now dictate secrecy.

Mr. Chairman, I ask the Republicans to do nothing more than I demanded of my own party during the A-to-Z deliberations, that being openness rather than secrecy. Balancing the budget is a good idea, but enacting a secret economic policy that ultimately could cut vital programs for our children, senior citizens, and veterans puts secrecy ahead of open Government. The fact remains that Americans have been kept in the dark regarding the specific cuts.

Seniors deserve to know if Social Security or Medicare will be chopped. Veterans have the right to know if their pensions will be cut. Parents have the right to know if school loans or health care will be reduced or eliminated.

Mr. Chairman, I will not vote for a back door scheme to destroy the very programs that give Americans some degree of security.

Finally, I would like to give credit to the gentleman from Texas [Mr. STENHOLM]. I know he recognises and appreciates the truth-in-budgeting ideas, and I applaud his hard work on this issue.

Mr. GOODLATTE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Colorado. [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Chairman, I thank the gentleman for yeilding time to me.

I just want to make one brief point here. The entire reason that we are here to debate this balanced budget amendment is because there exists a fundamental bias toward deficit spending in this town. Requiring a three-fifths vote to borrow money is necessary to give American taxpayers equal protection in Washington. The substitute only requires a majority to borrow money. This is what got us in trouble in the first place.

Since I came to Congress, in 11 years the national debt has escalated up $3 trillion. Now, this has been done just by majority votes. That is why we need three-fifths in there, to not get ourselves in a place where we are going to go more and more into deficit spending.

I urge my colleagues to vote ''no'' on this substitute and vote for the Schaefer-Stenholm substitute when it comes up.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BECERRA], a member of the Committee on the Judiciary.

(Mr. BECERRA asked and was given permission to revise and extend his remarks.)

Mr. BECERRA. Mr. Chairman, I thank the ranking member from Michigan for yielding time to me.

Let me begin by saying that I agree with my chairman, the gentleman from Illinois [Mr. HYDE], that the Republicans were wrong in 1935 to oppose the creation of Social Security. And, Mr. Chairman, Republicans are wrong today to oppose protecting Social Security.

Today's Republicans should not make the same mistake and let history repeat itself again, as it did back when Republicans in 1935 opposed Social Security.

The truth-in-budgeting provision merely asks that Congress tell the American people how it will balance the Federal budget. I call it the put up or shut up requirement.

If Republicans want to talk about balancing the budget, then they should put up the numbers. But yet the Republicans refuse to talk to the American people and tell them how they will cut $1.3 trillion to balance the budget. They refuse to protect Social Security in their balanced budget amendment. And at the same time in their Contract With America they want to increase spending for the military and cut taxes, mostly for the rich.

Well, yesterday I actually got an idea of how the Republicans want to take this particular amendment and pass it and why they refuse to tell the American people anything about how they would balance the budget. Let me quote one of my Republican colleagues, who yesterday spoke on this floor, when he said that telling people how they would balance the budget, cut $1.2 trillion—what that would mean.

He said, ''That is like telling George Seifert of the San Francisco 49ers that before he can play the Chargers this Sunday in the Super Bowl, he must turn over the playbook before the big game.''

My goodness, here we have it. This is the playbook of the Republican Party, to cut taxes, to cut Social Security. They will not tell us because the Chargers—in this case the American people—would have the playbook.

The American people would know what the 49ers or the Republicans are going to do. My goodness, is it such a sin for the American people to want to know what this House will do? This is not a game of football. This should not be a game of hide and seek.

We all should know where the cuts will come.

□ 1450

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think the minority party needs to come clean on this. They are simply using this amendment as a last desperate shield to stop the balanced budget amendment. They know a real balanced budget amendment will stop the gigantic spendathon they have been on for over 40 years.

American families know that trying to get Democrats to quit spending taxpayer dollars is like trying to knock hungry buzzards off a meat wagon. That is why we need to reject the Democrats' attempt to derail the balanced budget amendment.

Let us send a real message to hard-pressed Americans that their Congress, their Representatives in Washington, are really serious about ending budget deficits, ending bloated Federal budgets, and ending the national debt that threatens the future of our children and grandchildren.

Mr. Chairman, this amendment is flawed. This amendment is inconsistent with the ratification process envisioned by our constitutional Founders, by adding this superfluous language that would have the effect of this Congress making decisions that it has absolutely no way of enforcing with future Congresses that will be acting between now and the year 2002, when this amendment will become fully effective and we will have a balanced budget.

This susbtitute fails to include a supermajority voting requirement to increase taxes, and this substitute fails to provide protections against increasing the debt above a certain level. Mr. Chairman, the debt ceiling section is an important feature of the Committee on the Judiciary reported version of the balanced budget constitutional amendment, and I would urge my colleagues to support that version.

Finally, Mr. Chairman, this substitute does not protect Social Security, it puts Social Security in harm's way by politicizing it, by making it an attractive target. This Congress or future Congresses would have the opportunity to put other things in the Social Security Act. This does not protect the act, it simply protects the trust fund, and will subject the act to abuse by putting in other things like food stamps and Medicare and public housing. We should not do that.

Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to my colleague and friend, the gentlewoman from the 15th District of Michigan, Miss BARBARA-ROSE COLLINS.

(Miss COLLINS of Michigan asked and was given permission to revise and extend her remarks.)

Miss COLLINS of Michigan. Mr. Chairman, I thank the gentleman from Michigan for yielding time to me.

Mr. Chairman, I rise today in strong support of the Conyers substitute because it brings a measure of common sense to the balanced budget amendment proceedings. As it stands, the majority wants to lock Congress into having a balanced budget by the year 2002, yet hamper its option to raise taxes or expand the deficit. By all but closing this option, the majority's intent is very clear: yank the rug out from under our Nation's elderly and disabled.

Mr. Chairman, our Nation's senior citizens have worked all of their lives with the expectation of a safety net, and they have worked for most of their lives to pay for it. They trusted us, Mr. Chairman, and I, for one, will not betray them.

I support the Conyers substitute because it does away with the supermajority tax and deficit provisions, and it exempts Social Security from balanced budget considerations. In doing so, it frees the hands of Congress to meet our budgetary obligations without cheating the entitled. The substitute also mandates that Congress first spell out exactly how it is going to balance the budget before locking us into this do-or-die situation. I think the American people deserve to know who is going to pay the price for this constitutional amendment before it becomes law.

Mr. Chairman, I will not be a party to deceiving the American people. Balancing the budget is going to require mammoth cuts totaling $1.2 trillion, and the American people have a right to know what is going to be cut.

If balancing the budget means that we have to close our eyes and ears and harden our hearts to those who are calling and crying for jobs, shelter, food, a better education, and more secure living conditions—then what purpose does the balanced budget serve?

Mr. GOODLATTE. Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER], a member of the Committee on the Judiciary.

(Mr. SCHUMER asked and was given permission to revise and extend his remarks.)

Mr. SCHUMER. Mr. Chairman, this is the real moment when we know if people are willing to put their money where their mouth is, because the bottom line is a simple one. This amendment simply says ''If you believe in the balanced budget amendment, have the courage now to stand up and say where you will cut.'' It is very plain and very simple.

When we look at what the cuts would be, Social Security, now maybe they will exempt it. However, if they exempt Social Security, Medicare will end as we know it, because there will have to be at least a 30=percent cut in Medicare, and cuts in programs that are vital to communities throughout America. Then, truly, as the majority leader said, knees will buckle.

The bottom line is, many of us on this side believe we do have to balance the budget, but we have to do it gradually, not by some gimmick that was thought up as a campaign slogan and has now worked its way to a constitutional amendment.

Yes, Mr. Chairman, our Government is sick. We do have too much deficit spending. However, when we administer to a sick patient an overdose of therapy, the patient can die.

There are better ways to balance the budget, and if those who support the amendment are so sure that their way is best, then they would not be afraid to show the kinds of cuts, which many of us believe are draconian, that will occur as a result of the amendment. It is plain and simple.

Mr. Chairman, you cannot trick people. If you do not have the courage to say what the cuts are now, you will not have the courage to vote for the cuts later, and the balanced budget amendment will end up being one more sham, one more ruse on the American people.

Mr. Chairman, I ask my colleagues, whether they are for or against the amendment, in the name of honesty in government, to support the Conyers amendment.

Mr. GOODLATTE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. I thank the gentleman for yielding me the time.

Mr. Chairman, I was not going to take the time. I have spoken enough on this issue and everybody knows where I stand.

However, I have been compiling the records of all these speakers who have been speaking against the balanced budget amendment, the members in the Committee on Rules, the members in the Committee on the Judiciary and all the rest. On this National Taxpayers Union rating, every single one of them are listed as the biggest spenders in the Congress. Why are they up here? Because they do not want to cut the budget.

Mr. Chairman, when they say there is secrecy, there is no secrecy. We are going to enact a balanced budget amendment. That is going to force all of us to tighten our belts and live within our means.

How are we going to do it? I presented a balanced budget to this body 1 year ago. It did not raise taxes, it did not cut Social Security, and it did not touch veterans' contractual obligations, none of that. What it did do was eliminate 150 programs, like the Interstate Commerce Commission. It privatized 25 Government agencies, like the Federal Aviation Administration. It consolidated 35 Government functions, like the Bureau of Indian affairs, that has been around here for 100 years.

It downsized the Department of Education, which has ruined education, from 5,000 employees down to 500 employees, and made them a policy gathering, coordinating, consulting team to

help State education departments. It abolished the Department of Energy, which has not produced one gallon of oil, 16,000 employees. It converted the Department of Commerce, which never produced a nickel of profit in this country, from 36,000 employees down to 3,500. How would that hurt people?

Mr. Chairman, yes, it did make cuts in Medicare. Do you know what it did? It means-tested people with over $100,000 in income and said ''You don't need Federal money to pay your health benefits.'' It said to people on school lunch programs ''You Members with $125,000 salaries do not need to have your children subsidized.'' That is what it did.

Have we hurt one person yet who truly needed help? No. Here it all is, Mr. Chairman. It does not hurt anybody but it balances the budget.

□ 1500

Mr. CONYERS. Mr. Chairman, I yield myself 30 seconds to ask the distinguished chairman of the Committee on Rules, what reductions and cuts were made in Medicare and Medicaid in the budget proposal that the gentleman from New York offered?

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from New York.

Mr. SOLOMON. Only cuts that would means-test Medicare, and that is where 40 billion dollars' worth of savings could be found. For people with incomes over $100,000 we cannot afford it. We do not have the money. And senior citizens with incomes over $100,000 do not mind being cut.

Mr. CONYERS. Those were the only cuts?

Mr. SOLOMON. In Medicare, yes.

Mr. CONYERS. In Medicaid? No cuts in Medicaid?

Mr. SOLOMON. Not in my budget.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. I thank the gentleman for yielding me the time.

Mr. Chairman, amending the Constitution for fiscal policy is something I do not cherish. However, I must say that the Conyers amendment perfects House Joint Resolution 1 to the point where I am considering it. How does it do it? Truth-in-lending, truth-in-budgeting, as well as truth in what we are supposed to do.

We have an obligation to tell the people where those cuts are coming from. If indeed the gentleman from New York [Mr. SOLOMON] is suggesting that his budget last year is the budget that is going to be proposed for this year, perhaps indeed there are some details. I would suggest they are not the same.

I appreciate his telling us he had details, but in fact he received 73 votes and that is not a constitutional amendment, even in that time.

The other reason I think the Conyers amendment perfects my concern, it does not make Social Security subject to the constitutional amendment. It takes it off of that. It protects it.

I voted for that resolution earlier on yesterday, knowing full well it did not have the full force of making this Constitution safe for Social Security members. Therefore, it protects it. If indeed you are correct that you want to protect Social Security, you will vote for the Conyers amendment.

Finally, the three-fifths requirement creates a superminority as well as a supermajority. It means that you will find the tail wagging the dog.

As you allow a supermajority, not only do you marginalize myself, but you also create such a havoc in the majority rule.

For those three reasons, I support the Conyers amendment. I think the Conyers amendment perfects those flaws we find in House Joint Resolution 1.

Mr. Chairman, the Conyers amendment would perfect House Joint Resolution 1 to the point that I would be prepared to vote for the balanced budget amendment. Throughout the course of this debate, I have discussed the areas that trouble me in the proposal as written. The Conyers amendment cures those areas. First and foremost, it takes Social Security off the table.

The Conyers amendment includes express language, in the constitutional amendment itself, not in a separate statute or in an empty resolution. That express language exempts Social Security from balanced budget calculations. I fully support that exemption. The Conyers amendment also contains a provision for ''truth-in-budgeting,'' which prevents the balanced budget amendment from going into effect until Congress specifies—on an account-by-account basis—how the budget would be balanced over the 7-year period. This provision satisfies my concern that the American people have a right to know what will be cut.

Unlike the Barton amendment, which passed earlier today, the Conyers amendment does not require a supermajority vote for the Federal Government to raise needed revenue. Such a requirement empowers a minority of the Members of Congress at the expense of the majority. It creates a classic case of the tail wagging the dog. It is not unlike creating a superior group of people to conduct the affairs for the masses of people. This Nation fought a Revolutionary War over rule by an unaccountable minority. That notion was unacceptable in 1776, and it is unacceptable now.

And, finally, Mr. Chairman, the Conyers amendment does not require a supermajority vote to make decisions about budget and spending ceilings. This provision will force us to do what we were elected to do, and that is to make the hard choices, to exercise judgment, and to act in the interest of the American people. We were not sent here to create a robot-like system, with automatic spending caps, sequestration, and other fancy tools, to make decisions for us.

Mr. Chairman, the Conyers amendment does not address my primary concern with this legislation because it cannot. My primary concern is that, because we have fixed an arbitrary, hasty schedule to act quickly, we may not be acting wisely. The Constitution of the United States is a sacred document. Changes to it should be made only after careful consideration and cautious deliberations. We have not done that in this case. We are seeking to do in 100 days that which we usually do over many years. Let's not forget that, in the end, it was the tortoise that won the race—not the hare. Vote for the Conyers amendment.

Mr. GOODLATTE. Mr. Chairman, I yield 1½ minutes to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT of Nebraska. I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in opposition to the Conyers version of the balanced budget amendment. I do strongly and adamantly support amending the Constitution to require a balanced budget for the Federal Government. I hope we will approve a balanced budget amendment before this day is over.

I support the three-fifths requirement to raise taxes, but that provision alone should not derail the train. We have heard throughout the debate of the last 2 days how Congress has failed in its fiscal problem, straying so far from the ideals of our Founding Fathers who considered deficit spending to be a violation of moral principles. Jefferson and Hamilton and Madison all wrote about the dangers of public debt. Early Presidents McKinley, Monroe, Jackson, and Adams, they all trusted the balanced budget as a sound maxim of political economy.

Even more importantly, Mr. Chairman, in the here and now, our constituents understand that decades of deficits and a nearly $5 trillion debt are wrong. They overwhelmingly support a balanced budget amendment.

We have strayed from sound fiscal policy and this debate has strayed from that issue, I am afraid. Again and again I have heard not policy discussions but Members positioning themselves for the sound bite, using alarmist rhetoric about Social Security and other programs that has no basis in fact. I regret the direction that the debate has taken. I think we should truthfully discuss the right direction for our country and that does include a balanced budget amendment.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. SCOTT], a member of the Committee on the Judiciary.

Mr. SCOTT. Mr. Chairman, I rise in support of the Conyers amendment for truth-in-budgeting. We need to tell the truth about what is going on in the budget. If we cannot balance the budget by the year 2002, then we will have a supermajority requirement, 60 percent, to pass the budget.

The fact is, Mr. Chairman, that it is difficult to get a simple majority to step up to the plate to cast the tough votes to reduce the deficit. If we are going to require a three-fifths vote, it will actually make it impossible to cut the deficit because 60 percent will never step up to the plate to cast those votes.

The gentleman from New York mentioned his budget. The thing he left out is that it only got 73 votes. It is much more likely to get 60 percent to accept

a pork-laden budget that has something for everybody, just like the tax cuts and excess spending in the so-called Contract With America.

The Conyers truth-in-budgeting not only tells the truth about Social Security, it protects Social Security.

Mr. Chairman, I would hope that everyone would support the Conyers amendment.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. WARD].

(Mr. WARD asked and was given permission to revise and extend his remarks.)

Mr. WARD. Mr. Chairman, I rise in support of the Conyers truth-in-budgeting substitute.

Without it, the sponsors are asking that the States consider amending our 200-year-old Constitution in the dark, without a proposed set of cuts. It is like asking the American people to sign a blank medical consent form. They are being put to sleep and will not know what is being cut until they wake up.

We need to wake up the American people now.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

(Mr. RICHARDSON asked and was given permission to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Chairman, I rise in support of the substitute offered by my good friend from Michigan who has worked incessantly on these issues for many, many years.

I am a supporter of the balanced budget amendment. I think it is clearly stated here that what we need to do is vote on something that has a strong truth-in-budgeting provision. The cuts needed to balance the budget by the year 2002 should be clearly stated to the public.

A survey 2 days ago by the Los Angeles Times revealed that 86 percent of those polled would like to know what cuts are needed to balance the budget before a balanced budget amendment is voted on. Just 18 months ago, many of us cast our votes for the largest deficit-reduction package in history. As the new majority leader would say, there were some knees buckling that day because we honestly and clearly stated the sources of deficit reduction, and we took some hits. We went after those that were getting too much and are Social Security recipients. We went after some retirees. We went after a lot of sources and groups that are very powerful that reacted negatively in the polls. But we came back and produced $700 billion in deficit reduction. Everybody acknowledges that this is one of the President's top accomplishments.

What we need to do today is honestly state what needs to be done to balance the budget so that we can ensure it is not at the expense of senior citizens, veterans, or the underprivileged. They do not deserve their knees to buckle in the future. Let us just have truth-in-budgeting. Let us make sure that this amendment passes so the American people, the States and the Governors, those that are going to bear the responsibility of this amendment, see what is happening.

□ 1510

Mr. GOODLATTE. Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I am delighted to yield 2 minutes to my friend and colleague, the gentleman from Michigan [Mr. LEVIN].

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Chairman, for years at town meetings I have been talking with constituents about out budget deficit and spiralling national debt. Each year beginning in the mid 1980s I brought to these meetings a new chart showing our still higher debt.

My constituent's concerns have been my concerns, their outrage has been my outrage as the national debt rose from under $1 trillion to over $4 trillion.

This high level of concern and outrage has been a source of my consistent support for comprehensive deficit reduction legislation. I vote for Gramm-Rudman I and Gramm-Rudman II, for the summit agreements of 1990 and the 1993 Deficit Reduction Act.

The arguments for a balanced budget amendment is that we will force the Federal Government to do what it has not otherwise accomplished. But the proposed constitutional amendment does not have written within it any enforcement mechanism nor any assurance that the Congress would not engage in any of a variety of devices to avoid its language.

The only way to turn around the deficit is to make the hard decisions now, not to make promises for much later, even if they are shrouded in constitutional language.

I support the Conyers amendment because it is the only approach I have to express my support for focusing on the here and now instead of 2, or 5, or 7 years from now.

By requiring Congress to spell out the cuts before any amendment takes effect, we give the American people and the States the chance to judge for themselves the merits of this course. We own them this honesty and openness in the budget process, and I will support no less.

It has been said the balanced budget amendment is like President Kennedy's pledge to reach the moon, but the wrong lesson has been drawn. President Kennedy called upon America's will, not for new language in our Constitution.

Mr. GOODLATTE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas [Mr. STENHOLM].

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I rise in opposition to the constitutional amendment being offered by my friend and colleague, Mr. CONYERS. I do, however, want to commend the gentleman from Michigan for his efforts in putting together this amendment and I am very pleased that he has joined the growing number of Members who support the principle of amending the Constitution to require a balanced Federal budget.

Like several of the other amendments, the Conyers substitute takes social Security off-budget. In several earlier statements during this debate I registered my opposition to this action and detailed the reasons for that opposition. I will not repeat those arguments here.

The other significant element to the Conyers amendment, however, is that it would not be considered effective until a complete plan for removing the deficit was approved by the Congress and President.

No one could be more eager than I to continue the process of deficit reduction. I trust that my wounds, earned through battles over budget firewalls, emergency spending, entitlement caps, spending cuts and budget resolutions, speak to my sincerity on this issue.

Unfortunately, in many of those battles our proposals went up in flames. To answer the frequently asked question, yes, I can come up with a plan to balance the budget all by myself. And I can guarantee about 37 votes for it. There are literally hundreds of plans out there—there is no one way to balance the budget. What's lacking is some mechanism to force a consensus. There may be 435 plans in the House for balancing the budget, but not one of them will get 218 votes until we remove the easy alternative of borrow-and-spend.

I must admit to feeling more than a little frustration from opponents of the balanced budget amendment who feel they are the ones alone who are justified in issuing the challenge to ''show your balanced budget'' to amendment supporters. These are the very same people who also claim that we do not need a constitutional amendment; we simply need to make the hard choices.

Well, my response to these folks is that they have just as much responsibility in coming up with the solutions as the challenges, especially if they claim it can be done without the constitutional imperative. We are have a responsibility to future generations. We all need to work together to reduce our deficit and debt.

The horrors conjured up when opponents talk about balanced budget constitutional amendments are not really aimed at those amendments, but rather against what those amendments will require: significant deficit reduction. To those who assert that deficit reduction will wreak havoc on the economy, I must ask, ''What do you think the deficit is doing to our economy?'' More

importantly, what do you think it will do to the lives of our grandchildren?

Reaching a balanced budget will require discipline, but it is a far cry from the doom-and-gloom scenario portrayed by many opponents of the constitutional amendment. Federal spending is increasing now at about 5 percent, or about $75 billion per year. Trimming that growth in spending to 3.1 percent would balance the budget by fiscal year 2002. But the hard truth is that the budget won't be balanced without passing the amendment first.

I have high hopes that this year the Congress will have the courage to protect the unprotected and pass the balanced budget amendment.

Oppose the Conyers amendment. Support the Schaefer-Stenholm substitute.

PREFERENTIAL MOTION OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. WATT of North Carolina moves that the Committee do not rise and report the joint resolution back to the House with the recommendation that the resolving clause be stricken.

PARLIAMENTARY INQUIRY

Mr. GOODLATTE. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman from Virginia will state his parliamentary inquiry.

Mr. GOODLATTE. Mr. Chairman, is the gentleman opposed to the bill?

The CHAIRMAN. Is the gentleman from North Carolina opposed to the bill?

Mr. WATT of North Carolina. Yes, I am, Mr. Chairman.

The CHAIRMAN. The gentleman qualifies.

The gentleman from North Carolina [Mr. WATT] is recognized for 5 minutes on his preferential motion.

Mr. WATT of North Carolina. Mr. Chairman, I understand that this is not a debatable motion, and I would move the question.

The CHAIRMAN. The gentleman is entitled to 5 minutes, and there is the potential for a Member to be recognized for 5 minutes in opposition to the preferential motion.

Mr. WATT of North Carolina. Mr. Chairman, I reserve my time.

The CHAIRMAN. The gentleman cannot reserve his time; the gentleman can only utilize his time, and he has been recognized for 5 minutes.

Mr. WATT of North Carolina. Mr. Chairman, we have this balanced budget amendment on a fast track. The Committee on the Judiciary took 2 days of testimony; it took 1 day of markup; left more than 20 amendments pending in that committee; refused to hear those amendments, refused to consider them.

The Committee on Rules had more than 50 amendments before it; refused to allow more than 6 to be considered on the floor of this House. I consider this a breach of their responsibility, both the committee and the Committee on Rules to allow full and fair debate on this bill.

Amending the Constitution is a serious matter. It took months to draft this Constitution. There have been many attempts to amend the Constitution, very few of which have been successful.

To put this whole process on a fast track, move it as if the American people ought to be disregarded, ought not be told the truth about how the budget will be balanced, ought not be told the truth about how Social Security and other important programs will be dealt with, is and should be an insult to my colleagues in this body and certainly is an insult to the American people.

I think we ought to slow this process down, and I would request that my colleagues support this resolution.

□ 1520

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to the motion.

The CHAIRMAN. The gentleman from Wisconsin [Mr. SENSENBRENNER] is recognized for 5 minutes.

Mr. SENSENBRENNER. Mr. Chairman, this is a dilatory motion. It will only slow down this process by the 5 minutes of debate given to the gentleman from North Carolina, the 5 minutes of debate given to me in opposition to the motion, and the 17 minutes for a roll call, if that is what the gentleman from North Carolina is after.

That really does not contribute to discussing the very legitimate issues that are posed in the balanced budget constitutional amendment.

Now, even after this amendment is approved by the House of Representatives, it still must go to the other body, and if approved there, it then goes to the State legislatures for ratification, and 38 States must approve it before it becomes a part of the Constitution of the United States.

There will be plenty of debate on this constitutional amendment in the other body and this body and in the State legislatures before it becomes a part of the Constitution.

A 27-minute delay proposed by the gentleman from North Carolina is not going to contribute to a discussion of the issues.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from North Carolina [Mr. WATT].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WATT of North Carolina. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 96, noes 331, answered ''present'' 1, not voting 6, as follows:

[Roll No 45]

AYES—96

Abercrombie
Ackerman
Becerra
Bentsen
Berman
Bonior
Brown (CA)
Brown (FL)
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
DeFazio
Dellums
Dingell
Dixon
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Ford
Frank (MA)
Furse
Gejdenson
Green
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Jackson-Lee
Johnson, E.B.
Kennedy (RI)
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Matsui
McDermott
McKinney
Meek
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pastor
Payne (NJ)
Pelosi
Pomeroy
Rangel
Reed
Reynolds
Richardson
Roybal-Allard
Sabo
Sanders
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Stark
Stokes
Studds
Thompson
Torres
Towns
Tucker
Velazquez
Vento
Waters
Watt (NC)
Waxman
Wise
Wyden
Wynn
Yates

NOES—331

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio

Leach	Pallone	Smith (WA)
Levin	Parker	Solomon
Lewis (CA)	Paxon	Souder
Lewis (KY)	Payne (VA)	Spence
Lightfoot	Peterson (FL)	Spratt
Lincoln	Peterson (MN)	Stearns
Linder	Petri	Stenholm
Lipinski	Pickett	Stockman
Livingston	Pombo	Stump
LoBiondo	Porter	Stupak
Longley	Portman	Talent
Lucas	Poshard	Tanner
Luther	Pryce	Tate
Manzullo	Quillen	Tauzin
Martini	Quinn	Taylor (MS)
Mascara	Radanovich	Taylor (NC)
McCarthy	Rahall	Tejeda
McCollum	Ramstad	Thomas
McCrery	Regula	Thornberry
McDade	Riggs	Thornton
McHale	Rivers	Thurman
McHugh	Roberts	Tiahrt
McInnis	Roemer	Torkildsen
McIntosh	Rogers	Torricelli
McKeon	Rohrabacher	Upton
McNulty	Ros-Lehtinen	Visclosky
Meehan	Rose	Volkmer
Menendez	Roth	Vucanovich
Metcalf	Roukema	Waldholtz
Meyers	Royce	Walker
Mfume	Salmon	Walsh
Mica	Sanford	Wamp
Miller (FL)	Sawyer	Ward
Minge	Saxton	Watts (OK)
Molinari	Scarborough	Weldon (FL)
Moorhead	Schaefer	Weldon (PA)
Moran	Schiff	Weller
Morella	Seastrand	White
Myers	Sensenbrenner	Whitfield
Myrick	Shadegg	Wicker
Nethercutt	Shaw	Wilson
Neumann	Shays	Wolf
Ney	Shuster	Woolsey
Norwood	Sisisky	Young (AK)
Nussle	Skeen	Young (FL)
Ortiz	Skelton	Zeliff
Orton	Smith (MI)	Zimmer
Oxley	Smith (NJ)	
Packard	Smith (TX)	

ANSWERED ''PRESENT''—1

Traficant

NOT VOTING—6

Bishop	Montgomery	Rush
Fields (LA)	Murtha	Williams

□ 1541

Ms. RIVERS and Messrs. SAWYER, WARD, SHAYS and DOGGETT changed their vote from ''aye'' to ''no.''

Mr. FRANK of Massachusetts changed his vote from ''no'' to ''aye.''

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Members are to be reminded that we intend to hold votes to 17 minutes. Members will miss votes in the future if they are not here promptly.

Mr. MFUME. Mr. Chairman, might I inquire how much time is remaining on the amendment that is before us?

The CHAIRMAN. The gentleman from Michigan [Mr. CONYERS] has 5½ minutes remaining. The gentleman from Virginia [Mr. GOODLATTE] has 10 minutes remaining.

The gentleman from Virginia [Mr. GOODLATTE] has reserved his time. The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK], as a member of the Committee on the Judiciary, in support of the truth in budgeting amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I support this substitute for two reasons.

First, I note that the American Association of Retired Persons has come out strongly for legislation in the amendment itself that will prevent Social Security from being subsumed into the overall budget balancing mechanism. The AARP recognizes that, absent the kind of language that is in this version and has been in many others that have been defeated, a constitutional amendment which collapses Social Security into the rest of the budget for purposes of balance generates pressure to cut Social Security benefits that we should not have.

Second, the gentleman from Michigan has made what would seem to be a very noncontroversial request: explain how this would be achieved. He is asking those who are in control of the Congress now to give an illustration of how they would balance the budget. They are being given the opportunity to show it in the best possible light from their standpoint. What we are saying is, ''As you get to the deliberative process of ratification in the States, let us have this for the edification of people.''

But the point is this:

A serious debate is about to take place about whether or not to ratify this amendment by 2002. Many of us believe it poses an undoable task in too short a period of time. People on the other side say it does not. Well, why are they unwilling then to demonstrate it, if in fact this can be done more easily than many of us think, with less pain, and less disruption and less economic difficulty? Why do the proponents so vigorously resist showing that? They are being asked to show it on their terms. They are being told, ''Whatever budget you want to propose, come forward and show us.''

Instead we are told, well, if we did that, knees would buckle. There is, I think, an unbecoming lack of faith in democracy.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

Mr. GOODLATTE. Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, could we inquire if the other side has any other speakers? We have the right to close, as I recall.

The CHAIRMAN. The gentleman from Virginia [Mr. GOODLATTE], managing the bill for the committee would have the right to close. The gentleman from Michigan would have to finish before the closure by the gentleman from Virginia.

Mr. CONYERS. Mr. Chairman, could I inquire how many speakers the other side has?

The CHAIRMAN. Does the gentleman from Virginia have additional speakers?

Mr. GOODLATTE. No, Mr. Chairman, just my close.

The CHAIRMAN. The gentleman from Virginia indicates that he is the last speaker on the majority side.

□ 1550

Mr. CONYERS. Mr. Chairman, I am delighted to yield 1½ minutes to the gentlewoman from Texas [Ms. JACKSON-LEE], a member of the Committee on the Judiciary.

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, I thank the chairman for his handling of this body and bringing about order.

Mr. Chairman, let me also thank the gentleman from Texas [Mr. BARTON] and the gentleman from Texas [Mr. STENHOLM] for their interest in this matter. Let me also say I am interested in having this Nation move forward and balancing our budget. But I also rise today to support the Conyers substitute, because I want to clear up the fog and the muddiness that has fallen upon this process.

Let me call the role as we cut transit dollars in Houston; Ryan White AIDS funding in Houston; dollars for health care in Houston; dollars for elementary schools in Houston; cutting some $2 million over 7 years on the Meals on Wheels; cutting the WIC Program for some 4,300 women in Houston. Mr. Chairman, I simply ask that as the contract on America stated, in an era of official evasion and posturing, we offer instead a detailed agenda for the national renewal.

Mr. Chairman, as we talk about the rollcall that I have just called, and I hope that it is an important issue for all of us to listen to, it is important that we again shed light. It is important that our constituents recognize that they did not send us to Washington to avoid the real work and tough decisions that come with reducing the Federal deficit. I believe we must earn the trust of the American taxpayers by providing them with the details on exactly which programs will be cut. All we simply ask from our fellow Representatives across the aisle is to give us clarity. Allow us to go through a process that gives to the American people where the cuts will be.

Mr. Chairman, I support the Conyers amendment.

Mr. CONYERS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Michigan [Mr. CONYERS] has 2 minutes remaining.

Mr. CONYERS. Mr. Chairman, under my amendment before a balanced budget constitutional amendment can be sent to the States for debate, Congress would be required to adopt a plan showing it proposes to achieve a balanced budget. Such a plan is needed so that the States and the American people are aware of specifically which programs will be ended and what revenues will be raised over the next 7 years.

Without it, we will be passing what will become to be known as the mother of all unfunded mandates, and that is what we have before us.

Without identifying where the cuts would be made to balance the budget, the amendment before us, a constitutional amendment, is nothing but a feel-good amendment that creates the illusion of eliminating the deficit without mandating any specific action.

If the American people were presented with a list of specific things that would have to be done to balance the budget, not only in the year 2002 but even later, I do not know whether they would support the amendment. Perhaps they would. But they should be given an opportunity to decide.

None of the proponents of the amendment have submitted a specific program that comes close to balancing the budget. That is not dealing fairly with the American people.

I urge, if we are to have a constitutional proposal, that this truth in budgeting idea be included within it.

Some of the proposals now in circulation would require not only that the budget be balanced, but also that a three-fifths majority of the Congress would be required for raising taxes.

Support the Conyers substitute.

Mr. GOODLATTE. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, it is irresponsible for the supporters of this substitute to demand in a single legislative vehicle a specific balanced budget plan covering the next 7 years as a precondition for passing the amendment. As George Will has said, the Constitution stipulates December destinations. It does not draw detailed maps. Making complete and accurate spending revenue projections covering the entire 7-year time frame is impossible at this time, and they know it. It would be the sheerest speculation and more misleading than informative.

Mr. Chairman, this year, as part of the annual budget process, Congress will begin to identify what specific cuts need be made between now and the year 2002. There is no more time for delay. We need to get about doing that. If you support a true balanced budget amendment, if you want to send a clear, unmistakable message to American families that you are tired of bloated bureaucratic boondoggles and pork barrel projects, if you are really serious about ending red ink, then vote to reject this amendment and enact a real constitutional amendment and do the will of the American people.

Mr. Chairman, I yield back the balance of my time.

Ms. BROWN of Florida. Mr. Chairman, I rise in support of Congressman CONYERS' balanced budget substitute because I strongly believe that the States and the American people have a right to know exactly how the budget would be balanced and what the impact would be on all Americans.

According to a State-by-State analysis released by the U.S. Treasury Department, if the budget were balanced in 7 years, as the Republicans propose, Federal grants to States would be slashed by billions of dollars.

The programs that the Republicans would cut aren't about waste in Government—they're about real people. Medicare for the elderly. Education and loans for our children. Veterans' benefits for those who have protected us in times of crisis. That's why we've got to have an honest balanced budget debate so that every American knows exactly what's at stake in this debate.

At stake for Florida is $2.7 billion in annual Federal grants that would be lost: $1.5 billion per year in Medicaid funds gone; $202 million per year in highway trust funds grants gone; $170 million per year in funding for welfare [AFDC] gone; $764 million in education, job training, environment, housing, and other areas—gone, gone, gone.

Let's tell the truth to the American people by supporting the Conyers balanced budget amendment substitute.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Michigan [Mr. CONYERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 112, noes 317, not voting 5, as follows:

[Roll No. 46]

AYES—112

Abercrombie
Ackerman
Barcia
Becerra
Beilenson
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
de la Garza
DeLauro
Dellums
Dingell
Dixon
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Flake
Ford
Frank (MA)
Frost
Furse
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hilliard
Hinchey
Holden
Jackson-Lee
Jefferson
Johnson, E.B.
Johnston
Kaptur
Kennedy (RI)
Kildee
LaFalce
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Mascara
McKinney
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moran
Nadler
Neal
Obey
Olver
Owens
Pastor
Payne (NJ)
Pelosi
Pomeroy
Rahall
Rangel
Reynolds
Richardson
Rivers
Rose
Roybal-Allard
Sawyer
Schroeder
Schumer
Scott
Slaughter
Stark
Stokes
Stupak
Thompson
Thornton
Thurman
Torricelli
Towns
Tucker
Velazquez
Ward
Watt (NC)
Williams
Wise
Woolsey
Wynn
Yates

NOES—317

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Filner
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennelly
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Reed
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Studds
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Torkildsen
Torres
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—5

Bishop	Fields (LA)	Sanders
Dornan	Rush	

□ 1614

Ms. ROYBAL-ALLARD, Mr. STUPAK, and Mrs. SCHROEDER changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 29 offered by the gentleman from Missouri [Mr. GEPHARDT] or his designee.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. BONIOR

Mr. BONIOR. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. BONIOR: Strike all after the resolving clause and insert the following: That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

''ARTICLE —

''SECTION 1. Prior to each fiscal year, Congress shall, by law, adopt a statement of receipts and outlays for such fiscal year in which total outlays are not greater than total receipts. Congress may, by law, amend that statement provided revised outlays are not greater than revised receipts. Congress may provide in that statement for a specific excess of outlays over receipts by a vote directed solely to that subject in which a majority of the whole number of each House agree to such excess. Congress and the President shall ensure that actual outlays do not exceed the outlays set forth in such statement.

''SECTION 2. Prior to each fiscal year, the President shall transmit to Congress a proposed statement of receipts and outlays for such fiscal year consistent with the provisions of this Article.

''SECTION 3. Congress may waive the provisions of this Article for any fiscal year in which a declaration of war is in effect. The provisions of this Article may be waived for any fiscal year in which the United States faces an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

''SECTION 4. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal. Total receipts shall not include receipts (including attributable interest) for the financing of benefits and administrative expenses of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or any successor funds, and total outlays shall not include outlays for disbursement of the Federal Old-Age and Survivors Insurance Trust Fund for benefits and administrative expenses and the Federal Disability Insurance Trust Fund for benefits and Administrative expenses, or any successor funds. The receipts and outlays referred to in the preceding sentence shall be limited to receipts and outlays that provide old-age and survivor cash benefits for individuals based upon their earnings and dependents of such earners or provide disability cash benefits for disabled individuals based upon their earnings and dependents of such earners.

''SECTION 5. All votes taken by the House of Representatives or the Senate under this Article shall be roll-call votes.

''SECTION 6. Congress shall enforce and implement this Article by appropriate legislation.

''SECTION 7. This Article shall take effect for the fiscal year 2002 or for the second fiscal year beginning after its ratification, whichever is later.''.

Mr. SENSENBRENNER. Mr. Chairman, I would ask the Chair, has the gentleman from Michigan [Mr. BONIOR] been designated by the gentleman from Missouri [Mr. GEPHARDT] to offer the Gephardt amendment?

The CHAIRMAN. That is the Chair's understanding.

Pursuant to the rule, the gentleman from Michigan [Mr. BONIOR] will be recognized for 30 minutes, and a Member opposed, the gentleman from Wisconsin [Mr. SENSENBRENNER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Chairman, I yield myself 4½ minutes.

Mr. Chairman, here we are. Here is the moment that we have been waiting for, after all the talk, after all the promises. Now is the time to stand up and be counted. Now is the time to stand up and either say yes, I want to protect Social Security, or no, I want to leave it on the chopping block.

Make no mistake about it, Mr. Chairman, that is what the Gephardt amendment is all about. I want people back home to understand this very clearly. If a Member votes yes, then Social Security is safe. If a Member votes no, he or she is voting to put Social Security on the balanced budget chopping block.

Mr. Chairman, time and time again the past few days we have heard Republicans say that they want to exempt Social Security. What they are not telling us is simply this. The Republican balanced budget amendment does not protect Social Security. They have not been willing to write that promise into law, and none of their amendments protect Social Security.

The Flanagan resolution they offered yesterday does not protect Social Security. In fact, the one chance that Republicans had to actually protect Social Security in this Congress, in the Committee on the Judiciary about 1 week ago, every single Republican except one voted to keep Social Security on the chopping block.

□ 1620

When we asked them to show you where they intended to cut, even though 86 percent of the American people in a recent poll said, ''Show us your cuts,'' Republicans say the American people do not have a right to know.

All they are willing to say are two simple words: ''Trust us.'' ''Trust us. We won't cut Social Security.''

Well, before you do that, Mr. Chairman, you have to understand who is saying trust us.

The Speaker himself, the gentleman from Georgia [Mr. GINGRICH], says trust us. But Mr. GINGRICH himself once wrote this article that called for Social Security to be replaced, ''Replace Social Security.'' In 1986 he even offered a bill to eliminate Social Security as we know it.

The majority leader the gentleman from Texas [Mr. ARMEY] says trust us. Yet in 1984 Mr. ARMEY himself called Social Security a bad retirement and a rotten trick and made his first campaign for office on abolishing Social Security. In fact last September he told a C–SPAN audience, ''I never would have created Social Security in the first place.'' Yet now they are asking you to trust them with Social Security.

We all know that actions speak louder than words. In a few minutes we are going to see if they really mean it. If they really want to protect Social Security, they will vote yes on the Gephardt amendment. But I just want you to understand what it means if they vote no.

I want you to understand what a recent study by the Economic Policy Institute said. For example, this study pointed out that if the gentleman from Illinois [Mr. FLANAGAN] votes no, he is voting to cut Social Security of every older American in his district by $2,162. If he votes yes, he is voting to protect it. If the gentleman from Ohio [Mr. HOKE] votes no, he is voting to cut Social Security checks in his district by $2,041. If the gentlewoman from California [Mrs. SEASTRAND] votes no, she is voting to cut $2,027 from every Social Security recipient in her district. And if the gentleman from Wisconsin [Mr. NEUMANN] votes no, he is voting to cut $2,177 from each recipient in his district. The list goes on and on and on. That is what this vote is all about. I think the people back home understand it.

We Democrats believe that Social Security is a sacred trust that must be never taken away. Our seniors have worked too hard and they have struggled too long to have a balanced budget amendment put on their backs at this time.

If you agree with us, vote to make that promise part of the Constitution. Vote to exempt Social Security from the chopping block and vote to endorse the amendment offered by the distinguished minority leader the gentleman from Missouri [Mr. GEPHARDT].

EXAMPLES OF CUTS ON SOCIAL SECURITY IN REPUBLICAN CONGRESSIONAL DISTRICTS FROM BALANCED BUDGET—BASED ON ANALYSIS BY ECONOMIC POLICY INSTITUTE, JANUARY 26, 1995

	District cut [millions]	Cut per recipient
Charles Bass (NH–02)	$217	$2,086
Brian Bilbray (CA–49)	212	2,153
Peter Blute (MA–03)	260	2,178
Jim Bunn (OR–05)	247	2,124
Dick Chrysler (MI–08)	188	2,220
Jay Dickey (AR–04)	282	1,906
Phil English (PA–21)	280	2,223
John Ensign (NV–01)	256	2,051
Michael Flanagan (IL–05)	272	2,162
John Fox (PA–13)	238	1,886
Daniel Frisa (NY–04)	253	1,974
Greg Ganske (IA–04)	248	2,139
Fred Heineman (NC–04)	147	1,779
Martin Hoke (OH–10)	282	2,041
John Hostetler (IN–08)	267	2,348
Steve LaTourette (OH–19)	273	1,907
James Longley (ME–01)	252	1,893
Bill Martini (NJ–08)	282	2,316
Jack Metcalf (WA–02)	218	2,201
Charles Moorhead (CA–27)	194	2,003
George Nethercutt (WA–05)	248	2,236
Mark Neumann (WI–01)	238	2,177
Bob Ney (OH–18)	299	2,288
Frank Riggs (CA–01)	236	2,191
Peter Torkildsen (MA–06)	252	2,084
Andrea Seastrand (CA–22)	220	2,027
Linda Smith (WA–03)	237	2,225
Steve Stockman (TX–09)	210	1,917
Randy Tate (WA–09)	171	2,259
Rick White (WA–01)	162	2,050
Edward Whitfield (KY–01)	280	1,913

REPLACE SOCIAL SECURITY WITH A STABLE, PERMANENT RETIREMENT SYSTEM

(By Newt Gingrich)

We can design a retirement system ''that is pro-savings, pro-jobs, pro-small business, pro-American competitiveness in the world market, and allows our grandparents to relax, knowing we truly have provided for their retirement years.''

Social Security and Medicare are the heart of providing for our parents and grandparents. Indeed, these two systems form the base of our plans and expections about savings and retirement.

Social Security is the largest domestic program, with over 36,000,000 people receiving checks every month. The Social Security tax, affects nearly every working American. For most workers, it takes a bigger tax bite out of their paychecks than the Federal income tax. This year, the highest Social Security tax on an employed individual is $6,263.40. That figure includes both the individual contribution and the employer's matching contribution. The latter is really a hidden tax on income.

Dramatic changes in life span and in the work force have made the Social Security system increasingly unsound. In 1935, when Pres. Franklin Roosevelt first proposed Social Security and set the retirement age at 65, the average American only lived to be 63. If we had the same ratio of longevity to retirement age today, the retirement age would be 76. In effect, we have added 11 years' worth of retirement benefits to the same tax base. Since the age group 85 and over is the fastest growing group of Americans, the burden on working Americans will intensify in the future.

Another dramatic change has been the shift from a large workforce supporting a small retirement population to a much more * * * to retirees. Originally, 13 workers supported one retiree. Today, three workers support each retiree; by the next generation, that will decline to a two-to-one ratio. The increased tax burden on working Americans caused by the change in worker-to-retiree ratio is made even more unbearable because of the increase in the relative payments to retirees.

The following proposal is one way to create a permanent, stable Social Security system that will increase savings, increase jobs, and decrease our fears about retirement. Here is how it would work:

On Jan. 1, 1989, the FICA Social Security tax would be abolished, with a provision that employers would pay the matching 7.15% to workers. Workers over 40 would have their take-home pay increased by the full 14.3%. Workers under 40 would have their take-home pay increased by 4.3%, and the other 10% would go into a new, mandatory individual retirement account (IRA) of their choice. The Social Security and Medicare trust funds would be taken off budget so that politicians could not use them to balance the rest of the budget. Finally, a new off-budget trust fund would be created to raise all senior citizens above poverty level. We would establish the principle that our grandparents should not live in poverty.

It occurred to me, however, that our grandparents weren't being frightened by the letters. They already had been frightened by the shaky finances of the Social Security and Medicare systems. The letters simply were preying on a fear that already existed.

Our grandparents are worried because they know full well the things our politicians have been afraid to discuss for over a generation. First, we don't save enough, either as individuals or as a nation. We simply are borrowing too much and saving too little. Second, we have not rebuilt the Social Security financing system to take into account changes in life span, birth rates, and the structure of the workforce. Third, the FICA Social Security tax discourages savings, discourages the expansion of small business, discourages new jobs, and weighs most heavily on low and middle-income workers. Fourth, the FICA tax encourages importing foreign goods because they aren't affected by it and makes American products more expensive to sell overseas. This makes us even less competitive in the world market. If we can't compete, we can't create jobs; if we can't create jobs, we can't pay for our retirement system. Our grandparents know that a stable Social Security system depends on a competitive, prosperous, job-creating American economy. The real answer to Roosevelt's letters is to create a financially sound retirement system so senior citizens won't have to worry. Then, they will just throw away his appeals for money.

In order to replace the FICA tax and finance the new anti-poverty retirement fund, we would adopt a value added tax (VAT). This would be a simple across-the-board sales tax designed to raise the amount currently raised by the FICA and the amount necessary to meet the poverty level requirements for our poorer grandparents. By keeping the VAT simple, we meet the main objection of small businesses, who fear the complexity of European VAT's. By keeping the VAT off budget and dedicated to these trust funds, we meet the major worry of conservatives, who see it as a relatively easy tax for liberals to increase in the future. Defining the VAT as our new Social Security tax will keep it dedicated and narrow in scope.

VAT VS. FICA

A VAT has three great advantages over the FICA. First, under the General Agreement on Tariff's and Trade, it can be applied to imports and rebated on exports. This will slow down imports to the U.S. and increase exports from the U.S., thus creating jobs here at home and strengthening our balance of trade. Many of our trading partners already do this.

Second, FICA is anti-savings because workers lose the money to taxes before they can take it home. Now, workers would have the money in take-home pay, and they can decide how much to save or spend. This shift from FICA to a VAT automatically will lead to an increase in our savings rate.

Third, FICA is a narrow anti-jobs tax that weighs heavily on low- and middle-income workers and on small business. The VAT will uncover much of the underground secondary and will broaden the support for Social Security and Medicare to include those who live off investment income. Today, those people pay no FICA because they have only investment income. Under the new Social Security VAT, the rich will help pay for retirement.

For simplicity's sake, current retirees would be treated as if the FICA tax still existed and would be given the same retirement benefits they now have under the present system, with two exceptions. First, current retirees below the poverty line would receive an extra check to bring them up to the poverty level. Second, there would be a one-time increase in Social Security payments to offset the VAT so our grandparents would not face a reduction in their standard of living. Americans 40 and over, but under 65, also would be grandfathered into the Social Security retirement system. Most of them have been paying into Social Security between 25 and 45 years. They have earned significant retirement benefits through their past payments into Social Security. Furthermore, they are too close to retirement to build the kind of individual retirement nest egg the younger generation will be able to accumulate. When those under 40 reach retirement age, they would receive only the Social Security benefit designed to keep senior citizens above the poverty level. Any additional retirement benefits would come from their personal IRA. As a further inducement to save, everyone would be given the opportunity to salt away up to $55,000 a year in a voluntary IRA.

Since this proposal is a fundamental reform to establish a permanent, stable Social Security system, there are two other steps we would take. First, we would abolish the tax on Social Security benefits which punishes those prudent enough to have saved for their retirement. Second, we would abolish all provisions which discourage working after 65. Never again should people lose benefits just because they want to maintain a productive life.

This permanent, stable Social Security system dramatically will improve America's competitive role in the world market. The mandatory savings for those under 40 will increase total personal savings from $143,300,000,000 to $227,300,000,000 during the first year (based on the 1985 savings rate). This $84,000,000,000 increase in personal savings—a 60% jump—will help lower interest rates and increase the amount of money available to build factories and create jobs. By the late 1990's, the U.S. could have the lowest cost of capital and probably the lowest interest rates in the industrial world. Multinational companies will start building new factories in the U.S. as the lower cost of capital is combined with the elimination of our current 14% FICA tax on labor. The new Social Security VAT will discourage imports and encourage exports. The shift from FICA to VAT will encourage small business and entrepreneurs. The abolition of the and-jobs FICA tax will encourage new job creation.

While many politicians are still afraid to mention abolishing Social Security, I am convinced this generation is ready for honest talk and real leadership. Our grandparents are tired of being frightened. They want a sound, stable, permanent retirement system, but they also want their grandchildren to be given a fair break. Our young workers are tired of paying heavier and heavier taxes for a system they believe won't be there when they are ready to retire. They would like a chance to save for their own retirement. At

the same time they love their grandparents and want to help talk care of them.

* * * * *

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 4½ minutes.

Mr. Chairman, we have heard the most disingenuous argument over the entire Social Security issue just now. The fact is that the amendment that has been offered by the gentleman from Missouri and supported by the gentleman from Michigan [Mr. BONIOR] does not protect Social Security at all. What it does is, it takes the Social Security trust fund, except the Medicare portion, out of the balanced budget amendment calculations. But in no place does it define what constitutes Social Security.

That will mean that any time in the future big spenders in Congress want to pass some cockamamie spending scheme, they will simply propose it as an amendment to the Social Security Act and finance it out of the trust fund, thus to escape a requirement that Congress pass a balanced Federal budget. And because Congress always takes the path of least resistance, you will see the Social Security trust fund being loaded up with all kinds of non-Social Security schemes.

I want to know why in the text of this amendment the Medicare part of the Social Security trust fund is not protected, because traditional Social Security includes the Medicare part as well as the old-age and survivors part and the disability part of the Social Security trust fund. So your amendment is not even drafted properly to accomplish the goals that you wish to accomplish.

Let us get real on the issue of Social Security. It was not Republicans that came up with some type of secret scheme to cut Social Security benefits. It was President Clinton's own OMB Director, Alice Rivlin, who discussed that matter before the election, and the memorandum that she passed around the room was leaked. So let us not try to make this into some kind of a partisan fight.

The fact of the matter remains that Social Security has enjoyed bipartisan support for the last 60 years and that bipartisan support lasts to this day. The Social Security trust fund has not had constitutional protection since Social Security was passed in 1935. Yet the only time the Social Security system has been changed is when problems within Social Security have necessitated the Congress to make changes and those changes were made in a bipartisan manner.

Because of decisions that were made long before most of us, including myself, got to Congress, Social Security receipts have been counted as other receipts in a unified budget, and the same is true of Social Security outlays. Yet, at no time did anybody, Democrat or Republican, suggest that the Social Security trust fund be raided for purposes other than to provide those Social Security benefits that are authorized by law.

I guess the message that we are hearing today is that when all else fails, have a good social Security scare.

The fact is that the senior citizens of this country want to see their children and grandchildren enjoy as good a standard of living as they have enjoyed during their lifetime. The best way to do that and the best way to protect Social Security is to pass a balanced budget constitutional amendment to balance the Federal budget and not have the Treasury go and sell the Social Security trust fund any more Treasury paper in order to finance the Federal debt.

Mr. Chairman, I reserve the balance of my time.

Mr. BONIOR. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri [Mr. GEPHARDT], the distinguished minority leader.

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Chairman, I urge Members to vote for this substitute amendment that the gentleman from Michigan [Mr. BONIOR] and I are offering this afternoon.

I said yesterday and I believe with all my heart that this series of votes that we are casting on these amendments are the most important votes that we will cast in our service here in the Congress, no matter how long we have been here or how long we will stay.

I admire my friend, the gentleman from Texas [Mr. STENHOLM] who to me has been the greatest leader in this institution for trying to get an amendment to the Constitution to balance the budget. I believe that, as I did not believe some years ago, we ought to put an amendment in the Constitution to have a balanced budget. It used to be that we assumed or presumed that every year we would balance the budget or would come close to it. And since what has happened over the last 15 years, we now almost have a presumption that we will not have a balanced budget.

That is why I have come to the conclusion that we should put it into the Constitution so that we create the right presumption. But I also believe that there must be an exception written into the constitutional amendment that requires the balanced budget that the Social Security retirement fund be exempt from its application.

□ 1630

This is a clear disagreement and difference between many of us in this body. I believe it must be exempt because I think unlike any other program it has a defined tax that workers pay day in and day out to support their retirement benefits. It has a separate trust fund that is used to pay those benefits when they retire.

This is a solemn contract, a responsibility, a promise that all of us have made since 1934 to the elderly of the country that if they pay into the fund they will receive the benefits.

Now Members say over the years we have sometimes changed the benefit structure, and we have. But always the changes have been made, and I might add in a bipartisan way, because the fund had a problem, something had gone wrong, inflation did something we did not expect it to do, the benefit structure was not created correctly, and so we made modifications, but they were always on the ground that the fund needed to be fixed.

I think it is unacceptable to say to the American people that we now have to consider or leave on the table the possibility that Social Security would be changed or reduced or modified in any way, because we as the stewards of this fund could not figure out how to solve a budget problem somewhere else.

Yes, we have to cut Social Security because we could not figure out how to cut this program or that; our defense or domestic spending or get the tax system to work right, we had to do something to Social Security. It is unacceptable.

This is a contract, it is an obligation. Millions of Americans live on their Social Security, pay their heat, pay their rent, pay their medical bills. They will simply perish as they used to perish if they do not have this reasonable pension.

This is the one clear chance in this whole debate to say Social Security is off the table; it will not be touched. As a matter of constitutional law, it cannot be touched.

The fig leaf that was enacted yesterday is nothing more than that. It was a press release. No press releases.

If Members believe in Social Security and in this obligation, have the courage to put it in the Constitution of the United States.

Mr. SENSENBRENNER. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Illinois [Mr. HYDE], chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the Gephardt substitute requires a constitutional majority, 218 in the House, to deficit spend. We say there must be a supermajority to deficit spend, three-fifths. Therefore the Gephardt substitute is much weaker in protecting against deficit spending, something we all again give lip service in opposition to, but only House Joint Resolution 1 does anything about.

The Gephardt substitute deletes the provisions on the debt ceiling. In our resolution a three-fifths vote is required of the total membership to increase the debt limit.

Anybody who thinks we do not need protection against a spiraling debt

limit has difficulty understanding what a trillion dollars is, much less $4.7 trillion and growing, and counting and mounting, as our national debt. And therefore, the Gephardt resolution is ineffectual in a practical sense in guarding against increases in the debt limit. No protection against increases in the national debt.

Another weakness, a fatal weakness in my opinion, in the Gephardt substitute is that it fails to include a tax limitation section to discourage tax increases.

When we get in a corner and we must balance the budget, the line of least resistance, at least with the former majority and now minority party was increase taxes, increase taxes.

We want a balanced budget amendment that has a bias against increasing taxes, and a preferential option for cutting spending.

That is the last thing they want to do, because if Members listen carefully all day they hear a litany, a list of spending they want to immunize from the scalpel. They want a tire pump instead of a knife when it comes to our fiscal problems.

Insofar as Social Security is concerned, I must say the other side are masters of the politics of fear, scare the old people. The fact is, they can balance the budget by the year 2002 by merely holding down the rate of increase, cutting the rate of increase in our spending from the 5 percent it is projected under current guide paths to 3.1 percent, and the budget will be balanced, lo and behold, in the year 2002. Those are not conservative figures, they are from the distinguished gentleman from Texas [Mr. STENHOLM], that you admire and we admire too.

So I do not know what it takes for that to sink in, but it is true.

They are obviously bitterly opposed to balancing the budget by constitutional amendment and why do they not say so, why do they not say so instead of riddling our proposal with 27 exceptions, major and minor. What is your solution to the escalating national debt? We have heard nothing but no, nay, no, nay, no solution, no answers, just fault.

The time has come. We have tried everything. It has not worked, and this constitutional amendment says one thing. It says balance the budget, do not increase taxes, do not increase the national debt, and have the will to make the cuts in the spending that are necessary.

If you want a list of them look at Penny-Kasich last year.

MOTION TO RISE OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WATT of North Carolina. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 342, answered ''present'' 1, not voting 12, as follows:

[Roll No 47]

AYES—79

Abercrombie
Ackerman
Baldacci
Becerra
Bonior
Brown (CA)
Brown (FL)
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Dellums
Dingell
Dixon
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Foglietta
Ford
Frost
Gejdenson
Green
Gutierrez
Hastings (FL)
Hinchey
Jackson-Lee
Jefferson
Johnson, E. B.
Lewis (GA)
Lofgren
Markey
Martinez
Mascara
McDermott
McKinney
Meek
Mineta
Mink
Moakley
Mollohan
Nadler
Neal
Oberstar
Olver
Owens
Pastor
Payne (NJ)
Rangel
Reynolds
Roybal-Allard
Sabo
Sanders
Schroeder
Scott
Serrano
Skaggs
Stark
Stokes
Studds
Thompson
Towns
Tucker
Velazquez
Vento
Waters
Watt (NC)
Wise
Woolsey
Wynn
Yates

NOES—342

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Borski
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Furse
Gallegly
Ganske
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Martini
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Upton
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Ward
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED ''PRESENT''—1

Traficant

NOT VOTING—12

Bishop
Boucher
Calvert
Fields (LA)
Frank (MA)
Gibbons
Hansen
Moran
Rose
Rush
Wamp
Williams

☐ 1655

Mr. ZIMMER. Mrs. THURMAN, Ms. SLAUGHTER, and Mrs. MALONEY changed their vote from ''aye'' to ''no.''

So the motion to rise was rejected.

The result of the vote was announced as above recorded.

Mr. BONIOR. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

(Mrs. COLLINS of Illinois asked and was given permission to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of this amendment.

Mr. Chairman, I rise in support of the Gephardt-Bonior substitute and ask unanimous consent that my statement be placed at this point in the RECORD. Mr. Chairman, President Clinton hit the nail smack dab on the head in his state of the Union message when he said that we not only should be doing things more out in the open around here but that we also have a duty to be straight with the American people on the specifics behind a balanced

budget amendment—how it will truly affect average workers and their families.

Unfortunately, since the mad frenzy by my GOP colleagues began, to push through their contract in the first 100 days of this Congress, there have been nothing but heavy-handed tactics used by the majority to force their agenda through this body without proper hearings and debates on the merits of their proposals.

From the opening day of this Congress, in which the GOP employed a completely closed rule on the Congressional Accountability Act, to the actions by the majority in the Government Reform and Oversight Committee on which I serve, to push unfunded mandates legislation to the floor without any hearings, to Monday's actions by the majority leader to refuse to allow full consideration of a resolution allowing committees to meet while the full House is carrying out important legislative business, the democratic processes which have traditionally governed this body and this Nation have been totally subverted to the political whims of the Speaker and his merry men.

Now just why is this strategy to circumvent the deliberative legislative process being undertaken by the Republican majority? It is because, as they say, the Devil is in the details.

All of us in this institution recognize that we must continue to whip our fiscal house into order and take sensible and workable strides toward bringing our Federal budget into balance. I would like to remind my friends on the other side of the aisle that it was the President's 1993 budget package, which passed Congress without any Republican votes, that is responsible for over $700 billion in deficit reduction—the largest in history.

However, when we Democrats passed that package, we did not slash, cut, and burn for mere political gain everything that is American. We did not pander to people's fears and uncertainties about the future by offering them a cure-all ''just sign on the dotted line'' and ''trust me, everything will be right'' approach to governing. We offered them hard facts that proved correct.

Now I'm not a constitutional scholar Mr. Chairman, but I do believe that amending the most basic document of our democracy is something that should be based on reason and facts, not on hysteria generated by public opinion polls and post-election year politics. Sure a balanced budget amendment sounds attractive, just as an end to unfunded mandates on State and local governments seems appealing, and as perhaps a moratorium on regulations by the Federal Government does. The question is, What do they really mean for our constituents? What the GOP doesn't want to tell you, I will.

My distinguished colleague from Chicago, LUIS GUTIERREZ, and I just completed an exhaustive examination of the impact of the balanced budget amendment on the Chicago metropolitan area that we represent and—surprise, surprise—the numbers we calculated clearly demonstrate the devastating consequences that this ill-conceived gimmick will have on our constituents.

According to the U.S. Treasury Department, the Federal Government will have to cut spending by over $1 trillion in the next 7 years in order to achieve a balanced budget. An additional $376 billion in cuts must be made if the Republican contract's tax cuts are enacted as promised. Since a balanced budget cannot be achieved on a wish and a prayer, Federal programs such as Social Security, Medicare for the elderly, nutrition for pregnant women and children, AIDS testing and counseling, and several others vital to the enhancement of American life will be put on the chopping block.

Here is the laundry list Mr. Chairman: Cook County, IL will lose as much as $6 billion in Medicare payments by the year 2002 and $2.2 billion in Medicaid reimbursements during the same period. The Chicago Department of Health estimates that 200,000 single parents and their children would be without health insurance in Chicago as a result. In addition, 4,000 youngsters in my city of Chicago would not receive immunizations for preventable diseases, such as measles and whooping cough.

Roughly 6,000 people in Chicago living with HIV would not be able to receive primary health care, substance abuse treatment, and other services and another 10,000 would be left without critical HIV counseling and testing services. This would inevitably lead to a drastic increase in AIDS cases and take an enormous toll on city resources.

Cuts to balance the budget by the year 2002 would force the Women, Infants, and Children [WIC] program to discard 16,000 babies, preschoolers, and pregnant women from their vital food supplement services. Meals on Wheels would feed 550 fewer senior citizens in Chicago and 700 less to those in suburban Cook County.

Not only will families be left hungry, Mr. Chairman, but they will also be left out in the cold. Over 100,000 individuals and their children in my city stand to lose Federal Low-Income Home Energy Assistance funds to help them battle the brutal subzero Chicago winters.

Most distressing is the fact that educational initiatives, the linchpin for improving the future for all our youngsters, will be gutted by this amendment. In Chicago, Head Start, a proven program designed to ensure that America's most vulnerable children receive food, medical care, and learning opportunities to lead healthier and more productive lives would lose $93.5 million dollars over the next 7 years thereby eliminating the ability of over 4,000 little kids to have a chance to get ahead.

So as you can see from this brief glimpse Mr. Chairman, the balanced budget amendment is not all it's cracked up to be. You can see why the majority leader recently admitted that Members' knees would buckle should the details come out about the effect of this legislation on average Americans.

If my colleagues on the other side of the aisle believe the balanced budget amendment is the magic snake oil that will cure all our budgetary concerns, I have got a bridge I think they will be interested in buying.

I urge my colleagues to vote no on this amendment and to continue down the path of budgetary responsibility initiated by the President and my Democratic colleagues last Congress. There is no cure-all to the fiscal concerns we all have and we must not pretend that there is. As the President so eloquently stated in his State of the Union message, we have to be straight with the American people. This balanced budget amendment is a sham, Mr. Chairman, and most certainly should be defeated.

Mr. BONIOR. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, I have a great deal of respect for the gentleman from Illinois [Mr. HYDE]. I think he is one of the class people in this institution. But I really must say, in light of his previous speech, that I do not need lectures from him or anybody else on this floor about the necessity to balance the budget.

□ 1700

In my 25 years of service in this House, Mr. Chairman, absolutely nothing made me more angry or more frustrated then to see the way this Congress in 1981 blindly ran through this place the Reagan budgets which destroyed the ability of this country to have a responsible fiscal policy, quadrupled our national debt and raised deficits from $64 billion to almost $300 billion. Today we are taking in enough into the Treasury so that, if it were not for those deficits in the 1980's, we would have a balanced budget today. We are taking in enough today not only to pay for what we are spending today, but for what we spent in the past, up to 1981.

What is killing us is the interest that was accumulated in the 1980's. And so now we have to do something about it, and I have indicated by my votes today that I am willing even to do it by the constitutional route, if that is what is necessary. But I am voting for this amendment because it is the only way that we can make this basic proposition today do what up to now it only pretends to do, and that is to ensure that Social Security will not be savaged in the process.

Now the Republican leadership has said on national television, ''Well, we're not going to touch Social Security for at least 4, or 5, or 6 years.'' I would point out to my colleagues that this does not kick in for 7 years, and so without the Gephardt amendment the risk we run, the very large risk we run, is that at the end of that 7-year time period we will wind up with a time bomb that blows up in the face of every senior citizen in this country who relies on Social Security. That is the fundamental reason why we need to pass this amendment today.

Now the Republican leadership in this Congress has refused to tell the American people where they will cut the budget in order to get to a zero deficit. I say, ''When you take a look at the copies of the article written by the present Speaker of this House which talks about the need to radically change Social Security, I think perhaps we may know one reason why they refuse to tell us what the specific cuts are going to be, because I find it very difficult to believe that that document does not contain the basic prescription for Social Security that is

deep in the minds of those who are pursuing this route today.'' And so it seems to me, if you want to balance the budget and protect the Social Security recipients of this country, you have absolutely no alternative but to vote for the Gephardt amendment. Without doing that, you ensure that for the short term the overages in the Social Security account will be used to mask what the true size of the deficit is, and long term the Social Security recipients will be savaged.''

Mr. SENSENBRENNER. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. INGLIS].

Mr. INGLIS of South Carolina. Mr. Chairman, I thank the gentleman from Wisconsin [Mr. SENSENBRENNER] for yielding this time to me.

Mr. Chairman, there is a fundamental flaw in the amendment that is being proposed right now, and I believe it goes to really the heart of the balanced budget amendment, and the reason why we should go forward with the version that is on the floor right now rather than amending it, as the gentleman from Missouri [Mr. GEPHARDT] would have us do, has to do with moving away, in the Gephardt amendment, from the three-fifths supermajority for the debt limit increase. That in my opinion is the heart of the balanced budget amendment.

Those of us on the Committee on the Judiciary heard very interesting testimony from William Barr, the former Attorney General of the United States, who said that is the critical part, the self-enforcing part, of the balanced budget amendment because, as long as that is there, it is not possible for this Congress to spend in excess of the debt limit, of course, without that supermajority vote. Institutional investors will back away. It will be a self-enforcing provision; no lawsuits, no questions of standing. It really will work best if we have that three-fifths supermajority requirement for increasing the debt limit, but, as my colleagues know, this is really a debate that the numbers are too large and really almost incomprehensible, so let us imagine for a moment that we are not Members of the Congress of the United States, but rather board of directors for a company called the Capitol Card Co.

The Capitol Card Co. has had a little bit of trouble. It has been having expenditures of about $1.4 million a year, receipts of about $1.2 million a year, an annual loss of about $203,000. They have been doing it awhile, so we have accumulated a debt now of $4.7 million. That is a problem for this company, and I think, if we were the board of directors, we would say, ''No more debt.'' We would say to this company, if we were on the board of directors, ''Stop borrowing. Figure out a way to control these expenditures.''

Now that is an understandable number, $203,000 annual loss. The problem for us, my colleagues, is that there are six zeros on the end of these numbers. I say to my colleagues, ''If you add the other six zeros, you have the United States Government. We're not losing $203,000 a year. We are losing $203 billion a year, and our debt is now $4.7 trillion. But who can understand those numbers? Lop off six zeros, and you have an understandable number, and you have something that the American people can understand as to why we have got to have the balanced budget amendment and bring this spending under control.''

But it is absolutely essential again that we not depart from the formula that is on the floor right now of a three-fifths supermajority on the debt increase. That is the critical part of the balanced budget amendment. That is why I urge my colleagues to reject the Gephardt amendment as being fatally flawed.

Mr. BONIOR. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. DINGELL].

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, I have listened with great enthusiasm to my colleagues on that side of the aisle telling us how they were going to protect Social Security, and yesterday they passed a resolution, nonbinding. It has the same significance as the resolution adopted on the strawberry festival. It will not protect Social Security, and it will not help the Social Security retirees. But they passed it, and shortly they are going to be going home, telling the people how this budget amendment is not going to impair the rights of Social Security recipients.

Now the hard fact is that the majority leader, the gentleman from Texas [Mr. ARMEY], and the Speaker have continuously come out and denounced Social Security and suggested changes.

Now we are looking here at a situation where, if my colleagues on that side of the aisle are really sincere about protecting Social Security, they can vote for an amendment which will do so, that which has been sponsored by the gentleman from Missouri [Mr. GEPHARDT]. And it will afford absolute security to our senior citizens, and it will assure them that there will be no games played and no raids made upon Social Security to the adverse impact upon ordinary citizens, and senior citizens and retirees.

The hard fact is that achieving a balanced budget by 2002 is going to require that Medicare cuts take place to the amount of $2,223 for persons over 65, and I would point out that the impact on Social Security recipients, an average one who receives $680 a month, would lose $150 a month unless we absolutely assure them by the adoption of the Gephardt amendment that we will not see a raid taking place on Social Security. Every Federal program, if we go the route that my colleagues on that side of the aisle want to go, will be cut about 20 percent.

□ 1710

That means that Social Security is going to be under enormous pressure. The nonbinding resolution of yesterday has no significance, I remind my colleagues, whatsoever, and affords no protection whatsoever to senior citizens and Social Security recipients.

If you want to do something about this, and if you want to be honest with the senior citizens of this country, the Social Security recipients, the retirees and those who will retire, pass the Gephardt amendment, and pass it thusly. Then you can go home and say we have passed a balanced budget amendment. It is a balanced budget amendment which protects Social Security recipients. Without it, you cannot do that.

As I observed yesterday, you can run on this issue, but you cannot hide behind the sham which we passed yesterday. You can only hide from the rage properly inspired of our senior citizens if you vote for the Gephardt amendment. Because without that, they know that they are at risk and that the Members on that side of the aisle have put them there.

Mr. SENSENBRENNER. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Chairman, I rise today to oppose the amendment offered by the gentleman from Missouri, and to state my support for an amendment that will require a balanced budget and offer the taxpayers some protection from future tax increases.

Over 2000 years ago, the people of another civilization also grew fed up with overspending and overtaxing.

Rather than face a total revolt, Ptolemy V reduced taxes on all people in Egypt, and promised that taxes would never be higher than they were at the start of his reign.

And because the people were so weary of unending tax increases, the decree was written in stone—the ancient way to confer permanence in a decision—and later became known as the famous Rosetta Stone. Unfortunately, this limit was not adhered to. Taxes again were increased, and the rest is history.

In this debate, we can require a balanced Federal budget and limit future tax increases, not by writing in stone, but by amending our Constitution to add tax limitation to the rights enjoyed by the people of the United States.

Earlier today, I voted for the amendment which would require a three-fifths vote to raise taxes. While that amendment passed, it did not receive the two-thirds vote necessary to pass an amendment to the Constitution. Therefore, I will vote for the Schaefer-Stenholm substitute later today, which protects taxpayers by requiring an absolute majority for any tax increase.

Mr. Chairman, the power to tax is the power to destroy, and the amendment before us offers no protection to the taxpayers. I urge my colleagues to

defeat the amendment from the gentleman from Missouri, and to vote for a balanced budget, tax limitation amendment.

Mr. BONIOR. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Chairman, we are at a very critical time in our history. It is time that the people of America now will be able to really look at us and see if we really deliver truth in packaging. Now is the time where we are at a place where our senior citizens, their income security, is in jeopardy.

I do not think anyone, Republicans or Democrats, wants to send a message back home that we are not going to protect senior citizens. If there is just a scintilla of reason to think that they may be jeopardized, I think it should cause each one of us some pause, if there is any reason for any of us to think that there is, because we know that these are the people who helped to build this country. And now that they are in the twilight of their lives, we are going to change things around perhaps.

I think of the great Congressman from Florida, Claude Pepper, who struggled throughout his career to make Social Security a standard thing here in Washington. I think it is sacrilegious to even think of trying to raid Social Security. And I beg you to support, as I am going to do, the Gephardt-Bonior bill. Unlike the committee bill, this amendment does not hamstring our Government. Why let 40 percent of this House throw out the will of the majority? The Bonior-Gephardt amendment properly supports the basic principle of American Government, majority rule; not supermajority rule, but majority rule.

The Gephardt-Bonior substitute protects Social Security by amending the Constitution so that there will not be any guesswork, so there will not be any space to not secure Social Security. Let us take Social Security off the chopping block. Totally no gimmicks.

That is why it is so important to every senior citizen. I represent them here. By chronology it is so important. And every person expects to be a senior citizen sometime in the future. I have the Gephardt amendment here in my hand. It is written down. The senior citizens of this country are saying to us if this contract is so important to us, let us write it down. Let us specify what we are going to do. I do not need another contract. I believe in the one that says ''We the people, in order to make a more prefect union.''

Let us protect the general welfare and justice. That is the contract that I am speaking about today. If we are going to have a contract, let us write it down and secure Social Security. Vote for the Gephardt-Bonior amendment. It is important to senior citizens everywhere.

Mr. SENSENBRENNER. Mr. Chairman, to show the bipartisan nature of opposition to this amendment, I yield 5 minutes to the gentleman from Texas [Mr. STENHOLM].

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I too represent the senior citizens of the 17th District of Texas, but I also represent their children and their grandchildren. Therefore, I respectfully and most sincerely rise in opposition to my leader's amendment. I thank him for his kind comments and for the many courtesies he had given to me over this debate. But as he said in his comments, there are those that sincerely have differing opinions regarding the subject before us today.

There are two areas that I want to speak. First is in this area of Social Security. The Schaefer-Stenholm amendment protects Social Security for all generations, not just current; but it protects current as well as it can possibly be protected.

I want to speak first though about the enforcement, because I believe the lack of a supermajority to borrow money makes the amendment unenforceable. If Congress can continue to run deficits and borrow money by majority vote, we will simply continue the status quo of spend and borrow.

The Gephardt amendment has no provision restricting the ability of Congress to increase the debt limit. Restricting the ability of the Government to borrow money is vital to enforcing a balanced budget amendment. No matter what accounting techniques are used to depict a balanced budget, and regardless of any rosy scenario, economic assumption, smoke and mirrors, or honest estimating mistakes, if actual outlays exceed actual receipts, the Treasury ultimately should need to borrow money in order to need to meet the Government's obligations. The Schaefer-Stenholm amendment would hold Congress accountable by requiring a three-fifths vote to raise the debt ceiling. The Schaefer-Stenholm amendment does not undermine majority rule. Opponents who focus on the difficulty of achieving a three-fifths majority miss the point. They are still focused on what is necessary to run a deficit.

The possibility of a three-fifths vote is a deterrent. Facing it is so undesirable that Congress and the President generally would do anything to avoid it, even balance the budget. The Schaefer-Stenholm amendment would not affect the ability of a majority to spend on programs it deems important and to set budget priorities as it sees fit. A supermajority would be required in just one instance, when the majority of the Congress has abdicated its responsibility to enact a budget that is in balance.

One of the explicit purposes outlined by our Founding Fathers in the Federalist Papers was to put certain rights and powers beyond the reach of the tyranny of the majority and to protect certain current minorities and future majorities from abuse by a transient coalescing faction.

□ 1720

A supermajority requirement for imposing debt on future generations is very much within that spirit. The gentleman from North Carolina [Mr. WATT] referred earlier to the principle of equal protection in the Constitution. This amendment provides protection to the one class of citizens who do not receive equal protection today, our children and grandchildren. Requiring a higher threshold of support for deficit spending will protect those rights of future generations who do not vote and are not represented in our political system today but will bear the burden of the decisions we make today and tomorrow.

The Schaefer-Stenholm amendment is based on exactly the same principles as the rest of the Constitution. It would protect the fundamental rights of the people by restraining the Federal Government from abusing its powers. Imposing burdens on individuals unable to speak for themselves should be difficult to do. The easy option is to vote on all the tough choices and borrow money to make up the difference.

Leaving future generations to pay the cost of our current consumption shold be difficult and should be more difficult than what it is under current law.

Finally, on the issue of Social Security, for some there is a genuine but misguided disagreement about the best way to protect the integrity of the Social trust fund. I believe that keeping Social Security in the framework of the balanced budget amendment will ensure that we take the actions we all know are necessary to deal with the unfunded liability in the trust fund and preserve the long-term soundness of that trust fund.

If we do not bring our deficit under control, the integrity of the Social Security program will be threatened early in the next century. Everyone in this body knows that today.

Exempting the Social Security trust fund creates the temptation to abuse that exception and undermine the integrity of the trust fund. The Schaefer-Stenholm amendment will protect absolutely Social Security for our current generation and for our children and grandchildren.

I want to repeat, the Stenholm-Schaefer amendment will absolutely protect Social Security for all of those receiving it today and for our children and grandchildren.

Mr. BONIOR. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, I rise in support of the Gephardt-Bonior amendment as the only remaining way to inject some sanity into this process. As one distinguished constitutional scholar has said, this amendment is more

likely ''to unbalance the Constitution than to balance the budget.''

I spent some considerable years of my life as a constitutional lawyer, and I have tried to ask myself, where has this goofy idea come from that we can balance the budget in the Constitution of the United States? So I went to the document. I have read it again to see if I could find any analogy that would make me believe that this is not a disaster.

What I found was that our Constitution does not enshrine processes, only fixed requirements, because the more complicated the process, the more room to interpret. Things that need interpretation we put in statutes.

I looked closely at the Constitution. There are seven articles. Almost everything to be said is said in the first three, and all they do is set up this genius of a form of government, the executive, the legislature and the judiciary; the checks and balances, if you will.

The only substantive part of the Constitution is the Bill of Rights. And of course, the courts interpret and reinterpret and overinterpret and interpret those again. And that is the last thing we would want to happen with any balanced budget amendment.

Then I said, let us go to another source. And so I went to the experience of the states, whom we are told, after all, balance their budgets. Oh, yes, they do. They balance their budgets on paper every year with gimmick after gimmick, selling assets, shifting programs off budget, accelerating tax collections, underestimating spending, overestimating revenues.

And I have got the best example for my colleagues, Mr. Chairman. It is what has happened to the District of Columbia today, which submitted a balanced budget every year and is now on the brink of bankruptcy.

Mr. SENSENBRENNER. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. LATHAM].

Mr. LATHAM. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in opposition to the Gephardt amendment and to ask my colleagues to support a real balanced budget amendment.

As much as we have heard from the other side of the aisle about the Constitution, the Gephardt amendment simply requires a majority vote to ignore the Constitution and to go on with business as usual. There is no change at all here.

This resolution is a meaningless piece of paper. This resolution is an empty gesture.

Just since yesterday, we have put our children another half a billion dollars in debt, and they are already nearly five trillion in the hole. And it is time to stop digging.

Without a real balanced budget amendment, we will never even begin to help them pay this back. Eventually, however, someone will have to.

When a process breaks down as completely as the Federal budget system has, we must fix the problem by first addressing the fundamental problems in that process. We owe it to our children to pass a real balanced budget amendment.

Mr. BONIOR. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I rise in support of the Gephardt-Bonior substitute amendment.

This amendment would simply exempt Social Security from cuts. We have to take this extraordinary action because the Members on the other side of the aisle, the Members in the majority, have taken this extraordinary action to amend the Constitution of the United States of America.

We just returned to this session on January 4. In 22 days we will amend the Constitution of the United States, a constitutional amendment to balance the budget, making extraordinary cuts in order to do that.

Some of those cuts we have talked about on this floor, but this is the most cruel of them all. We have got to move to protect Social Security. We have got to move to protect it in this extraordinary fashion because there have been no hearings. The people in our towns, in our cities, have not been engaged in this process. Nobody came out to ask our senior citizens. We know what we hear from our senior citizens when we go about our districts. They say to us, they have fear and they have anxiety. They want to know, is the fund going broke. They want to know, are they going to get a raise. They want to know, are we using Social Security to balance the budget. They ask us this all the time.

Yet we would come here and, in 22 days, we would put them at risk by amending the Constitution of the United States. It is not fair. It is cruel. It is unconscionable, and we must stop this madness. Support this substitute amendment so the seniors of this country can go to bed with peace, so that they can rest.

We have messed around with Social Security long enough. It has been in the budget, out of the budget. We have used it to balance the budget. Let us put the issue to rest. Let us support this amendment so that our seniors can say, we can now rest in peace that we are not going to be put at risk one more time.

Mr. SENSENBRENNER. Mr. Chairman, I yield ½ minute to the gentleman from Pennsylvania [Mr. FOX].

(Mr. FOX of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. FOX. Mr. Chairman, I think it is very clear that the balanced budget amendment is an idea that has come from the people of the United States. With the years of deficit spending, we have no fiscal discipline in this House. The only way to get it is with a balanced budget amendment.

What is very clear from yesterday is, through the Flanagan amendment, Social Security is off the table. We Republicans joined Democrats in saving Social Security, keeping it off budget.

And just look to last year and the 103d Congress. That is where the Social Security tax was increased by the other side of the aisle. Believe me, we can have a balanced budget amendment because we know we have preserved Social Security. It is off budget.

□ 1730

Mr. BONIOR. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Petaluma, CA [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of the Gephardt-Bonior substitute to exempt Social Security from balanced budget calculations.

The Contract on America calls for a balanced budget amendment, supposedly to safeguard the future well-being of our Nation. And, yet, the balanced budget amendment contained in the contract endangers Social Security. That is a serious threat to the future well-being of one of America's most treasured resources—our senior citizens.

Mr. Chairman, we hear time and again from balanced budget supporters that they want to protect Social Security. Well, a balanced budget amendment will require deep, deep, cuts in a wide range of programs. If these Members want to protect Social Security, why not put this protection in the amendment?

Many Members pretend that we can protect Social Security from cuts by passing a nonbinding resolution. But, Mr. Chairman, the taxes seniors paid into the Social Security system were not nonbinding. Why should protection of their contributions be nonbinding

Mr. Chairman, America's seniors deserve better than what the Contract on America is offering them. They deserve to know that this contract will not be used to steal what is owed to them.

Mr. Chairman, what is at stake today is the importance of a contract. And, I say we honor the contract America's seniors made by paying Social Security taxes, not the Gingrich contract, that puts their Social Security at risk. My colleagues—join me in passing the Gephardt-Bonior substitute.

Mr. SENSENBRENNER. Mr. Chairman, I yield ½ minute to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, just in 30 seconds, let us make it very clear. This amendment does not protect Social Security, it goes back to business as usual.

It says it is going to only take a simple majority to increase deficit spending. It is only going to take a simple majority to raise the debt limit. It is only going to take a simple majority to raise taxes. It is what we have always had. It does not work.

Under the budget resolution we passed last year, just remember, the national debt will balloon from $4.5 trillion to $6.3 trillion. It is not working. We are mortgaging our kids' future. We need a change.

Mr. Chairman, it is frustrating to think that we have to amend the Constitution in order to get Congress to do its job. Because Congress can't seem to say ''no'' to lobbyists and interest groups, our country's economic health is at risk. A constitutional amendment may give legislators the backbone they need to start saying ''no'' and balance the budget.

The question is, ''How big do we want government to be and how do we pay for it?'' This year the Federal Government will spend $1.5 trillion. Taxes will bring in $1.2 trillion, forcing us to borrow $300 billion from pension funds, foreign countries, insurance companies, the Social Security trust fund, and others.

We cannot continue to borrow and spend. Interest payments on the debt will be over $300 billion this year. Last year, for the first time, we spend more on interest than on defense. Under the budget resolution passed last year, the national debt will balloon from $4.5 trillion to $6.3 trillion in 5 years. If we want to stop mortgaging our kids' future with endless borrowing, and we think 42 cents of every dollar is enough in taxes, and we know that tax increases on businesses and working people destroy jobs, then we have only one alternative—cut spending.

Amending the Constitution is a huge responsibility. We should work to draft and approve an amendment that will be as useful and as applicable 100 years from now as is today. To do that, we should address a real threat to Americans' current and future standard of living: Federal spending.

The President and others complain that a balanced budget requirement would force Congress to slash domestic spending and restrict options for health care reform. What they really mean is, ''It's easier to leave the bills for our children than to pay as we go.'' The budget that Congress passed on March 11 will add $1.6 trillion to the national debt by fiscal year 1999, bringing it to $6.3 trillion.

The bottom line is that overspending harms our long-term economic growth. We now pay $314 billion a year in interest on the public debt—almost 23 percent of Federal revenues. The Government's borrowing drives up interest rates and takes money away from individuals and businesses that could use it to invest and create jobs. Since 18 percent of this borrowing comes from foreign countries, it also makes us more dependent.

I am concerned that a simple balanced budget amendment will not achieve our goal of controlling Government. In Michigan where I served 14 years in the State legislature, a State balanced budget requirement in the constitution failed, at least initially, to control government spending. The State got around the limits on its spending by balancing the budget with accounting tricks, unfunded mandates, and new taxes. The result was a State government that continued to consume a larger and larger portion of State income even under a balanced budget amendment.

We solved this problem by passing the so-called Headlee amendment to the Michigan Constitution in 1978. The Headlee amendment limited the growth of State revenues to the growth of personal income in Michigan during the previous calendar year. To prevent the indirect growth of State spending through mandates, the Headlee amendment also included a provision to prevent the State from imposing unfunded mandates on local governments.

Professor Friedman, in a recent column in the Wall Street Journal, stressed the need to include spending limitation language in a balanced budget amendment. We don't need to require the Federal Government to fund every mandate imposed upon State and local governments, but we should count the costs of any unfunded mandate as a Federal outlay in the amendment.

As chairman of the finance committee in the Michigan Senate, I had the opportunity to observe the operation of the Headlee amendment at close hand. Simply put, the amendment works, Michigan Gov. John Engler recently appointed a commission to review the performance of the Headlee amendment. The commission concluded that the Headlee amendment has stopped the growth of State government as a share of the State economy, and protected local governments from State government mandates.

With the Senate and House of Representatives on the verge of approving a balanced budget amendment, the critical next step will be writing effective legislation to implement and enforce the proposed new balanced budget requirement. In the event that a tax or spending limitation is not included in the constitutional amendment itself, implementing legislation will provide Congress with a second chance to consider effective limits on taxes or spending.

I support a Federal spending limit linked to growth in the gross national product [GNP] as the best way to promote both fiscal responsibility and economic growth.

Mr. BONIOR. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

(Mrs. LOWEY asked and was given permission to revise and extend her remarks.)

Mrs. LOWEY. Mr. Chairman, I rise in support of the amendment.

There is no question about the need to balance the Federal budget. Year after year of deficits have left us with a national debt totaling $4.64 trillion.

If we could wave our magic wand, say abracadabra, and wipe that debt off the books, our budget would be in balance. However, magic cannot make that happen. In fact, we know on our side that gimmicks and magic tricks will not balance the budget.

Unfortunately, our friends on the other side seem to believe in magic. They believe that once we pass these amendments and say alakazam, abracadabra, poof, presto, we will have a balanced budget.

Mr. Chairman, I have great respect for the chairman, the gentleman from Illinois [Mr. HYDE], but he is not a magician. Passing the balanced budget amendment reported by the Committee on the Judiciary will not magically turn around Federal fiscal policy and achieve the balanced budget that we all want to see.

The only way the deficit can be erased is by making tough, very tough, choices. That is how American families do it. That is how our Government must do it.

Mr. Chairman, there is no question about our need to come to grips with the deficits which have, in recent decades, become the norm in Federal budgeting. Year after year of deficits have left us with a national debt totaling $4.64 trillion. Debt service alone on that massive sum consumes over 15 percent of our Federal budget; in fact, interest payments on the Federal debt are $59 billion more than this year's projected deficit.

If that debt could be magically wiped off the books, our budget would be in balance. But magic can't make that happen. Likewise, passing the balanced budget amendment reported by the House Judiciary Committee will not magically turn around Federal fiscal policy and achieve the balance that we all want to see. The only way the deficits can be erased and we can get on with the task of reducing the national debt that exists today is by making tough—very tough—choices relating to spending and revenues. That is how American families do it, and that's how our Government should address its budget dilemma.

I am glad to say that, after years of ever escalating deficits, this Congress in cooperation with the administration has finally begun that process in earnest. Two years ago, we enacted the largest deficit reduction package in the Nation's history, and we are seeing results. For the first time since the Truman administration, we have had 3 successive years of declining deficits. It didn't happen by magic. It happened because a majority of members of both Houses of the Congress and the President were willing to make difficult choices. And more choices—tougher ones—are ahead if we are serious about this.

The Judiciary Committee's proposed amendment will not do the trick. The committee's proposal is seriously flawed for a number of reasons. First and foremost, the amendment does not deal with implementation at all. That is problematic for two reasons. First, I believe in truth in budgeting. The American people need to know the specifics of how we are going to get from here to there—from today's $176 billion deficit to zero by the year 2002. The majority leader of this House has let it be known that he is concerned that knowing the game plan would cause knees to buckle. I don't know about him, but I can tell you that I think we need to know the facts—and face up to them—before we sign off on something like this. If the details aren't going to sell with the American people, we need to find another answer up front instead of creating unrealistic expectations.

Second, if the amendment finds its way into the Constitution, we need to acknowledge that it raises the very real possibility that, contrary to the design of the Founding Fathers, spending and tax decisions will end up in the hands of unelected Federal judges. We have witnessed on this very floor year after year of contentious debates about how to reduce the deficit. We have experienced a series of domestic summits aimed at reaching agreement on deficit reduction strategies that would win sufficient support from members of this legislative body and various administrations to be enacted. And we have, time and again, seen consensus fall apart. If that were to happen again and this amendment were to become part of the Constitution, court appeals would ensue and we could see an unelected Federal

judge anywhere in this country, depending on where the suit was filed, making taxing and spending decisions for all of us. Quite frankly, I find it hard to believe that the advocates of this amendment—many of whom have been highly critical of activist Federal judges—would truly want that to happen. But all of us in this Chamber know it very well could. I am confident my constituents—who value our democratic form of Government—would not stand for it.

I am also very concerned about what this amendment would mean to American fiscal policy. Many of those who are its strongest advocates argue that we would merely be putting in place the same requirement under which State governments operate around the Nation. That sounds good, but the comparison does not hold up to thorough scrutiny. First, States do carry debt, they simply do so by moving important parts of their spending off-budget. Most notably, every State has some form of capital budgeting for major capital projects—roads, buildings, sewage treatment facilities, and other infrastructure improvements—that are critical to their economic strength and which are then funded with bond issues and do involve incurring real debt. Our colleague, Congressman WISE will be offering an alternative version of this amendment which would provide for a capital budget, and I will be supporting that alternative. It represents a major, sensible improvement over the committee's proposal. It reflects an important reality of America today, and it would allow the Federal Government to make long-term investments—just like American families do when they decide to incur a mortgage debt to buy their own home.

Second, the amendment reported to us by the committee would put Social Security on the chopping block, and I for one cannot support that. I have said, time and time again, since entering the Congress that Social Security is a contract between generations of Americans. It is a contract that is self-financed by a dedicated stream of revenues—employee and employer contributions and the interest earned on investments of that revenue—and that should not, must not be brought into overall budget decisions. In the 6 years I have served in this body, we have passed measure after measure to insulate Social Security from being victimized by external budget pressures. This amendment, by not excluding Social Security from its coverage, would negate what we have done to protect the trust funds and again put Social Security in jeopardy. After all older Americans have done for this generation, I cannot let their Social Security nest egg be raided to cover excessive spending elsewhere in the Federal budget. And the committee's proposed amendment would clearly threaten New York seniors. The Speaker and others have advocated changes in cost-of-living adjustments to help reduce the deficit. While virtually every projection available tells us that even greater cuts than that would be necessary to fulfill the committee amendment's mandate, the Speaker's proposal alone would cost the average Social Security recipient thousands of dollars in the years ahead in lost benefits.

Third, we cannot ignore the fact that fiscal policy is an important tool for addressing fluctuations in our national economic condition. When Franklin Roosevelt sought the Presidency the first time, he was an advocate of balancing the Federal budget. But the harsh realities of the Depression required massive pump priming to restart an economy that was in a nosedive devastating the lives of millions of Americans. President Roosevelt was not bound by his previous positions, and we should all be grateful that he was not. But he would have been bound by the amendment which has been recommended to us by the Judiciary Committee—and the American people would have suffered severely as a consequence. The committee's amendment does not provide an escape hatch to deal with economic realities as common sense and historic experience tells us it should.

As this debate continues, I will be supporting alternative approaches to the committee's constitutional amendment that would effectively resolve the problems which are clear. But I want to emphasize in closing that the fundamental problem with the amendment before us remains: it is a placebo when our Nation's deficit requires serious medicine; it is a quick fix when only ongoing therapy will enable us to end deficit spending and get on with the business of retiring the national debt.

I call on my colleagues, regardless of the outcome of today's votes, to join together in a serious effort to make the tough choices which can truly address the deficit. There is too much work to be done to allow ourselves to be consumed by playing games and trying to convince the American people we are addressing the deficit when we are only delaying the day of reckoning.

Mr. SENSENBRENNER. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Wisconsin [Mr. SENSENBRENNER] has 9½ minutes remaining, and the gentleman from Michigan [Mr. BONIOR] has 5½ minutes remaining.

Mr. BONIOR. Mr. Chairman, will the gentleman from Wisconsin yield some of his time?

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, most of the debate today has been on amendments from the gentleman's side of the aisle, so I think he has plenty of time to talk about it.

Mr. BONIOR. I thank the gentleman for his courtesy.

Mr. Chairman, I yield such time as he may consume to the gentleman from El Paso, TX [Mr. COLEMAN].

(Mr. COLEMAN asked and was given permission to revise and extend his remarks.)

Mr. COLEMAN. Mr. Chairman, I rise in support of the Gephardt amendment.

My position on this issue has always been clear: Our Federal Government should live within its means.

It has been 25 years since the Federal Government ended a fiscal year with a surplus. Our Government has been running deficits for so long that we have taken them for granted. Each American's share of the debt is more than $13,000. Our national debt has been estimated at over $4.5 trillion. The interest on the debt in this fiscal year—fiscal year 1995—is $226 billion. The next fiscal year, the interest on the national debt will increase to $245 billion. By the year 2000, the current estimates are that the interest on the debt will reach $283 billion. Interest on the national debt is now the third largest item in the Federal budget, after Social Security and defense.

For decades we have been operating our Government with deficit upon deficit. We are putting at stake our future and our children's future. Continuing down this path will assure that our country, down the line, will face very serious political and economic crises. If we do not address this problem, an economic upheaval will be the first that we will face followed by a massive political one that will make the 1994 midterm elections look like a blip on the radar screen.

As you will recall, after the Congress approved, and the President signed, the 1993 Omnibus Budget Reconciliation Act, the largest deficit reduction package in history, the financial markets responded very favorably. Interest rates went down thereafter and our economy continues down the strong road set that day. Also, remember that this package was approved without a single Republican vote. Our party's record on deficit reduction is strong.

However, due to the failure to address the health care question and other matters, our good times may be short lived. Projections show that in a few years the deficit will begin to rise once more.

So, Mr. Chairman, I understand the seriousness of the situation. I do not take it lightly. The American people demand action on this matter. At the same time, the Congress has no internal restraint by which to curb its spending.

The question that we have before us is not whether to have a balanced budget amendment, but how we get to a balanced budget.

I am afraid that the resolution to this matter will be another political gimmick passed by this body ala Gramm-Rudman. We will be simply passing the buck. What the American people want from a balanced budget amendment is a complete outline of what and how expenditures will be cut.

When we say: how will you balance the budget, the Republicans squirm in their seat. When we say: what gets cut, and whose belt gets tightened, they change the topic altogether.

A few weeks ago the Republican leader said that if the American people knew what was involved in the balanced budget amendment, Congress' knees ''would buckle.'' The amendment would die on the House floor.

Furthermore, the Republican leadership has forwarded a concurrent resolution that is nothing more than a smoke screen to hide their true intentions towards Social Security. This resolution would have no binding effect on future Congresses that will be responsible for implementing a balanced budget amendment, if approved by the States.

I have supported a balanced budget amendment before and support the Conyers version today because I believe it is what the American people want. The Conyers version will detail on account-by-account basis how our Government will achieve a balanced budget by the year 2002.

The Conyers version and the Gephardt amendment also exempts Social Security. This is an important provision to me because I myself tried to get a balanced budget amendment considered on the floor of the

House that would have exempted Social Security and Medicare. Unfortunately, the Rules Committee, would not allow my amendment to be offered on the House floor.

My proposed balance budget amendment would have put the Social Security program off-budget, that is, it would be exempt from any balanced budget requirements. In my opinion, the Barton and the Stenholm versions of the balanced budget amendment threaten the income security of older Americans. While the concurrent resolution governing consideration of the various balanced budget amendments calls for achieving a balanced budget without ''increasing the receipts or reducing the disbursements'' of the Social Security trust funds, I want special safeguards, especially when we amend our Constitution.

In my opinion, we are simply taking the word of the Republican leadership by approving the concurrent resolution for consideration of the various balanced budget amendments. I want the Social Security exemption to be explicitly mentioned in the language of the amendment which the Conyers version does. I want to keep the promises made to our Social Security retirees. Our country's older Americans rely on Social Security for income support. We cannot let a poorly drafted balanced budget amendment threaten their security.

Another benefit from placing Social Security off budget would be that we would not be masking the true size of the deficit. Washington has gotten quite a reputation for using funny arithmetic in explaining its numbers, especially its budget and projection numbers. As you know, the Social Security program is a self-sustaining program which runs a surplus. Using this surplus to hide the true size of the deficit is shameful. The Conyers amendment would put an end to this.

Second, my proposed balanced budget amendment would have also exempted Medicare. Again, both the Barton and Stenholm versions of the balanced budget amendment provide no protections for Americans who rely on this important program.

Under the typical balanced budget amendment, caps and cuts on Medicare can be foreseen. If there is a cap on this program, or a deep cut, Medicare will not be able to provide the limited cushion it now provides. Even more, these caps and cuts will hurt the poor and elderly disproportionately.

These two programs, Social Security and Medicare, are part of the social safety net that many in this Congress wish were not there. Indeed, both the Speaker and the Republican leader have threatened these two programs in the past. But they are there for a reason. Vital programs for older Americans must not be dismantled blindly in the name of deficit reduction. Fiscal responsibility should not make us overlook the importance of these two programs and the people that depend on them.

I, also, did not support the Barton or Stenholm balanced budget amendments because they do not answer the question of who has standing if a balanced budget is not produced. What if the President submits an unbalanced budget? What if the Congress produces one? Who tell us, the Congress, that we are not living within our limits? Will it be un-elected Federal judges? This is the same problem we had with Gramm-Rudman.

If the Congress produces a budget in which outlays exceed receipts, who will decide to raise taxes to make up for the shortfall? Surely, not the judges. After all, this prerogative is left to elected representatives of the people like members of Congress or Presidents. Knowing all this, the Judiciary Committee, which reported the Barton amendment, did not even breach this area. The chairman of that committee cut short debate on Democratic amendments dealing with this matter when the constitutional amendment was before his committee.

In addition, the Barton and Stenholm balanced budget amendments pass costs along to the States. A recent study by the Economic Policy Institute shows that a balanced budget amendment requiring a balanced Federal budget by 2002 would have a significant economic effect on the incomes and living standards of most Americans. When combined with the spending cuts called for to achieve a balanced budget, my State of Texas would stand to lose $14 billion. That translates to a loss of $879 per person. When the balanced budget amendment is combined with the Contract With America cuts, Texas would stand to lose $20 billion dollars. That translates to $1,205 per Texas resident. My congressional district would lose $542 million dollars or $957 per person.

Many of these dollars cut go to essential public services like Medicare, Medicaid, food and housing assistance, education, training, social services, unemployment insurance, sewer/water aid, welfare payments, public transportation, and many more. And who is to make up for the shortfall when these programs are no longer funded by the Federal Government? The taxpayers. Through State and local tax increases.

A Washington Post-ABC poll published on January 6, 1995, reported that only 41 percent of those queried said that approving a constitutional amendment requiring a balanced Federal budget was absolutely critical. Furthermore, only 37 percent would support a constitutional amendment to require a balanced budget if it meant cuts in Federal spending on education and that percentage dropped down to 34 percent if it meant cuts in Social Security.

The State of Texas, as you may know, has no State income tax and meets only once every 2 years. Texas gets 26 percent of its budget from the Federal Government. That's one out of every four dollars that will no longer be there if this funding is cut. Yet the public will still demand the same services. To continue providing these services, the State and localities will be forced raise taxes. It is going to be increasingly difficult for my State to make up for this shortfall through property taxes and sales/excise taxes, their two main sources of revenue.

These cuts will also affect the neediest in a disproportional manner. Half the money that goes to the States goes to health care in the form of Medicare and Medicaid. The elderly, poor and needy depend on this form of aid most of all.

I also fear that the economy could be hurt if we approve the Barton or Stenholm balanced budget amendments. The synergy of the current economic system is that this Government provides fiscal stabilizers when there is a downturn on the economy. When workers lose jobs, for example, unemployment compensation rises and softens the effect on the economy. If business profits are off, then tax liabilities decline. While these events boost the Government deficit, it offsets to some degree the decline in the private sector.

However, with a Barton or Stenholm balanced budget amendment, the synergy would be damaged. It would force the Federal Government to raise taxes or cut spending to cover the increasing deficit that a slowing economy is generating. If the Congress approves the Barton amendment, things could go from bad to worse because this amendment requires a three-fifths majority to increase taxes.

On the subject of three-fifths majority to raise taxes, I am not in favor of it. By doing this, the Congress will be ceding power to a congressional minority—this is expressly what our Founders rejected when they drafted our Constitution. Instead of putting the principle of balanced budgets in the Constitution, we would instead be enshrining the principle of minority rule. Forty percent plus one of either house could hold our Federal Government hostage. Just think what it would have been like if past Congresses had to meet a three-fifths requirement in order to respond to a national crisis such as the Great Depression or the last two world wars.

We, as lawmakers, have to take the responsibility of dealing with what is now the biggest single threat to our economic and national security. Let's not walk away from that by passing just another political gimmick. Let's put before the State a balanced budget amendment that details how we are to get to balanced budget. Approve the Conyers substitute.

Mr. BONIOR. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. TUCKER].

Mr. TUCKER. Mr. Chairman, it is show time. It is time to put up or shut up. It is time to fish or cut bait. We could think of a whole lot of colloquialisms for what we have to do today, but it is time for those on both sides of the aisle to show whether or not they are really in protection of Social Security.

Yesterday, Mr. Chairman, we had a flimsy resolution that said that Members on the other side of the aisle were in favor of protecting Social Security. I did not believe it, but they said it was like a promissory note.

We are here today to cash in on that note. If they pledged, truly believe that they pledged that they were in favor of supporting Social Security, here is their opportunity to belly up to the bar and to vote to protect Social Security once and for all by supporting the Gephardt-Bonior amendment.

Mr. Chairman, the Social Security trust fund, that is exactly what it is, it is a trust, a trust that the senior citizens in this country have put in us. Now, Mr. Chairman, we are telling them ''Don't count on my vote, just count on my trust.''

They have already put their trust in you, so let us see what you are going to do today, not to answer to us on this side of the aisle but to answer to the American public and to senior citizens out there all over the country. Let us see today what you are going to do. We know who you are going to have to answer to.

Mr. SENSENBRENNER. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Wisconsin [Mr. SENSENBRENNER] continues to reserve the balance of his time. The gentleman does have the right to close. Does the gentleman have additional speakers?

Mr. SENSENBRENNER. No, Mr. Chairman.

Mr. BONIOR. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Rochester, NY [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Chairman, our Constitution is the envy of the world. It has guided us superbly for over 200 years. For the past few years it has been under constant assault from Americans and people here who would change it and cast off pieces like discarded cloths.

With this amendment we do not have a clue how to get to this balanced budget. How are we going to achieve it without doing great harm to the country and to our citizens?

Today's Members of the House do not really have to care. Most do not plan to be here when the crunch comes. They are going to leave it to future Congresses to take on that responsibility.

Mr. Chairman, we are on the right road with a deficit reduction plan which is working beyond our expectations. Please do not buy a pig in poke to feel good now and to take away the ability to get this monster debt under control sensibly, without a meat axe.

Remember, Mr. Chairman, Social Security is a Democrat contract with America. Leave it alone. Vote for the Gephardt-Bonior amendment.

Mr. BONIOR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the Gephardt-Bonior amendment to protect Social Security and protect our senior citizens.

Why will our Republican friends not tell the American people what programs will be cut if the balanced budget amendment becomes part of the Constitution? Is it because they are afraid to tell the American people the truth, or is it because, as a Republican leader recently stated, Members of Congress cannot be told the truth because their knees would buckle if they new the truth?

Mr. Chairman, the American people should not buy a pig in a poke. Congress should not vote to tamper with the Constitution when we are not told of the specifics of what the consequences will be.

If we do, and we do not support the Bonior-Gephardt amendment, Social Security itself will be in jeopardy. Senior citizens' health care will be decimated in the form of severe Medicaid and Medicare cuts. Veterans' health care benefits will be curtailed. Our young people will have their education curtailed.

In short, Mr. Chairman, if the American people knew what this balanced budget amendment really meant, they would rise up in opposition to these crippling cuts. All I am asking for, Mr. Chairman, is to tell the American people the truth. The truth may hurt, but the American people should know.

The CHAIRMAN. The gentleman from Michigan [Mr. BONIOR] has 1 minute remaining.

Mr. BONIOR. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, I could just stand here today and talk about Ivalita Jackson, my mother, or Ezra Jackson, my father; just some plain hard-working people that simply asked if they would be allowed to work and contribute and some day look forward to Social Security.

My colleagues would say that was the narrow viewpoint to take on this very important issue.

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That is why I have stayed here the entire day on this floor, to partake in a bipartisan effort to be able to form a balanced budget amendment that would rise to the occasion of representing all Americans.

I hope that people who are listening and viewing this realize that we are not talking about perfecting amendments or pieces of an amendment. What has been offered by the Democrats are balanced budget amendments. We are debating balanced budget amendments. We are attempting to work for all of the people. And I have to work for those citizens who have worked.

Support the Bonior-Gephardt amendment. Support Social Security. Keep remembering we represent all of the people.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Wisconsin [Mr. SENSENBRENNER] is recognize for 9½ minutes.

Mr. SENSENBRENNER. Mr. Chairman, this debate has been somewhat of a disjointed debate. To sum up on our side of the aisle, I think it is important to distinguish the differences between the Gephardt-Bonior amendment and the amendments that have been backed on the Republican side of the aisle.

First, the Gephardt-Bonior amendment allows tax increases to be approved by a majority vote but does not make it difficult to raise taxes and it does not make it difficult to increase the national debt.

Second, the Gephardt-Bonior amendment, while claiming to protect Social Security, really does not do so. It says that the Social Security trust fund, the disability and old-age and survivors parts of it, are moved off-budget, but it keeps the Medicare portion on-budget, and part of that is financed by the Social Security payroll tax. And it does not define what constitutes Social Security.

That is the fatal flaw in this amendment. It will not protect Social Security the way the proponents claim it will. Because by not defining Social Security in the text of the amendment, the Congress that wants to mess around with Social Security in the future can simply call all of its pending schemes amendments or additions to the Social Security law and avoid the constraints of the balanced budget amendment.

Second, the last time the House debated and voted on this subject was on March 17, 1994. I have been listening to the debate quite closely, and I have here the CONGRESSIONAL RECORD of that date, and rollcall 64 is a very illustrative one. Because many of the speakers who have made impassioned speeches on the other side of the aisle voted against the only amendment in last year's balanced budget debate that contained the Social Security language that we are debating today.

Among those who argued in favor of the Gephardt amendment today who voted against the same language in the context of the Wise amendment last year were the gentleman from Michigan [Mr. DINGELL], the gentleman from Missouri [Mr. GEPHARDT], the gentlewoman from New York [Mrs. LOWEY], the gentlewoman from New York [Ms. SLAUGHTER], the gentleman from California [Mr. TUCKER], and the gentlewoman from California [Ms. WOOLSEY].

I think that those of us who are voting against this amendment are being consistent in our votes. We are proud to be consistent in our votes, because we want a balanced budget amendment that means something while protecting Social Security.

The Gephardt amendment does not do that. I would urge a no vote on the Gephardt amendment.

Mr. RICHARDSON. Mr. Chairman, I rise in support of the Gephardt-Bonior substitute.

Yesterday, we voted on a worthless concurrent resolution, the Endangered Members Protection Act, that was not even binding in its protection of Social Security. Now, we have an opportunity to vote on a substitute with some actual teeth for preserving Social Security for current and future generations.

Since I entered Congress, the House has voted on several important bills to strengthen the solvency of the Social Security trust funds. Now, with proposals from the other side of the aisle to cut roughly $1.5 trillion over the next 7 years without raising taxes, the Social Security trust funds are definitely in the crosshairs.

My Republican colleagues apparently look at a trust fund and only see the funds while neglecting the importance of trust for the American public. Let's not pull the rug out from underneath the many millions who have contributed to the trust funds for their future income security. I urge a yes vote on this substitute.

Mr. SENSENBRENNER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Michigan [Mr. BONIOR].

RECORDED VOTE

Mr. BONIOR. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 135, noes 296, not voting 3, as follows:

[Roll No. 48]

AYES—135

Abercrombie
Ackerman
Barcia
Becerra
Beilenson
Bevill
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Chapman
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
de la Garza
DeLauro
Dellums
Dicks
Dingell
Dixon
Doyle
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Flake
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Mascara
McCarthy
McCollum
McKinney
McNulty
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moran
Murtha
Nadler
Neal
Neumann
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Pomeroy
Rahall
Reynolds
Richardson
Rivers
Roybal-Allard
Sanders
Scarborough
Schroeder
Schumer
Scott
Slaughter
Stark
Stokes
Stupak
Thompson
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Velazquez
Volkmer
Waters
Watt (NC)
Whitfield
Wilson
Wise
Woolsey
Wynn
Yates

NOES—296

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeFazio
DeLay
Deutsch
Diaz-Balart
Dickey
Doggett
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Filner
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (MA)
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
Matsui
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Rangel
Reed
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Sabo
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Studds
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Tiahrt
Torkildsen
Upton
Vento
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Williams
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—3

Bishop
Fields (LA)
Rush

☐ 1801

Messrs. LUTHER, MCDERMOTT, MOAKLEY, CRAMER, and BROWDER changed their vote from ''aye'' to ''no.''

Mr. KLINK changed his vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider an amendment to be offered by the gentleman from Colorado [Mr. SCHAEFER].

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SCHAEFER

Mr. SCHAEFER. Mr. Chairman, I offer an amendment in the nature of a substitute made in order by the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. SCHAEFER: Strike all after the enacting clause and insert the following:

Proposing an amendment to the Constitution to provide for a balanced budget for the United States Government and for greater accountability in the enactment of tax legislation.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission to the States for ratification:

''ARTICLE—

''SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

''SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

''SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays do not exceed total receipts.

''SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

''SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adoptedy by a majority of the whole number of each House, which becomes law.

''SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

''SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

''SECTION 8. This article shall take effect beginning with fiscal year 2002 or with the second fiscal year beginning after its ratification, whichever is later.''.

The CHAIRMAN. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Chairman, I yield 15 minutes of my time to the gentleman from Texas [Mr. STENHOLM], and I ask unanimous consent that the gentleman from Texas [Mr. STENHOLM] be allowed to yield that time.

The CHAIRMAN. Is there objection to the request of the gentleman for Colorado?

There was no objection.

The CHAIRMAN. Will the gentleman from North Carolina [Mr. WATT] be the Member in opposition?

Mr. WATT of North Carolina. That is correct, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, Congress stands on the brink of passing one of the most significant pieces of legislation since it proposed the Bill of Rights more than 200 years ago, the balanced budget amendment to the Constitution.

This morning I was disappointed the tax-limitation version of this amendment failed to win the necessary votes. The American people deserve a balanced budget amendment to the Constitution.

Almost half of every income tax dollar goes to net interest. If we count gross interest, it is 60 percent. In 1970, net interest took only 15 percent.

I have no hope that Congress can reverse the trend without a constitutional amendment to deal with the balanced budget.

Mr. Chairman, the following documents explain the operation of the Schaefer-Stenholm amendment in detail:

QUESTIONS AND ANSWERS ABOUT THE BALANCED BUDGET CONSTITUTIONAL AMENDMENT

CONSTITUTIONAL LANGUAGE—ECONOMIC POLICY

Q. Shouldn't economic policy be kept out of the Constitution?

A. Economics is politics and vice-versa. Governance inescapably involves addressing questions of economics. Moreover, our Constitution is replete with economic policy. For example, it refers to private property rights; prescribes Congressional (and Executive) roles in federal fiscal activities such as raising revenue, spending, and borrowing; provides for uniform duties, imposts, and excises; discusses the regulation of interstate commerce; discusses the coinage and value of money; and deals with counterfeiting, patents, and other economic issues. The test is not whether or not an amendment is economic policy, but whether it encompasses broad and fundamental principles, its relevance is not transitory, and its importance is far-reaching in scope and over time. The need for a BBA and the proposal of H.J. Res. 28/S.J. Res. 1 in response meet this test.

ENFORCEMENT AND IMPLEMENTATION—PHASE-IN

Q. Of what use is a BBA in today's atmosphere of impending fiscal crisis, if it won't be in force for several years?

A. (1) A BBA is a long-term proposition. It should be adopted because it is a valid response to a long-term and structurally inherent problem. (2) It's long-term nature not withstanding, even a BBA that is not in effect for several years will prompt deficit-reduction actions in anticipation of its being in place. Therefore, submission of the amendment to the states would stimulate an immediate response in federal fiscal behavior.

ECONOMIC CONSEQUENCES—DIRE PREDICTIONS

Q. Why do so many economic analyses project devastating results under a BBA?

A. Those that do generally assume either (1) that a balanced budget would be imposed quickly or even immediately, with little or no transition, or (2) that the requirement for balance will be adhered to without exception and that Congress (and the President in his or her recommendations) will not exercise its prerogatives under a flexible amendment to enact counter-cyclical measures. This amendment will not go into effect until, at the earliest, two years after ratification. Once passed through both houses, we would hope that Congress would recognize the impending deadline and act to meet that date by which the budget must be balanced. By allowing a multi-year phase in, we believe any such ''drastic'' economic effects would be diminished, if not erased. This amendment has the flexibility to address economic emergencies through the ⅗ release vote on balancing the budget. This allows Congress and the President to act in response to circumstances such as a recession or some other emergency, while insuring that such a decision is made in a fiscally responsible manner.

ECONOMIC CONSEQUENCES—BUDGET CUTS

Q. Wouldn't adopting a BBA result in cutbacks in services for the poor and needy, for senior citizens, for health and housing programs, and even possibly for defense programs?

A. The BBA itself would do none of these things. It would force the Executive and Legislative Branches to priorities within a balance of receipts and outlays and force into the light of day what actual decisions and trade-offs are necessary. If this does not result in cutbacks of government programs, it will ensure that we pay for all the government we want.

Q. Since ''the BBA itself would do none of these things,'' isn't it just a ''political free lunch,'' raising false hopes while diverting attention from the real and difficult budget decisions that need to be made?

A. Far from that, H.J. Res 28/S.J. Res. 1 would force Congress, the President, and the public to own up to the hard choices that need to be made. It is general because most provisions in the Constitution, encompassing broad principles as they do, should be broadly worded. But its result will be to make unavoidable the asking of those questions some in elective office have avoided: How much government do we want? How willing are we to pay for it? Which programs should be priorities?

BUDGET GIMMICKS

Q. Won't constitutional requirement of a ''balanced budget'' simply invite moving some items off-budget?

A. H.J. Res. 28/S.J. Res. 1 does not require that a single document, a ''budget,'' be written in balance. Instead, it deals with actual spending and taxing bills, and how actual outlays conform to estimated receipts. Taking any item ''off-budget'' would have absolutely no effect on the operation of H.J. Res. 28/S.J. Res. 1.

Q. Wouldn't the temptation remain great to commit some other evasion, such as manipulating the definitions of terms used in the BBA?

A. Terms such as ''outlays'', ''receipts,'' ''debt held by the public'', and ''raising revenue'' either already appear in the Constitution or are commonly understood. In the 99th Congress, Senate Reports 99–162 and 99–163 and Senate floor debate on S.J. Res 225, and in the 101st Congress, the House floor debate, went to some lengths to establish a legislative history for and preventing misinterpretation of these and other terms as used in a BBA. This year the House Budget Committee compiled a formidable amount of testimony on all sides. It also remains the appropriate role of the Members engaged in floor debate this year to build similarly clear definitions.

ENFORCEMENT AND IMPLEMENTATION—GENERAL

Q. Won't the BBA be unenforceable in other ways, causing erosion of respect for other Constitutional provisions as well?

A. To a certain extent, the provisions of H.J. Res. 28 / S.J. Res. 1 are self-enforcing or interactively enforcing. Effective enforcement and orderly implementation certainly are expected in the form of enabling legislation; Members such as the former Chairman of the Budget Committee have served notice most effectively in that regard. Beyond that, enforcement either is implied by the ramifications of stalemate or inaction or, to a very limited degree, could be obtained in the courts.

The Constitution requires Congress and the President to take the necessary steps to carry out Constitutional mandates. Congress is empowered to make all laws that are ''necessary and proper to execute the mandate of the constitution.'' The President and Members of Congress take only one oath, promising to ''preserve, protect and defend the constitution.'' It is assumed that Congress and the President will monitor each other and to the limits of their authority enforce the provisions of the amendment against the other.

The public will also have a significant role. A breach of the amendments' provisions would be readily apparent, and if a breach occurs a political firestorm very likely would erupt from the public. Public accountability is provided for in the provision that requires any vote to run a deficit to specify which outlays are ''excess.''

Finally, as a last resort, the judicial branch may act to insure that the Congress and President do not subvert the amendment. A member of Congress or an appropriate Administration official probably would have standing to file suit challenging legislation that subverted the amendment.

JUDICIAL REVIEW

Q. Wouldn't H.J. Res. 28 / S.J. Res. 1 dangerously and inappropriately transfer power to the courts in a whole new area by opening up to court challenge on Constitutional grounds virtually every budgetary decision made by Congress (and the President)?

A. The courts could make only a limited range of decisions on a limited number of issues. They could invalidate and individual appropriation or tax Act. They could rule as to whether a given Act of Congress or action by the Executive violated the requirements of this amendment. Indeed, a limited role is appropriate: In the words of Marbury v. Madison, the judiciary has a fundamental obligation to ''say what the law is.''

But it would be inappropriate for the courts, and it would be inappropriate to call upon the courts, to rewrite budget priorities and fiscal law. Senate Reports 99–162 and 99–163 and the accompanying Senate debate once again provide much guidance, this time as to how the ''political question'' doctrine of *Baker* v. *Carr*, 369 U.S. 186 (1962), the requirements to a justiciable case or controversy (see e.g., Aetna Life Insurance Co. vs Haworth, 300 U.S. 227 (1937), and questions of standing would prevent the floodgates of litigation from opening upon the process in place under a suitable BBA. For example, *Riegle* v. *Federal Open Market Committee*, 656 F.2d 873 (DC Cir. 1981), ''counsel[led] the courts to refrain from hearing cases which represent the most obvious intrusion by the judiciary into the legislative arena: challenges concerning congressional action or inaction regarding legislation.''

The traditional judicial doctrine of ''standing'' requires that a plaintiff has a direct and specific, personal stake or injury. A ''generalized'' or ''undifferentiated'' public grievance, such as would suggest ''taxpayer''

standing vis-a-vis macroeconomic policy decisions, is not recognized.

Most questions that will arise as to compliance or enforcement will either be resolved through enabling legislation or will arise during policy-making events that trigger the self-enforcing mechanisms in the BBA (i.e., 3/5 vote to pass an increase the debt that results from a deficit in a given year) or currently in place (i.e., threat of government shutdown if a legislative deadlock persists).

Finally, absolutely no role for the courts is foreseen beyond that of making a determination as to whether an Act of Congress or an Executive action is unconstitutional and a court order not to execute such Act or action. A purely restraining role is anticipated for the courts and could be guaranteed by Congress in appropriate legislation specifying standing, jurisdiction, and remedies.

JUDICIAL REVIEW

Q. If the judiciary is involved, couldn't a case drag on for years past the fiscal year in question, making every case moot?

A. The courts have shown an ability and willingness to expedite their processes in an emergency. Recent examples are the reapportionment cases involving Massachusetts and Montana that went all the way to the Supreme Court and were resolved in a matter of months. Congress could further ensure expeditious handling, for example, giving the Supreme exclusive and original jurisdiction over cases arising under the BBA.

ENFORCEMENT AND IMPLEMENTATION—CONGRESS

Q. What if Congress, ignoring the provisions in H.J. Res. 28 / S.J. Res. 1, nevertheless passes appropriations in excess of revenues?

A. The general charge that actual outlays not exceed receipts creates a general obligation for Congress and the Executive to construct a statutory framework to enforce and implement the BBA, in advance of its effective date. Indeed, such legislation would be essential in managing the budget down its ''glide path'' to an eventual balance. The ultimate form of such legislation could include a revised Gramm-Rudman-Hollings type sequester, an enhanced Pay-as-you-go mechanism, or some process reforms.

The language of Section 1 also creates an ongoing obligation to monitor outlays and receipts and make sure that outlays do not breech receipts. This does not envision any sort of discretionary ''impoundment'' power on the part of the President or courts. However, the Executive branch would be under an obligation to estimate whether outlays will occur faster or at higher levels than expected and to notify Congress promptly. If an offsetting rescission is not enacted or other appropriate legislative action not taken, then the President would be bound, at the point at which the government ''runs out of money,'' to stop issuing checks (unless, of course such exigencies already have been accounted for in enforcement and implementation legislation in advance).

The deterrent of a budgetary ''train wreck'' always exists to motivate responsible budgeting: either the possibility of a government shutdown or of the need to round up 3/5 of both Houses to pass a debt increase bill without any ''blackmail amendments.'' (For example, Gramm-Rudman-Hollings was a ''blackmail amendment'' attached to a debt ceiling bill in 1985, when 51 Senators refused to pass a ''clean'' bill.)

BUDGET ESTIMATES—''OOPS''

Q. What is to prevent Congress and the President from drastically over-estimating revenues and then declaring, ''oops,'' when outlays and receipts are unbalanced at the end of the fiscal year?

A. If such a scenario occurred, Congress would have to pass a debt ceiling increase by a three-fifth vote. The debt provision provides a powerful incentive for truth-in-budgeting. Any such mis-estimates will catch up rapidly with its authors within a year. A transparent mis-estimate would be subject to the very public process of budget-making. Congress and the President would avoid a widely publicized ''mistake'' because of its political impact.

CONSTITUTIONAL LANGUAGE—DEBT LIMITATION

Q. Why is H.J. Res. 28/S.J. Res. 1 as introduced, different from previous BBA versions, in that is requires a 3/5 vote to raise the limit on Federal ''debt held by the public,'' rather than the ''public'' or ''gross'' debt?

A. When the Social Security and other trust funds run surpluses, those surpluses are invested in U.S. Treasury securities, meaning they are borrowed by the U.S. Treasury and the ''public debt'' (approximately the same as the ''gross Federal debt'') is increased by that amount. Such borrowing is an intra-governmental transfer between accounts, and does NOT increase the ''debt held by the public.'' Since the intent of the debt limit vote in the BBA is to enforce the amendment and deter deficits, the ''debt held by the public'' is the closest currently-used and commonly-understood measure of indebtedness that approximates the amount that indebtedness has been increased because of total deficit spending. In other words, H.J. Res. 290 was not meant to ''punish'' Congress by requiring a difficult 3/5 vote just because trust funds are running a surplus.

BUDGET ESTIMATES—REVENUES

Q. What if a law enacted in the good faith belief which is revenue-neutral turns out to increase revenues?

A. As with other laws that may be challenged on Constitutional grounds, if it were shown that Congress and the President acted in good faith and had a reasonable basis for projecting revenue-neutrality, the law would not be struck down. What if a bill provides for both increases and decreases in revenues? H.J. Res. 28/S.J. Res. 1 refers to a ''bill to raise revenue.'' The clear intent is to look to the overall revenue effect of a bill.

ENFORCEMENT AND IMPLEMENTATION—REVENUE INCREASES WITH SPENDING CUTS

Q. What effect would H.J. Res 28/S.J. Res. 1 have if in the process of building a ''consensus deficit-reduction bill,'' revenue increases were combined with spending reductions?

A. H.J. Res. 28/S.J. Res. 1 differs from some previous BBAs in that it does not require a ''vote directed solely to that subject'' in the case of increasing revenues. Certainly, most of the sponsors of H.J. Res. 28/S.J. Res. 1 would not object to such language. However, as currently written, H.J. Res. 28/S.J. Res. 1 simply would require the authors and managers of such a combination bill to make a strategic decision as to whether they preferred to offer separate revenue and spending-cut bills or to subject the spending-cut provisions tied to the revenue-raising provisions in a single bill, with a need to pass by a majority of the whole membership.

MAJORITY RULE

Q. Couldn't the various super-majority requirements in H.J. Res. 28 / S.J. Res 1 thwart the wills of majorities in both Houses and the President?

A. Yes. Such is also the case with Senate filibusters, Gramm-Rudman-Hollings points of order, and other procedures today. As is the case with all super-majority requirements in the Constitution (or in law), the purpose is to protect the immediate rights of a significant minority, and arguably the long-term rights of the people, against a ''tyranny of the majority,'' a phase frequently invoked by the nation's Founders. In the case of H.J. Res. 28 / S.J. Res 1, a sufficient structural bias exists for deficit spending and against accountability in tax decisions that compensating super-majority protections are warranted. Moreover, it is noteworthy that the super-majority levels involved are reasonable and modest.

ECONOMIC CONSEQUENCES—FLEXIBILITY

Q. Shouldn't the federal government have the flexibility to enact counter-cyclical economic measures?

A. Yes, and this flexibility is preserved in H.J. Res. 28 / S.J. Res 1 by allowing Congress to spend in excess of revenues if three-fifths of the members agree that deficit spending is warranted. What the amendment would do is mitigate against the structural bias to spend and borrow (and raise taxes somewhat in preference to restraining spending) in good times as well as bad. In restoring this level playing field, H.J. Res. 28 / S.J. Res 1 strikes a reasonable balance between requiring fiscal responsibility and allowing flexibility.

CONSTITUTIONAL LANGUAGE—BUDGETARY PERIOD

Q. Should the Constitution dictate such details as the budgetary period (fiscal year)?

A. Some such reasonable parameters are necessary to provide for an enforceable amendment. Again, the authors are receptive to perfecting changes, although it is important that whatever parameter is used is not susceptible to subterfuge (e.g., merely including a term like ''fiscal period'' to be defined in statute). Senate Reports 99–162 and 99–163 suggested using ''fiscal year,'' but allowed that a reasonable statutory re-definition could include a biennial ''year.''

ENFORCEMENT AND IMPLEMENTATION—IMPOUNDMENT AUTHORITY

Q. Doesn't H.J. Res. 28/S.J. Res. 1 imply that the President would have enhanced powers to block spending based on a pretext of unconstitutionality?

A. A frequent criticism of previous BBA proposals has been that the President is not brought into the budget process sufficiently to share the responsibility of governing and the blame of impasse, although the President can criticize the Congress that ''holds the purse strings.'' H.J. Res. 28/S.J. Res. 1 recognizes the accepted role the President has played under statute since the 1920s, by requiring the President to submit a balanced budget. The President must also share fiscal and political responsibility with Congress for H.J. Res. 28/S.J. Res. 1's joint receipts estimate. But beyond the role in that new joint estimate, H.J. Res. 28/S.J. Res. 1 does not broaden in any way the powers of the President. On the other hand, it does make the President more accountable for how the budget process proceeds.

SOCIAL SECURITY

Q. Why is H.J. Res. 28/S.J. Res. 1 as introduced, different from previous BBA versions, in that it requires a 3/5 vote to raise the limit on federal ''debt held by the public'', rather than the ''public'' or ''gross'' debt?

A. When the Social Security and other trust funds run surpluses, those surpluses are invested in U.S. Treasury securities, meaning they are borrowed by the U.S. Treasury and the ''public debt'' (approximately the same as the ''gross federal debt'') is increased by that amount. Such borrowing is an intra-governmental transfer between accounts, and does NOT increase the ''debt held by the public.'' Since the intent of the debt limit vote in the BBA is to enforce the amendment and deter deficits, the ''debt held by the public'' is the closest currently-used and commonly-understood measure of indebtedness that approximates the amount that indebtedness has been increased because

of total deficit spending. In other words, H.J. Res. 290 was not meant to ''punish'' Congress by requiring a difficult 3/5 vote just because trust funds are running a surplus.

CLUBB—CONGRESSINAL LEADERS UNITED FOR A BALANCED BUDGET

SECTION BY SECTION ANALYSIS OF THE BIPARTISAN, BICAMERAL CONSENSUS BALANCED BUDGET AMENDMENT TO THE CONSTITUTION, H.J. RES. 28/S.J. RES. 1

Section 1. total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote

This section sets forth the general rule of this Article, and the central principle to be observed and enforced, that the government of the United States shall not live beyond the means provided for it by the true sovereign, the people.

Therefore, this section establishes, as a norm of federal fiscal policy and process, that the government's spending should not exceed its income. While popularly—indeed, universally—referred to as requiring a ''balanced budget'', its mandate is both simpler and more comprehensive, requiring a balance (or surplus) of cash inflows relative to cash outflows.

Any departure from the general rule in this section and its guiding principles should be an extraordinary event, based on a compelling need. As is commonly the case with constitutionally established parameters for the legislative process, no attempt is made to enumerate all the circumstances that might justify deficit spending; if a three-fifths supermajority of each House of Congress believes an emergency, crisis, or urgency exists (and if the President concurs), it does. This formulation makes the option of deficit spending both difficult to exercise yet available when a fairly strong national consensus exists.

Detailed Analysis

''Total outlays'' and ''Total receipts'' are defined below in Section 7.

''. . . fiscal year . . .'' is intended as a term defined in statute and having no other, specific, constitutional standing. It is a commonly understood term in both private and public usage. While the definition of a fiscal year could be changed from time to time, the concept is sufficiently well understood that a blatant attempt to contravene the intent of the amendment would not be acceptable.

For example, creation of a ''transition fiscal year'' of 18 months to facilitate reforms in the budget process clearly would be consistent with the amendment. On the other hand, legislation purporting to implement the amendment that promised to balance the budget for the ''fiscal year 1998–2008'' (and, presumably, with little or nothing in the way of procedural discipline in the early portion of that ''year''), clearly would be unconstitutional. Certainly, a simple ''rule of reason'' would be applied to any statutory definition of a ''fiscal year''.

''. . . shall not . . .'' is a term readily obvious in its intent, spirit, and application. It is mandatory language simply meaning you may not. Saying that ''Total outlays . . . shall not exceed total receipts'' states both the goal to be pursued and the yardstick by which successful compliance with this amendment is measured. It prohibits fiscal behavior intended or reasonably likely to produce a deficit within a fiscal year.

''. . . three-fifths of the whole number of each House of Congress . . .'' indicates the minimum proportion (60%) of the total membership of each House needed to approve expenditures producing a deficit. Currently, this would mean 60 of the 100 Senators and 261 of the 435 Representatives.

The term ''. . . whole number . . .'' is derived from, and intended to be consistent with, the use of the phrase in the 12th Amendment to the Constitution, ''two-thirds of the whole number of Senators'' (which is set as the quorum necessary for the purpose of electing the Vice President in case no candidate receives an Electoral College majority).

''. . . shall provide by law . . .'' both states a simple consistency with other provisions of the Constitution and clarifies a difference between the deficit spending provided for under this amendment and a deficit planned for in a Congressional Budget Resolution.

Article I, Section 7, Clause 3 of the Constitution states: ''Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary (except on a question of Adjournment) shall be presented to the President of the United States'' for signature or a veto. Clearly, a vote by both Houses that results in deficit spending would be such a vote.

However, an additional reason for adding this clarifying language is that such a vote might easily be confused with the deficit that may be estimated in a budget resolution, which currently is not presented to the President. While budget resolutions are Concurrent Resolutions generally passed by both Houses, concurrence is not necessary, since budget resolutions actually fall under the ''Rules of its Proceedings'' that ''(e)ach House may determine'' under Article I, Section 5, Clause 2. This is because budget resolutions merely set target amounts for subsequent budget decisions made within each House. (The ultimate decisions requiring concurrence, appropriations, other direct spending bills, or revenue bills, are presented to the President.) In fact, the House often has proceeded to act pursuant to a House-passed budget resolution in prior to and in lieu of House-Senate agreement on a single resolution.

Obviously, the ⅗ vote on permitting a deficit under this amendment is not a determination of an internal rule in either House, but has direct and immediate consequences external to the rules of either House. Therefore, the words ''by law'' state what normally would be obvious, but which might be confusing here, due to current budget resolution procedures.

''. . . a specific excess of outlays over receipts . . .'' means that the maximum amount of deficit spending to be allowed must be clearly identified. Thus, enforcement of the amendment through the political process will be facilitated by improving elected officials' accountability to the public. The specific excess which is provided for by law would not apply to outlays in more than one fiscal year and may, in fact, apply to an excess that occurs over a shorter period, such as the remainder of a fiscal year when the law is enacted mid-year.

Ensuring such accountability is a cornerstone of the Balanced Budget Amendment, and restores the public's general—and diffuse—interest in fiscal responsibility to an equal competitive footing with the special interests who demand programmatic spending and tax preferences. Today, federal officials can reap the rewards of satisfying the incremental demands of special interests without ever having an individual decision identified as a decision that results in a deficit. This informational imbalance is corrected by the mandate in Section 1 that deficit spending can not occur without a specific identification of the amount.

Section 2. The limit on the debt of the United States held by the public shall not be increased unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote

No section of this Article should be read in isolation, especially Section 1. Section 2 provides the essential mechanism which not only enforces an honest budgeting process in pursuit of the general rule and principle stated in Section 1, but also will operate to make the amendment self-enforcing. Section 2 is the backup to prevent the use of gimmicks or other devices to circumvent the requirements of the amendment.

This Section is inspired by the often-quoted desire expressed by Thomas Jefferson, in his November 26, 1798 letter to John Taylor:

''I wish it were possible to obtain a single amendment to our constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its constitution; I mean an additional article, taking from the government the power of borrowing.''

The authors here have drawn from recent experiences of the government and modern economic theory to reach a compromise with then-Vice President and later President Jefferson: Section 2 takes from the government the power of borrowing, unless three-fifths of the total membership of both Houses votes to approve a specific increase in the amount that may be borrowed.

Section 2 provides strong enforcement, indeed, for the provisions of Section 1. When the government runs a deficit, that necessitates additional borrowing to meet its obligations. Failure to authorize that level of borrowing could, in a worst-case scenario, result in a default by the government of the United States. Treasury securities might not be redeemed. Government services could be threatened with a shutdown, subject to the availability of receipts.

Today, such a consequence is occasionally threatened when an impasse within Congress or between Congress and the President jeopardizes passage of essentially ministerial legislation raising the statutory limit on the public debt by a simple majority. Under this amendment, the threat of default would loom when the government runs a deficit, thus providing a powerful incentive for balancing the budget.

The simple threat of default does not fully explain the way Section 2 will operate to enforce the fiscal norm of balancing outlays and receipts. Because a debt-increase bill represents an admission of failure of enormous magnitude, passage is always a difficult matter. Any effort to circumvent the requirement of the amendment will be clearly exposed when the debt limit must be raised to cover any deficit spending.

Under current law, Members of Congress not infrequently have rounded up 50% plus one of the Members of one House to threaten to push the government to the brink of insolvency unless a pet amendment is added to this must-pass legislation, despite consistent efforts by the Administration and the Congressional leadership of both parties in both Houses to pass a ''clean'' debt bill. This ''debt bill blackmail'', in fact, was the tactic used to enact the original Gramm-Rudman-Hollings law of 1985.

By lowering the ''blackmail threshold'' associated with passage of the regular debt limit bill from 50% plus one in either body to 40% plus one, Section 2 increases the motivation of the Administration and the Leadership, including the Chairs of the relevant committees, to do whatever is necessary, legislatively and cooperatively, even to the

point of balancing the budget, to avoid facing such a difficult debt vote.

It is in no way the intent of the authors and supporters of this amendment that a default or shutdown should happen. However, the threat of such consequences is analogous to the deterrence effect of fines or legal damages in other situations.

Because borrowing, and increases in any limits on cumulative borrowing, must be enacted in law, Section 2 makes the amendment effectively self-enforcing. Such legislation usually involves large enough numbers of dollars to be borrowed that extensions of authority to borrow generally are used up in a year or so. The current statutory limit on the public debt, enacted as a part of the Budget Enforcement Act late in 1990 and allowing borrowing into 1993, is very much an exception in this regard; this lengthy term of borrowing, not quite three years, was made possible only by the status of the Act as an extraordinary, five-year plan. Virtually no elected official can stand the political heat of supporting a huge, multi-year increase in the government's level of indebtedness. This simple political dynamic will ensure that the self-enforcement provided by Section 2 occurs frequently enough to be effective.

Finally, when three-fifths of both Houses have ''gutted up'' and, under Section 1, voted explicitly for a specific excess of outlays, there is no intent in this amendment to ''punish'' them by later forcing a second three-fifths vote on the debt limit. Both decisions can be approved by the same, single, three-fifths vote in the same legislation.

Detailed Analysis

''. . . debt of the United States held by the public . . .'' is a widely used and understood measurement tool. The Congressional Budget Office's January 1993 Economic and Budget Outlook: Fiscal years 1994–1998 book, in its Glossary, defines ''Debt held by the public'' simply as: ''Debt issued by the federal government and held by nonfederal investors (including the Federal Reserve System).'' On page 58 of the same volume, CBO further explains, ''Debt held by the public which represents the government's demand for credit, is the most useful measure of federal debt.'' The current, widely used and accepted meaning of ''debt held by the public'' is intended to be the controlling definition under this Article.

The ''debt held by the public'' differs from the gross federal debt in that the latter, according to CBO, ''includes the securities (about $1 trillion and climbing) issued to government trust funds.'' The gross debt is the ''close cousin'' (per CBO) of the ''public debt''.

The Congressional Research Service's Manual on the Federal Budget Process, December 24, 1991, in its glossary, defines ''Public debt'' as: ''Amounts borrowed by the Treasury Department or the Federal Financing Bank from the public or from another fund or account. The public debt does not include agency debt (amounts borrowed by other agencies of the Federal Government). The total public debt is subject to a statutory limit.''

A requirement of a three-fifths vote on the ''public debt'' has been used in some previous formulations of the Balanced Budget Amendment. The use, here, of ''debt held by the public'' is a refinement based on a 1990 recommendation by the Administration and subsequent review by the authors of the implications of using the different measures of debt. ''Debt held by the public'' has been chosen for two reasons:

First, as pointed out by CBO, common sense suggests that the most appropriate benchmark to use is the federal government's borrowing from all non-federal-government sources.

Second, the purpose of this section is to motivate an avoidance of deficits. When the Social Security or other federal trust funds run surpluses, this does not cause total outlays to exceed total receipts and the government does not increase its borrowing from non-government sources. Therefore, Congress and the President should not be forced to surmount the three-fifths vote hurdle on debt bills if they have not run a deficit and increased net federal borrowing. Section 2 matches the benchmark used in the enforcement process to the policy objectives desired.

''The limit on the debt . . . held by the public . . . ''obviously assumes the establishment of a new statutory limit on this measure of federal borrowing. This limit may be established in addition to, or as a replacement for, the current statutory limit on the public debt. Article I, Section 8 of the Constitution simply says, ''The Congress shall have Power . . . To borrow Money on the Credit of the United States. . . .'' The exact process of carrying out this power is left up to the Congress to provide for by law.

When establishing a new statutory limit on the debt held by the public (which will require a three-fifths vote to increase), Congress may or may not wish to continue to set by statute a limit on the public debt. The fact that a simple majority could continue to be required to pass such a public debt limit would not, in any way, create procedural or legal conflicts. At times when a trust fund surplus necessitates an increase in the public debt, such action would become more ministerial and less difficult than currently is the case. Increases in both limits certainly could be contained in the same bill that is passed by a three-fifths vote.

Section 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays do not exceed total receipts

In Section 3, the amendment extends to the President's annual budget the same norm of fiscal balance expected of the Congress. The current statutory requirement that the President submit a budget is codified in the Constitution to ensure that the President remains engaged with Congress in the budget process. Of course, this requirement of submission of a single document in no way alters the current constitutional balance of powers or separation of responsibilities. It also is perfectly consistent with the current constitutional provisions that the President ''shall . . . recommend to [Congress'] Consideration such Measures as he shall judge necessary and expedient'' (Article II, Section 3).

Detailed Analysis

''Prior to each fiscal year . . .'' was retained in Section 3 because of the long-understood legislative principle that deadlines certain can be set, and in fact are commonly expected to be set, for specific actions by the Executive. Currently, the deadline for submission of the President's budget is set by statute and occurs well in advance of the fiscal year for which it is written. Such statutory provisions are, and will remain, consistent with Section 3.

''. . . a proposed budget . . .'' means a document similar, in broad terms, to that which is regularly submitted under current law. The amendment in no way restricts the discretion of Congress to enact changes in what is or is not required in such a budget, as long as the document remains useful for the purposes of planning federal spending activities.

''. . . in which total outlays do not exceed total receipts.'' Per se, a ''budget'' is a document in which all relevant future numbers are planned, recommended, projected, estimated, or assumed. This is true, as a matter of definition, of all documents called ''budgets,'' public or private. Therefore, no qualifiers are added to this language in Section 3, such as ''estimated receipts'' or ''recommended outlays''. To include such terms would be redundant at best, and inadvertently confusing or limiting at worst.

Section 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote

The purpose of this section is to increase the accountability of Members of Congress when they consider legislation to increase revenue, in light of the amendment's requirement to balance receipts and outlays. The increased pressure the amendment will create for fiscal discipline may increase temptation to shield a certain amount of legislative decison-making from public view. Tax bills have been known to pass, occasionally, by voice vote.

The enhanced ''tax accountability'' (or, more precisely, accountability with regard to passage of bills to increase federal revenue) provided by the unvarying requirement for a rollcall vote, is supplemented by the requirement that such bill also shall not become law unless passed by a majority of the whole number of each House.

The rollcall vote and voting requirements will serve to maintain a level playing field between the public's more general and diffuse interest in restraining the government's appetite for revenues and the more focused pressure that special interest groups can apply for individual spending programs.

Detailed Analysis

''No bill * * * shall become law unless * * *'' is drafted in the negative to conform to the style used in Article I of the Constitution, in phrases such as, ''No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census * * *'' and ''No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law. * * *''

''* * * revenue * * *'' has the same meaning here as in Article I, Section 7, which states, ''All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.''

''* * * bill to increase revenue * * *'' means legislation making policy changes in the government's exercise of its sovereign power to tax or otherwise compel payments to the government. ''Revenues'' and ''receipts'' are largely synonymous, but not always so, especially when being use prospectively. Both are expressed in terms of quantities of dollars flowing into the Treasury. However, ''revenue'' is more closely connected to the tax rates, tax base, Customs rates, or other policy criteria formulated to produce inflows of receipts. A ''receipt'' is a more purely and more comprehensive quantitative concept. For example, a bill to step up Internal Revenue Service enforcement of current tax laws and enhance collection of taxes currently going uncollected definitely would result in increased receipts, but would not be ''a bill to increase revenue,'' and therefore, subject to the requirement of a majority of the whole House for passage, (''Receipts'' are further defined under Section 7.)

''* * * majority of the whole number of each House * * *'' means, under current law, never less than 218 votes among the 435 Members of the House of Representatives and never less than 51 votes in the Senate, which numbers 100 Members. The ''whole number of each House'' is defined under Section 1, above.

This language is not intended to preclude the Vice President, in his or her constitutional capacity as President of the Senate, from casting a tie-breaking vote that would produce a 51–50 result. This is consistent with Article I, Section 3, Clause 4, which states: ''The Vice President of the United States shall be President of the Senate, but shall have no Vote, unless they be equally divided.'' Nothing in Section 4 of the substitute takes away the Vice President's right to vote under such circumstances. The language requires (in today's Senate of 100) 51 votes to pass a revenue-increasing bill, not the votes of 51 Senators. Obviously, in a 51–50 vote, 51 still constitutes a majority of the whole number of 100. Also obviously, while the Vice President could turn a 49–49 tie into a 50–49 result, this would not constitute a majority of the whole number.

Section 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law

This section reaffirms the traditional priority presumptively attached to matters of national self-defense. In such cases, especially when the Congress and the President have taken an action as extraordinary as declaring war, financing that effort should proceed unimpeded by any requirement of additional, extraordinary votes.

Detailed Analysis

The first sentence of Section 5, or a virtually identical counterpart, has been a fixture in almost every major version of the Balanced Budget Amendment over the years. Consistent with Article I, Section 7, Clause 3, such a simple majority vote to waive this Article would have to be presented to the President for his or her approval.

The second sentence recognizes that, for most of the military conflicts in which the United States has engaged, there was not a formal declaration of war. Nevertheless, a sufficient self-defense interest is present in such situations that a Section 1 supermajority should not be required to fund such an engagement. Further definition of the criteria set forth for the ''majority of the whole number'' waiver in Section 5 is not needed, since the Section requires simply that the joint resolution required for the waiver declare such conditions to be present.

Section 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts

This section places a requirement on Congress to adopt of legislation necessary, appropriate, and reasonable to enforce and implement the Balanced Budget Amendment. There is no need—and arguably it would be a bad idea—explicitly to foreclose the possibility of judicial interpretation or enforcement. However, this language further tilts presumptions of such responsibilities toward extremely limited court involvement. This language also is intended to prevent the possibility of an interpretation that could shift the current balance of power among the branches in favor of the Executive.

Detailed Analysis

''The Congress shall enforce and implement . . .'' differs from clauses included in several other amendments that state, ''The Congress shall have power to enforce. . . .'' This latter clause has been employed only where there was concern that the question could arise as to whether Congress had the power to pre-empt state laws or constitutions or was venturing impermissible beyond its constitutionally enumerated powers and into the rights reserved to the states or the people.

Here, no such question of pre-emption is conceivable. Congress clearly has the power to enforce and implement this Article, under the ''necessary and proper'' clause in Article I, Section 8, which states: ''The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.''

This section creates a positive obligation on the part of Congress to enact appropriate implementation and enforcement legislation. As a practical matter, this language simply requires what is inevitable and predictable. It is a simple statement that, however well-designed, a constitutional amendment dealing with subject matter as complicated as the federal budget process needs to be supplemented with legislation. It is a means of owning up to the truth in the arguments made by many Members of Congress—both supporters and opponents—that Members must expect to do more than cast this one vote to pass this one amendment, to ensure that deficits are brought down and, ultimately, eliminated.

The inclusion of a positive obligation to legislate does not make the Article more difficult to enforce, nor is it without precedence in the Constitution. Article I, Section 2, Clause 3 provides: ''Representatives and direct Taxes shall be apportioned among the several States . . . according to their respective Numbers, which shall be determined by . . . [an] actual Enumeration . . . made within three Years . . . and within every subsequent Term of ten Years, in such Manner as they shall by Law direct. . . .'' The critic who today asks, ''What if Congress just doesn't enact implementing and enforceing legislation?'' would be the counterpart of the critic who might have asked in 1787, ''What if Congress just doesn't authorize or appropriate for a Census, if, in their own self-interest, they don't want the current apportionment to be changed?'' In this case, it manifestly would be in Congress' own best interest to enact legislation ensuring a complete and clearly-defined budget process consistent with the Balanced Budget Amendment.

''. . . which may rely on estimates of outlays and receipts.'' This phrase allows Congress the flexibility in explicit language that it will need in practical effect, to make reasonable decisions and use reasonable estimates, when appropriate, as a means of achieving the normative result required in Section 1. To some extent, this phrase, too, states the obvious, that the process of budgeting and taxing and spending inevitably involves relying on estimates. ''Estimates'' means good faith, responsible, and reasonable estimates made with honest intent to implement Section 1 and not evade it.

The estimates contemplated in Section 6 do not apply in any way to a determination of the amount of debt referenced in Section 2, ''Debt'' there means actual, not estimated, debt.

Section 1 provides the standard by against which compliance with the amendment is measured. Section 6 clarifies that implementation and enforcement legislation may provide for the use of reasonable and appropriate estimates in the process of complying with Section 1. Section 6 is intended to support, strengthen, and aid the effectiveness of the other provisions of the amendment. This provision also will provide additional insurance against intrusion by the courts into the finer details of questions of compliance with the amendment.

Section 6 must not be interpreted in any way that would weaken or allow evasion of any other provision of the amendment. Over the course of the fiscal year, outlays may not exceed receipts. To the extent that any reasonable and lawful action can be taken to prevent an excess, it must be taken. On the other hand, for example, a brief dip in receipts or jump in outlays need not trigger a sequester, rescission, or other offsetting action if there it is reasonable to assume that such a ''glitch'' will be offset naturally in the near-term by normal economic or budgetary fluctuations.

In order to allow for an unexpected shortfall of receipts or an unexpected increase in outlays without triggering a three-fifths debt vote under Section 2, it would be necessary that the actual debt held by the public be held below the debt limit, by a sufficient amount to offset the amount by which actual receipts or outlays may differ from estimated receipts or outlays.

It also should be noted that outlays are both more predictable and more controllable than receipts. Therefore, the handling of outlays necessarily must be held to a stricter standard than the treatment of receipts. To be more specific, of course, is difficult until the actual design of implementation and enforcement legislation emerges. In all cases, the standard to be applied to the accuracy and adjustment of estimates is to be a rule of reason.

History of the ''Estimates of Outlays and Receipts'' Language in Section 6

Section 1 of H.J. Res. 290, as originally introduced in the 102nd Congress, and as it came to the floor of the House of Representatives in June 1992, read:

''Prior to each fiscal year, the Congress and the President shall agree on an estimate of total receipts for that fiscal year by enactment of a law devoted solely to that subject. Total outlays for that year shall not exceed the level of estimated receipts set forth in such law, unless three-fifths of the whole number of each House of Congress shall provide, by a rollcall vote, for a specific excess of outlays over estimated receipts.''

Section 1 of S.J. Res. 298, as introduced in the 102nd Congress, was substantively the same, and read:

''Prior to each fiscal year, an estimate of total receipts for that fiscal year shall be determined by enactment of a law devoted solely to that subject. Total outlays for that year shall not exceed the level of estimated receipts set forth in such law, unless three-fifths of the whole number of each House of Congress shall provide, by a rollcall vote, for a specific excess of outlays over estimated receipts.''

Just prior to House consideration in 1992, key House and Senate sponsors of H.J. Res. 290, S.J. Res. 18 (reported by the Committee on the Judiciary), S.J. Res. 298 negotiated a bicameral, bipartisan, consensus version of the Balanced Budget Amendment. That version was adopted on the House floor as a substitute for H.J. Res. 290, although the measure narrowly fell short of the necessary two-thirds majority on final passage.

H.J. Res. 28 / S.J. Res 1 in the 104th Congress is virtually identical to the bicameral, bipartisan, consensus version negotiated in the summer of 1992. It is the same as H.J. Res. 103 voted on during the 103rd Congress, and S.J. Res. 41 as voted out of the Judiciary Committee in 1994, except for an appropriate adjustment in the effective date. Section 1 of H.J. Res. 28 / S.J. Res. 1 is virtually identical to Section 1 of S.J. Res. 18 as reported in the 102nd Congress. Section 6 was a new section

added in the bicameral, bipartisan, consensus version offered as a substitute on the House floor in 1992.

The ''estimates'' provision was included in Section 6 to allow the use of a single level of total estimated receipts for a fiscal year, enacted into law at the beginning of the budget process, as the fixed target amount which outlays throughout the fiscal year may not exceed. In other words, Section 6 is intended to allow Congress to enact into law the process of measuring actual outlays against a fixed receipts estimate in the same way that was outlined in Section 1 of H.J. Res. 290 / S.J. Res. 298 as introduced in the 102nd Congress. Nothing in that version would have prevented Congress from imposing a more stringent process of measuring actual outlays against updated receipts estimates throughout the fiscal year. Section 6 of S.J. Res. 1 / H.J. Res. 28 in the 104th Congress is no more and no less restrictive in this regard.

Section 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal

This section makes clear that, for purposes of computing a deficit, balance, or surplus under this amendment, there is no such thing as ''off-budget'' receipts or outlays. By requiring all cash inflows and outflows to be counted, the most commonly anticipated loopholes are prevented from ever being created. Simple refinancing of outstanding debt at the same net cost of borrowing would not be affected in the normal course of business and, of course, borrowing is not considered a receipt, but rather is recognized as only the means of financing deficit spending.

As currently used and reported, both ''receipts'' and ''outlays'' are well-understood, inclusive concepts used with consistency in the budgetary process.

Detailed Analysis

''. . . receipts . . .'' is to be interpreted consistently with the use of ''Receipts'' in Article I, Section 9, Clause 7, which provides, in part, that ''a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.''

The definition of ''budget receipts'' in A Glossary of Terms Used in the Budget Process (1981), as quoted in S. Rept. 99–162 and S. Rept. 99–163 (committee reports on S.J. Res. 13 and 225, respectively) still applies:

Collections from the public (based on the Government's exercise of its sovereign powers) and from payments by participants in certain voluntary Federal social insurance programs. These collections, also called governmental receipts, consist primarily of tax receipts but may also come from court fines, certain licenses, and deposits of earnings by the Federal Reserve System. Gifts and contributions (as distinguished from payments for services or cost-sharing deposits by State and local governments) are also counted as budget receipts. Budget receipts are compared with total outlays in calculating the budget surplus or deficit. Excluding from budget receipts are offsetting receipts which are counted as deductions from budget authority and outlays rather than as budget receipts.

''. . . outlays . . .'' means all disbursements from the U.S. Treasury, directly or indirectly through federal or quasi-federal agencies created or under the authority of Acts of Congress. The Glossary (as cited above) defines ''outlays'' as follows:

Obligations are generally liquidated when checks are issued or cash disbursed. Such payments are called outlays. In lieu of issuing checks, obligations may also be liquidated (and outlays occur) by the maturing of interest coupons in the case of some bonds, or by the issuance of bonds or notes (or increases in the redemption value of bonds outstanding). Outlays during a fiscal year may be for payment of obligations incurred in prior years (prior year outlays) or in the same year. Outlays, therefore, flow in part from unexpected balances of prior-year budget authority provided for the year in which the money is spent. Total budget outlays are stated net of offsetting collections, and exclude outlays of off-budget Federal entities. The terms expenditure and net disbursement are frequently used interchangeably with the term outlays.

The glossary defines ''budget authority'' as:

''Authority provided by law to enter into obligations which will result in immediate or future outlays involving Federal Government funds, except that budget authority does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government. The basic forms of budget authority are appropriations, authority to borrow, and contract authority. The latter two types of authority are also commonly referred to as 'backdoor authority'.''

''Expenditures'', in fact, also appears in Article I, Section 9, Clause 7, as quoted above, and is used there in symmetry with ''Receipts''. ''Outlays'' is used in this Section because of that word's overwhelmingly prevalent use in recent and current budget terminology.

Section 8. This article shall take effect beginning with fiscal year 2002 or with the second fiscal year beginning after its ratification, whichever is later

By passing this amendment and sending it to the states for ratification, the Congress intends to bind itself, in mutual cooperation with the President, to adopt an orderly deficit reduction plan that will bring the budget into compliance with this amendment no later than fiscal year 2002.

Adopting an effective date of no earlier than 2002 provides time for a reasonable glide path to a balanced budget while setting a deadline imminent enough to stimulate action.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and Members, the essence of this vote really gets down to a constitutional issue. Under the Stenholm-Schaefer or Schaefer-Stenholm substitute, a three-fifths vote would be required to unbalance the budget; a three-fifths vote would be required to increase the debt limit.

I have risen on several occasions throughout the course of this debate in committee and on the floor of this House and pleaded with my colleagues to honor the theory of majority rule in this country. The whole essence of democracy is based on majority rule.

We come here from every single part of this Nation, 435 of us. We look different. We talk different. We act different. We represent different constituencies, and the essence of this congressional body is that we ought to bring our collective constituencies' opinions to bear on every issue, and when we pass a provision that requires a supermajority, what we do is we throw that balance out of kilter. We give somebody a greater right to stop something from happening or, alternatively, we give somebody a greater right to make something happen.

My theory to you, and I submit it again, is that that is undemocratic, and it is counter to majority rule. We cannot hide behind this notion that just because prior Congresses have not had the guts to exercise that majority rule in a responsible way, somehow we ought to go back and amend the Constitution that has been in effect for years and years and served this country well.

□ 1810

We ought to amend the Constitution to gloss over our own faults, our own lack of guts that Congresses have had in the past to balance our Nation's budget.

So my appeal to you today is to honor my constituents, the approximately 600,000 citizens in North Carolina whom I represent. Honor the gentleman from Texas, Mr. STENHOLM's constituents, the approximately 600,000 residents whom he represents. Honor the gentleman from Colorado, Mr. SCHAEFER's constituents, the approximately 600,000 citizens that he represents. Honor each and every one of us on an equal basis. That is what democracy is all about. And that is what this amendment, this substitute, is all about.

If you pass this substitute, you will be making a decision to alter that delicate majority rule balance that has existed for so long in our democracy. I call on you and plead with you not to do that.

Mr. Chairman, I reserve the balance of my time.

Mr. STENHOLM. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, in a few short moments we will cast one of the most important votes that any of us will have ever cast or will cast in this body. This is the culmination of 10 years of deliberation on the part of so many. It is not something we have come to in the last 2 days.

I thank my colleague from Colorado, Mr. SCHAEFER, for his leadership this year, Mr. KENNEDY, Mr. CASTLE, Mr. PAYNE, and Mr. DEAL of Georgia have worked with us tirelessly, who have brought this amendment to this moment.

I also wish to thank those who have come before us: LARRY CRAIG, now Senator CRAIG, Tom Carper, now Governor Carper, Bob Smith, now retired out in Oregon, OLYMPIA SNOWE, now Senator SNOWE.

I want to commend my colleagues from the other side, particularly Mr. BARTON, for the manner in which he has conducted himself. We have had disagreements, as we have had on other amendments, but it has been one of the

finest hours of debate, in my opinion, and for that I thank him, Mr. HYDE, and the entire Republican leadership for the manner in which this debate has been allowed to progress.

Mr. WATT of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. I thank the gentleman for yielding this time to me.

Mr. Chairman, well, here they go again. The same people who brought us Reaganomics, with its huge budget deficits, are now bringing us a balanced budget amendment. They tell us that if we only pass the balanced budget amendment, everything will be wonderful. It reminds me of a song, Mr. Chairman, during the Depression. Do you remember this song? ''In the meantime, in between time, ain't we got fun? The rich get richer and the poor get poorer; ain't we got fun.''

Let me tell you, this balanced budget amendment, if it becomes law, the rich will be richer and the poor will be poorer, and we will see senior citizens without Social Security, senior citizens without health care, severe cuts in Medicaid and Medicare, our children will not have proper education because there will not be the money to do it. As I said before today and yesterday, let us tell the American people the truth. Let us produce a balanced budget and show the American people exactly what will be cut.

I do not think we ought to tamper with the Constitution for a balanced budget amendment to do the same things we do not have the guts to do ourselves.

The Constitution is a very sacred document. As the gentleman from North Carolina [Mr. WATT] said, the majority ought to rule. We do not need three-fifths. A simple majority ought to rule. That is what the American people sent us here for, to exercise our independent judgment, majority rules.

For the first time since the Harry Truman administration, 3 years in a row we have brought the budget deficit down in the Congress. There is much, much more to do, and we should do it, but let me tell you, my friends; Going back to the 1920's, ''Ain't we got fun,'' is not such fun. Some people here would like to stop Social Security, would like to stop government programs, would like every American to fend for himself or herself.

''Ain't we got fun?'' The rich get richer and the poor get poorer; seniors do not have Social Security or health care; our children cannot be educated.

We should defeat this balanced budget substitute.

Mr. SCHAEFER. Mr. Chairman, I yield 2 minutes to my good friend, the gentleman from Delaware [Mr. CASTLE], who has been very, very active on this matter.

Mr. CASTLE. I thank the gentleman for yielding this time to me and for his tremendous work in support of the balanced budget amendment. I thank Mr. STENHOLM, I thank all the other individuals who worked on this particular issue, and I rise in very, very strong support of this legislation.

The action we take in the next hour will end decades of irresponsible budget practices. Government will shrink, new programs will be created because of need, not because of political favoritism; old programs can only survive if they are meritable. Only necessary employees will be hired in the future. Privatization of government functions will be a viable option, and so on.

This has worked in our States. Every single Republican and Democrat in this room comes from a State which has some form of a balanced budget. Most have been adopted in recent decades, and virtually every single one of them has been supported by everybody there without rescission, and the program has worked extraordinarily well wherever it is.

I can give you the example of my State of Delaware. In the late 1970's Delaware was a State which was an economic basket case. We had some of the highest taxes in the United States of America, we never balanced our budget, businesses were leaving. We had to take measures to deal with this. One of the things we did was pass a balanced budget amendment.

Since that time we have balanced our budget each and every year, we have been able to reduce our taxes some 5 times. We have created as many jobs on a per capita basis as any place else in the United States of America. We reduced poverty more than any other State during that period of time.

Was any of this easy even after we adopted a balanced budget amendment? The answer to that is ''no.'' It will involve very tough decisions. There will be times when we cannot hire employees. We may need an early retirement option. We may be looking at programs which we embrace, which we feel work in our State, but we have to make the decision to reduce them because the time has come, frankly, to spend the taxpayers' money wisely. If we do not pass a balanced budget amendment, we could go on the way we have for many decades in this country. We could make the easy choice, we could spend a little more money, and not look anybody in the eye and say, ''Well, your program is not going to continue.'' We can do that each time, and if we do that, then we will have failed the people.

Let us get behind this and pass this balanced budget amendment.

Mr. WATT of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. HILLIARD].

Mr. HILLIARD. I thank the gentleman for yielding this time to me.

Mr. Chairman, this is a bad bill; this is a bad amendment. The fact that the amendment calls for elimination of the three-fifths vote for taxes shows that it is a belief by some in this body that the bill goes too far. Unfortunately, the amendment goes only part of the way. It does not go far enough. So we have a bad bill and a bad amendment.

Box an American in, paint an American into a corner, do an American in, this is exactly what this bill does. It sends forth a three-fifths' majority to pass an unbalanced budget and a three-fifths' majority to tax; this is definitely unAmerican and definitely unconstitutional. The fathers of our Constitution would definitely say ''no'' to this. A good political decision, that is exactly what it is; but it is a bad fiscal solution, and each one of us ought to recognize that.

Why handcuff, why put handcuffs on the future Congresses in America? Why make them do something that we could not do with a simple majority in most cases?

□ 1820

We are going to make America more responsible, so we think, with this amendment. But what we are doing is making it more difficult for justice to prevail, more difficult for Congress to legislate, more difficult for Congress to operate.

This is not our future. This is not what we should be doing. We should be setting the stage for leadership in the 21st century. I submit we have not done it with this bill nor this amendment.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman from Texas [Mr. STENHOLM] for yielding this time to me, and, Mr. Chairman, I rise in support of the Stenholm-Schaefer balanced budget amendment.

I do so because I believe this country confronts a critical threat caused by the continuation of large annual deficits. The decade of the 1980's will clearly go down in history as a decade of fiscal irresponsibility, led, I believe, by Ronald Reagan and joined in by both Democrats and Republicans, liberals and conservatives, Americans both in and out of government.

Like so many of my friends, I do not believe that the passing of this amendment will in and of itself balance the budget, and, as so many argue, I do believe it will have real consequences. However I am absolutely convinced that the long term consequences of refusing to come to grips with the necessity to balance our budget will be catastrophic. It will take our collective backbones to make what will be a statement of national policy a reality.

I am equally convinced that those who will pay the highest price for our fiscal irresponsibility, should we fail, will be those least able to protect themselves, and the children of today and the generations of tomorrow.

Thomas Jefferson, one of our Founding Fathers, said, and I quote, ''I place economy among the first and most important of republic virtues and public debt as the greatest of dangers to be feared.'' Jefferson, along with our Founding Fathers like Madison and

Hamilton, agreed that the rights of the minority must be protected against the tyranny of the majority. Why Jefferson saw public debt as the greatest danger to be feared was because he realized that future generations were even more vulnerable to abuse than the minorities of the present because they are not yet enfranchised. As someone who suffered under a system of government that enforced taxation without representation, Jefferson saw public debt as the ultimate intergenerational expression of that tyranny and one which should be avoided and rejected.

The General Accounting Office said, my colleagues, in their 1992 report on the budget that inaction is not a sustainable policy. We need to act, and in acting we will give the greatest gift to our children and grandchildren that we could ever give, the security of knowing that they have the ability and the resources to face whatever problems may confront them. I say, ''What a wonderful gift for them, my grandchild and perhaps yours.''

Let us pass this balanced budget amendment to bring fiscal responsibility to this body and to this country.

Mr. WATT of North Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. OBERSTAR].

(Mr. OBERSTAR asked and was given permission to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Chairman, I rise in opposition to the resolution pending.

As the debate unfolds on the balanced budget amendment (H.J. Res. 1), I take this moment to underscore the numerous and very significant cuts in essential Federal programs for children that would be required under a balanced budget amendment to the U.S. Constitution. Budget estimates prepared by the Children's Defense Fund demonstrate that severe reductions in WIC, Head Start, Medicaid, and additional programs would be necessary to implement the Republican contract initiatives of a balanced budget amendment combined with tax cuts for the wealthy.

It is important to remember that our votes today will dramatically affect the lives of our Nation's children. There is no disagreement that Congress must reduce spending to bring the Federal Government budget into balance. There is also no disagreement that the mounting payments of interest on the national debt are stealing precious resources from important domestic programs.

There are, however, essential differences between Democrats and Republicans as we address our Nation's budget priorities. While Republicans proclaim their support for senior citizens and the Social Security Program and claim that they favor investments for children, it is clear that these statements and the economic policies of the Republicans are fundamentally irreconcilable. As our country painfully learned from the failed policies and high deficit years of Presidents Reagan and Bush, Republican programs to cut taxes for the wealthy, increase military spending, and balance the budget are a recipe for economic and social disaster.

Responding to President Clinton's call to enact comprehensive deficit reduction and economic growth legislation, the Democratic Congress in August 1993, without a single Republican vote, approved a deficit reduction program that has worked. Since the enactment of the 1993 Budget Reconciliation Act, nearly 6 million jobs have been created, the deficit has been cut by $135 billion and will decline for 3 consecutive years, a first since President Truman. Unlike the Republicans, who have refused to specify where their budget cuts would come from, the 1993 Clinton budget legislation reduced spending in specific entitlement programs, froze discretionary spending for 5 years without increases for inflation, and asked the wealthiest 1.2 percent of American families to contribute their fair share in tax payments.

Furthermore, appropriations bills enacted by the Democrats in the 103d Congress for the current fiscal year cut spending on 408 Federal programs, 40 programs were eliminated entirely, and kept total spending under the deficit reduction spending caps. Total savings from these terminations and reductions amount to more than $25 billion.

Mr. Chairman, let us not return to the failed policies of the past. We must focus attention on the future and our Nation's most valuable resource—our children. As we work to produce a Federal budget that reflects our Nation's priorities, Congress must ensure that we protect children, the most vulnerable members of society. I fear, however, that the enactment of a balanced budget amendment and the Republican contract will dramatically reduce our ability to assist, nurture, educate, feed, and heal the needy children of our country. I commend, for my colleagues' attention, the estimates from the Children's Defense Fund on the severe attacks that would be visited upon the children in Minnesota, should the Republican agenda be enacted. According to CDF analysis, which has proven to be very reliable in the past, the following impacts on Minnesota's children include: 29,150 babies, preschoolers, and pregnant women would lose infant formula and other WIC nutrition supplements; 51,550 children would lose food stamps; 154,600 children would lose free or subsidized School Lunch Program lunches; 93,250 children would lose Medicaid health coverage; 59,650 cases now served by the State child support agency would lose help to establish paternity or collect child support; 37,750 children would lose welfare benefits—Aid to Families with Dependent Children; 2,450 blind and disabled children would lose Supplemental Security Income [SSI]; 3,900 or more children would lose the Federal child care subsidies that enable parents to work or get education and training; 2,550 children would lose Head Start early childhood services; 28,000 children in child care and Head Start would lose Child and Adult Care Food Program meals; and 24,600 children would lose remedial education through title I.

Mr. WATT of North Carolina. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, when I first came to this House just 2 years ago, I did not support a balanced budget amendment. I thought we could do the cutting we needed to do because we were tough and because we were strong enough, but I have come to the conclusion that we do need a balanced budget amendment, but we do not need one that the seniors pay for. We should not ask seniors to do what we are not prepared to do. We should not ask seniors to cut their Social Security checks because we cannot cut our programs, other programs. We cannot ask them to do the things that we will not do.

So, I am going to oppose this balanced budget amendment although I must congratulate my Democrat colleagues who have put forward a balanced budget amendment. I just want to support one like the amendment offered by the gentleman from West Virginia [Mr. WISE] which also protected seniors, so I am going to oppose this respectfully, Mr. Chairman.

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I must react to the previous speaker and say there is nothing, absolutely nothing in this amendment, that will cut benefits for seniors. But I do rise in strong support of this Schaefer-Stenholm amendment and substitute. I am a cosponsor of it, and I certainly will vote for it, but I am not a new convert to the Schaefer-Stenholm approach. I have supported it several times before as it has come before this House, and I must tell my colleagues that this amendment will stand the test of time, as a constitutional amendment must do.

I also want to say that we can no longer defer action on this. It is an idea whose time has definitely come, and it sets everybody on notice that we will stop mortgaging the future.

The House must pass this amendment tonight with the required 290 votes. Now it must be passed. No more delays. No more excuses.

We must stop mortgaging the future of our children and grandchildren—now. We must get our fiscal house in order so that this generation of Americans and the next can confidently look forward to a future of good jobs at good pay, and a rightful place in a growing and economically secure middle class.

Frankly, we have less of a need for a balanced budget amendment than we do for political courage to make the hard choices necessary to cut spending and reduce our Federal deficit.

However, that political courage has been in short supply around here for the last few decades and I have come to the conclusion that this amendment is an idea whose time has come.

This amendment will stand the test of time—as a constitutional amendment must do.

You do not fool around with Mother Nature. And you do not fool around with the Constitution.

This proposal has the virtue of most nearly tracking the Republican proposal in the Senate. Namely, it does not contain the three-fifths supermajority provision for raising taxes. It does contain the protection of absolute majorities and the 60 percent rule for raising the debt ceiling or unbalancing the budget. I would prefer to include a provision, supported by

economists and businesspeople, to suspend the amendment during a persistent recession.

I would expect that as we reconcile our amendment with the Senate proposal that the problem of procedures in times of persistent recession would be addressed and the flexibility be given to address the need for economic stimulus during recessionary periods.

Again, no more excuses—no more delays—no more mortgaging the future.

Mr. WATT of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Chairman, the Speaker of the House has admonished us to review our American history. Among other books that he referred us to is de Tocqueville's ''Democracy in America.''

I say to my colleagues, I think you will find in a review of those volume that we are admonished against allowing a minority to direct the course of the majority. Yes, there is reference to and explanations of the dangers about the tyranny of the majority, but that has to do with the capacity of the individual to express his or her rights; that is to say, to put forward their argument. Those sets of documents of de Tocqueville and those of the Framers of the Constitution specifically reject what is being proposed here.

I give the gentleman from Texas [Mr. STENHOLM] credit. I am not familiar with the gentleman from Colorado, Mr. SCHAEFER, in the same manner that I am with Mr. STENHOLM in terms of discussion about the amendment before us. I give him credit and Mr. SCHAEFER, by extension, credit for saying something that is being failed to be put forward to the American people tonight.

This amendment makes clear that all receipts and all expenditures are to be counted, and that does include Social Security, that does include Medicare, that does include veterans' benefits. It does include all those things, and they should be addressed. I am not saying that is being hidden here. Quite the contrary. The gentleman from Texas [Mr. STENHOLM] to my knowledge has never been reticent about saying he wants to face up to these things squarely.

□ 1830

But I can assure you of this: That should this amendment pass, should the balanced budget amendment pass, that the small States will be the losers. The American people are not prepared as yet to understand what the full implications are going to be. The small States will lose out.

When it comes to balancing the budget, there are going to be regional groups that will be put together, there will be States with the votes in this House that inevitably will find themselves voting together to see to it they are taken care of at the expense of the small States. If we want to talk about what we are forcing ourselves into, that is what it is going to be.

I find it passing strange that we should be talking and some of the leadership that is on the side of this amendment is talking about extending credit, unfunded mandates, if you will, extending credit to Mexico, at a time when we are unwilling to extend it to ourselves when we think it necessary.

I think it is passing strange that some of us who will be voting for this amendment tonight have voted to extend credit, extend funding, to States where disasters have taken place. This is the kind of thing we will find ourself in great difficulty with it.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

(Mr. PAYNE of Virginia asked and was given permission to revise and extend his remarks.)

Mr. PAYNE of Virginia. Mr. Chairman, I rise in strong support of the bipartisan Stenholm-Schaefer balanced budget amendment to the Constitution.

Behind me is one of the strongest arguments that I can make for this amendment.

It is a check for $3,100. That is what the typical American family sent to the Treasury last year just to pay their share of the interest on the national debt.

It is not their total tax bill. It is just their portion of the $203 billion in net interest payments that the Government made last year.

That is money that will not be used to send the kids to college, or to build a comfortable retirement, or to invest in a new home.

It is money that will go directly to investors—many of whom are located overseas—who bought debt instruments of the U.S. Government.

This $3,100 check is a dramatic testament to the failure of this government to live within its means and to act responsibly.

Unless we act now to eliminate this deficit, and to live permanently under a constitutionally-mandated balanced budget—just as the States do, that $3,100 figure will only grow larger and larger for years into the future.

More and more of our scarce resources will go to servicing the national debt and nothing more. All new investments in better jobs, improved highways, and decent health care will be impossible because of our legally binding obligations to service the Nation's debt.

Mr. Chairman, this amendment will help future generations of Americans by eliminating new debt by 2002.

But make no mistake about it: The $3,100 that this check symbolizes is hurting America's families right now. And it will only get worse.

This amendment is our best hope of restoring for all Americans a Government that acts responsibly and that does not mortgage America's future, and the time to act is now.

I urge my colleagues to vote ''yes'' on the bipartisan Stenholm/Schaefer balanced budget amendment to the Constitution.

Mr. WATT of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Chairman, I think the sponsors of this amendment are great Members. I just do not agree with the process of what we are doing here, and I am going to oppose it. The Constitution says ''Congress, balance the budget.'' The Congress says ''Hey, wait a minute, don't lay that trip on me. Don't give me that burden.'' So Congress says ''Constitution, you do it.''

Seven years from now, eight years from now, nine years from now, ten years from now, and I am not Democrat, let me say that this, that wants to see the Republican Party fall on its face. If you fall on your face, our country falls on its face. I am going to support your good initiatives.

I philosophically believe this is wrong to do, to mess with the Constitution, and here is why. Let us talk business.

You are the chairman of the Budget Committee. You are the majority. You can convene a Budget Committee meeting and report out next month a balanced budget. You won't do that because you can't do that. A national debt of $5 trillion, $300 billion in interest to service the national debt, and you cannot do it in 1995. But in the year 2002, 2003, 2004, with a $7 trillion national debt and $500 billion to service that debt, the Constitution in a 2-minute drill is going to throw a Hail Mary pass and save our keisters, Congress.

It is not going to work. If it is not broke, don't fix it. If it is broke, fix it. The Tax Code is broke. It rewards dependency, penalizes work. Fix it, Congress. The trade program is broke. A record $153 billion deficit. The President did not mention it. No one in this House mentions it. At 20,000 jobs for each 1 billion. That is 3½ million jobs approximately, at $40,000 a year with benefits lost.

Come on, Congress. Most of us are not going to be here. I probably will not be. But in 8 years the Constitution is going to do something that we cannot do now.

The Republicans have got a chance. The American people want you to govern. We are going to tell them we passed a balanced budget amendment to the Constitution. The truth of the matter is, Congress, we should balance the budget, and you will find it in the Tax Code and the trade laws of our country. And we are not dealing with it, because we are afraid of words like ''protectionism,'' ''regulating commerce.''

So with that I would like to say to the Democrat Party, understand the Republican program. I don't understand ours. Let us give the American people a different choice. Let us tackle the issue of trade. Let us change that

Tax Code. That is what we should be doing.

This balanced budget amendment may pass, and the gentleman from Texas [Mr. STENHOLM] and the gentleman from Colorado [Mr. SCHAEFER], if it is going to pass, they are two of the better Members, and I can understand that, and I wish you the best. I am going to vote ''no.''

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from New Hampshire [Mr. ZELIFF].

(Mr. ZELIFF asked and was given permission to revise and extend his remarks

Mr. ZELIFF. Mr. Chairman, sometimes you can tell the strength of your case just by looking at who is opposing you.

Judging by the arguments against the balanced budget amendment I have heard, the case for the amendment couldn't be more clear.

Opponents say the balanced budget amendment may be a threat to Government programs in the future.

In fact, the real threat to critical Government programs like—Social Security, and Medicare—is continuing our $200 billion deficits, and $200 plus billion interest payments on the national debt.

Opponents say the balanced budget amendment will not allow the Federal Government to fulfill its responsibilities.

In fact, it will for the first time force Congress to fulfill its responsibilities. It will mandate that we set budget priorities and live within our means.

Opponents say the three-fifths requirement for a tax increase will bias Congress toward spending cuts. I say that is right, and that is really what the American people want.

Unfortunately, we did not get the necessary 290 votes to accomplish this.

Opponents have called the balanced budget amendment a gimmick and a trick.

I believe they are protesting so loudly because they know—and the American people know—that it will work.

There is nothing more important for us to do to preserve the future of our country than to pass this balanced budget amendment.

Mr. WATT of North Carolina. Mr. Chairman, might I inquire how much time remains?

The CHAIRMAN. The gentleman from North Carolina [Mr. WATT] has 14 minutes remaining, the gentleman from Texas [Mr. STENHOLM] has 9 minutes remaining, and the gentleman from Colorado [Mr. SCHAEFER] has 10 minutes remaining.

Mr. WATT of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. HASTINGS].

Mr. HASTINGS of Florida. Mr. Chairman, I thank the gentleman from North Carolina for yielding.

Mr. Chairman, you know, none of us favor tax increases, all of us want our country's budget to be balanced, and we all quote the Founding Fathers. I have sat here all afternoon and heard them quoted often. But only five times in the U.S. Constitution did the Founding Fathers allow for a supermajority, and perhaps that is because they understood the dynamics of majority rule, and some of us may not.

□ 1840

A constituent of mine, a man named Thomas Horsley, wrote me recently. He said:

> The Constitution already gives Congress the power to balance the budget, but a $4 trillion debt is adequate evidence that Congress has not been exercising that power. So the only possible legitimate reason to amend the Constitution is to give the 535 Members of Congress an incentive to balance the budget, an incentive they obviously do not have at the present time.
>
> At the center of the proposed amendment is the requirement for the budget estimates to project a balanced budget. That is the only part of the amendment concerned with balancing anything, and all it requires us to do is to balance estimates.

This gentleman says:

> I am sorry to sound cynical, but I am afraid that this will merely create a strong incentive for Congress to ''cook the books,'' while not actually balancing anything important.
>
> The Rosy Scenario and the magic asterisk are in the all too recent past for me to have forgotten them, and the temptation to haul them out again when the balanced budget amendment goes into effect will be overwhelming.
>
> The proposed amendment acknowledges that there may be times when it is impossible to balance the budget, and it is full of various rules for working around the requirement if necessary. That is one possible approach, but it seems difficult to anticipate every legitimate reason for deficit spending.
>
> The real problem is not deficit spending, it is long-term deficit spending. It took decades of deficits to build the $4 trillion monster we have now. What we really need is a simple requirement that deficits may be allowed, but they cannot go on indefinitely. We need an amendment which imposes a reasonable time limit on deficit spending and requires balance to be restored shortly after any deficit spending. This would allow the very useful economic tool of deficit spending to be used when needed but eliminate the real problem of never-ending deficits.

Someone said the other day that this is a half-brained amendment. Perhaps what we do not need is a balanced budget amendment. We may need some balanced-brain amendments around here.

Mr. STENHOLM. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Missouri [Ms. MCCARTHY].

(Ms. MCCARTHY asked and was given permission to revise and extend her remarks.)

Ms. MCCARTHY. Mr. Chairman, I rise in support of the Stenholm-Schaefer amendment.

Mr. Chairman, I rise in strong support of the bipartisan-bicameral balanced budget amendment offered by Mr. STENHOLM and Mr. SCHAEFER. I am proud to have joined 65 of my fellow Democrats and 90 of my Republican colleagues in cosponsoring this measure.

No one should doubt the necessity for a balanced budget amendment. The failed statutory remedies that have been enacted over the past 10 years, such as Gramm-Rudman-Hollings and the 1990 Budget Enforcement Act, confirm the need for the higher discipline that a balanced budget amendment would bring to the budget process.

The fact is, we have not lived under a balanced budget since 1969. In our Nation's first 205 years—from 1776 to 1981—the debt reached $1 trillion. It took only 14 years to reach the current debt level of close to $5 trillion. Living in debt means living with interest payments. In 1969, the Government spent less than 9 percent of Government receipts on interest payments. Now it spends 24 percent. These interest payments, roughly $200 billion a year and growing, crowd out spending for current programs and preclude spending on new initiatives.

Earlier today, we voted on a different version of the balanced budget amendment, which required a three-fifths vote to raise taxes. I would like to comment on this amendment. While the three-fifths vote requirement to raise taxes is intriguing, I believe the adoption of such a requirement abdicates the constitutional concept of majority rule. As Madison made clear in the ''Federalist Papers,'' majority rule is a cornerstone of our democracy and our system of representative government. The proposal of a supermajority is intriguing because it leaves open the possibility of requiring supermajority votes for other issues that are equally sacrosanct, such as Social Security or Medicare or defense spending or tax cuts. One could argue that these programs are worthy of supermajority protection.

The Constitution is not the place to enumerate special demands. Rather, the Constitution should stipulate broad principles about rights and privileges for our citizens. That is why I support the constitutional amendment that outlines the tenet that the Federal Government balance its budget on an annual basis.

I was elected to end the practice of irresponsible Federal deficit spending. I believe the adoption of a balanced budget amendment to the Constitution is the first step in the process toward greater fiscal responsibility. I urge my colleagues to support the Stenholm-Schaefer balanced budget amendment.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I thank the gentleman for yielding.

It is time that we stop this myth that somehow working people and the poor have made out as a result of having deficit spending in the United States. People come up to me and say, ''JOE KENNEDY is in favor of the balanced budget amendment. What is going on? What are you becoming, a new Democrat? Are you lining up with NEWT GINGRICH? Something is wrong if a member of the Kennedy family is lining up to support the balanced budget.''

The fact of the matter, ladies and gentlemen, is, in this country, the working people and the poor have not made out over the course of the last 10 or 15 years with these rising deficits. The programs that affect them the

most have been cut the most. You look at the way the spending has gone in America. Who has made out over the course of the last 15 years?

I serve on the housing committee. The housing budget of America has been cut 70 percent, when the deficits were rising in America. Energy assistance has been cut 30 percent; education spending cut 13 percent; transportation, cut 7 percent; all nondefense discretionary spending across the line, cut 11 percent.

And at the same time who has made out? Well, there have been people that have made out. The last 10 or 15 years we have seen defense spending rise in this country from about $100 billion to close to $300 billion. Interest payments on the debt, in 1980, after 200 years of American history, were $70 billion. Last year they were $240 billion.

Just ask any person that goes and borrows money from a bank. It is much tougher to pay the money back to the guy that owns the bank than if you are the fellow who is lending it.

Working people pay the taxes in this country. Wealthy people own the bonds. There are not a lot of working people in my district that own T bills. It is the people that own the T-bills that are making out on this debt.

If anyone is sincere about wanting national health insurance passed in America, I say the only way we will ever get national health insurance passed is if we get a balanced budget amendment. Because some fellow with green eye shades is going to sit down with the gentleman from Ohio [Mr. KASICH] one day, and he is going to point out to him that the only way we are ever going to get the health care cost under control in this country is by putting some cost controls on the rising cost of health care, by insuring the uninsured.

We are going to have a very difficult fight on what we actually do to achieve a balanced budget. But make no mistake about it, without a balanced budget amendment, we will continue the kind of deficit spending that has hurt the poorest and most vulnerable people in this country worse than any cuts that Ronald Reagan or George Bush or anybody else came up with.

Let us not stick our heads in the sand and pretend that this deficit has not been a cancer that has eroded the fundamental necessities of life for the American people.

Let us stand up for the Stenholm amendment.

Mr. WATT of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. EVANS].

Mr. EVANS. Mr. Chairman, a balanced budget amendment will force steep cuts in programs that working families count on to keep their heads above the water. Every program that works for middle-class people will be subject to the meat ax. This includes such vital and successful programs as Social Security, Medicare, veterans benefits and student loans. And by passing this amendment, we will do more than just gut those programs. We will continue to force middle-income and lower income Americans to shoulder the burden of deficit reduction.

For reducing the deficit we need balanced judgment, balanced judgment in spending wisely and balanced judgment in cutting spending wisely.

We cannot do that when the American middle class suffers the greatest sacrifices and burdens and the rich and large corporations remain virtually untouched.

I urge my colleagues to vote ''no'' on this substitute and ''no'' on final passage.

Mr. SCHAEFER. Mr. Chairman, may I inquire of the Chair how much time remains for each side?

The CHAIRMAN. The gentleman from Colorado [Mr. SCHAEFER] has 10 minutes remaining, the gentleman from Texas [Mr. STENHOLM] has 6 minutes remaining, and the gentleman from North Carolina [Mr. WATT] has 10 minutes remaining.

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, for 60 years, Congress has played a shell game with Americans. We have provided the services, but we have hidden the costs. Today, the bill is finally coming due.

Our deficit is almost $5 trillion. Interest on the debt is the third largest portion of the budget. In a few years, it will be the largest portion of the budget.

Faced with this crisis, we must take action—and we must take action now.

There's no time to wait for the next Congress, or to posture for the upcoming elections. If you have faith in the American voter, if you have faith in the democratic process, then support the Schaefer balanced budget amendment.

It protects future generations from our irresponsibility, and it forces Congress to finally set the priorities we've been avoiding for 6 years.

Mr. WATT of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Maine [Mr. BALDACCI].

Mr. BALDACCI. Mr. Chairman, this amendment that has been proposed is what I believe to be not straight with the American public. This amendment, as proposed, does not separate capital from operating expenditures.

In my State, where we have to balance the budget through a constitutional amendment, this amendment is different than that which we have in our State.

□ 1850

This asks the Federal Government, which has the capital outlay budget in the operating budget, to have it mixed together. It is not being honest with the American public.

Mr. Chairman, I came here from Maine to do the job I was elected to do, not to put it off for 2002. I was elected to do the job, as every Representative was elected to do the job, but not to give the power to a few large States who, with their electoral support, could withhold, with a super majority that is called for in this amendment, could withhold that support.

If my colleagues who support this amendment think the three-fifths super majority is such a good idea, they only need to look at the other body, where they are engaging in a filibuster, to realize that what they are doing is putting the filibuster in the Constitution of the United States.

Therefore, before we amend this Constitution with these kinds of provisions, we have to be honest with the American public, because this is not what we have in the States for constitutional amendments for a balanced budget, it is not what families do, it is not what I do in my business, and it is not what we should do in the United States of America's business.

The CHAIRMAN. The Chair would announce that the time disparity between the various sides is such that the gentleman from North Carolina [Mr. WATT] has only 8 minutes left now, and the two proponents have 9 minutes. What the Chair is going to do is go to the two Members to try to get some balance of the time, if that is satisfactory with everyone.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BAKER].

Mr. BAKER of California. Mr. Chairman, it is an honor to speak on this issue. We have waited 40 years.

From the Chicken Little school of budgeting, we have heard all week that the sky is going to fall if we balance the budget; the elderly care, Social Security, Medicare, nutrition. They held a press conference today in the Bay area. All these terrible things will occur if we balance the budget. Liberals know that Social Security is off the table.

I will tell you what we will not do. We will not pass a $30 billion pork-laden crime bill if the balanced budget passes. We will not have a $40 million peso bailout if the balanced budget passes. We will not ruin agriculture by arresting farmers when they run over a rat with their tractor if the balanced budget passes. We will not fund the Bavarian ski resort in Kellogg, ID, for $6 million if the balanced budget passes.

For 26 years this Congress has filed to balance the budget once. If they asked John F. Kennedy ''How are you going to get to the Moon,'' they would criticize the fuel he would use. He would never have been able to do it. If they asked an alcoholic ''What three liquor stores will close if you stop drinking,'' we would not do it.

We have lived off our grandchildren long enough. We must pass the balanced budget tonight.

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. SANFORD].

Mr. SANFORD. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of this amendment for many reasons. One that would come to my mind right now is history. Rome collapsed in 476 A.D. The Byzantine Empire collapsed in 1453. The Italian Renaissance came to an end in 1550. The Dutch Empire ended in 1759.

You could look across the pages of history. What you would find is that in every instance, civilizations reached a crossroads in which they had to decide, do we go back to what made us competitive and a world power in the first place, or do we stay on this happy but ultimately unsustainable cycle of upward government spending and upward government consumption?

In most instances, Mr. Chairman, those civilizations have taken the easy choice. Tonight we have a chance to impose upon ourselves the discipline that this body so desperately needs for the sake of not only ourselves but our children and our grandchildren. Mr. Chairman, I ask support for this amendment.

Mr. STENHOLM. Mr. Speaker, Mr. Chairman I yield such time as he may consume to the gentleman from Texas [Mr. PETE GEREN].

(Mr. PETE GEREN of Texas asked and was given permission to revise and extend his remarks.)

Mr. PETE GEREN of Texas. Mr. Chairman, I rise in support of the balanced budget amendment.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. DOYLE].

(Mr. DOYLE asked and was given permission to revise and extend his remarks.)

Mr. DOYLE. Mr. Chairman, I rise in support of the Stenholm-Schaefer amendment.

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, it is a tremendous privilege to serve my country as a Member of this institution. Our forefathers paid a tremendous price to give us this great Nation. Now it is our turn to live up to the responsibility that goes with that privilege.

Our Congress has not passed a balanced budget in 25 years. They borrowed $4.8 trillion on behalf of the American people. That is $18,500 for every man, woman, and child in the United States of America. For a family of four, that is $74,000. Here is the worst part. To simply pay the interest on the national debt, every family of four must write out a check each month for $450; $450 of their tax money each month is going just to pay the interest on the national debt.

Mr. Chairman, it is time to live up to our responsibility. We need to pass this balanced budget amendment so we can have a bright future for our children and for our grandchildren.

Mr. SCHAEFER. Mr. Chairman, I yield 2 minutes to our majority leader, the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I want to take a moment to talk about this moment. I would like to thank my colleague, the gentleman from Texas [Mr. STENHOLM], and my colleague, the gentleman from Colorado [Mr. SCHAEFER], for bringing this amendment to this floor at this moment.

Mr. Chairman, I would like us to reflect upon the fact that this moment is not about the party of the gentleman from Texas [Mr. STENHOLM] or the party of the gentleman from Colorado [Mr. SCHAEFER]. It is not about the last election; it is not about the next election.

Mr. Chairman, this moment is about the future of our children in this great Nation. That is what we address ourselves to at this point in time. We stand at this moment, Mr. Chairman, with a very frightening fact of our children's lives.

Each and every one of our children today is endowed with $18,300 of Federal national debt. That is the legacy of the manner in which this Congress has acted in the past, trying the best we could, no doubt, doing the best we thought possible, no doubt, but with the absence of any defining constraint, any fiscal imperative, constantly allowing that national indebtedness to grow larger and larger and larger.

This moment stands at a time where, if we do nothing, we must face the even more frightening possibility that by the time of their young adulthood, they will have even worse of that indebtedness, and their children, too, will share it.

Today, Mr. Chairman, is our chance to rise to the occasion of the moment, to reach out, put our disappointments aside, seize the moment, and think about our children. Vote yes for a new constraint and a new beginning.

Mr. WATT of North Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. DIXON].

(Mr. DIXON asked and was given permission to revise and extend his remarks.)

Mr. DIXON. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. STENHOLM].

Mr. Chairman, I rise to express my deep concern over efforts to amend the Constitution to require the Federal Government to adopt a balanced budget. Although I will vote in favor of specific substitutes offered by my colleagues, I do so because they represent more reasoned alternatives to the majority's proposal, not because I support amending the Constitution to require the Congress to do what it already has the power to accomplish.

It is unfortunate that the majority has elected not to initiate its budget reduction goals in a more reasoned and deliberative manner—debating the specifics of program reductions and reforms, rather than amending the Constitution to restrain the flexibility of Congress to address the needs of the economy and American citizens.

Federal budgets are statements of policy. The budget represents the best efforts of the executive branch and the Congress to reach majority consensus on specific investment and revenue decisions based upon judgments of the Nation's needs. The Congressional Budget Office has estimated that $1.2 trillion will have to be cut from the Federal budget under the amendment's mandate. Significant policy decisions on a range of issues will be imposed based on the need to implement arbitrary and draconian reductions in spending—an abdication of our responsibility to make such decisions in a deliberative manner.

Proponents of the amendment have refused to enlighten the American people on how the budget will be balanced. Instead they focus on the process, forgoing the specific impacts of this legislation, and relying on simplistic notions. Process is no substitute for the profound choices facing this body as we debate reductions in spending—reductions which will have a significant impact on our ability to provide for the Nation's security and economic stability, and to invest in the productive capacity of Americans and the Nation's infrastructure.

Forced reductions in Medicare and Medicaid do not pass for responsible reform of our health care system. The coming debate on welfare reform—moving Americans from welfare to work—must include a thoughtful debate on the need for investing in education and training. There is widespread acknowledgement that it may be necessary to spend money up front in our efforts to end welfare as we know it and put recipients to work. Passage of the balanced budget amendment may force the Congress to base reforms solely on reduction in costs—not on the requirements of legitimate reform.

Robert Bork is recently quoted as saying that the balanced budget amendment "rests on the assumption that Congress won't behave responsibly in the absence of a constitutional amendment." I would urge my colleagues to reject that assessment and House Joint Resolution 1. The 103d Congress demonstrated that it can act to reduce the deficit. That process can and should continue as we begin a deliberative debate on the specific policy reforms on our agenda.

Mr. WATT of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. CHAKA FATTAH].

□ 1900

Mr. FATTAH. Mr. Chairman, I thank the gentleman for yielding me the time.

I would like to first associate myself with the remarks of the gentleman from Massachusetts, except for his conclusion. I would like to say that as we approach this issue, we should be careful that we do not handcuff the future of our country. We would not have been able to invest so significantly, for instance, in our military to fight the cold

war given these dynamics of a balanced budget amendment.

This county has used deficit spending to invest in ways to improve our infrastructure, like the superhighway, Federal highway program, 41,000 miles of highways across this land.

We hear so much talk about the family budget and that the Government's budget should be more like families' budgets. Families are not so concerned about balancing budgets. They are concerned about responsible budgeting. They would not let a sick child go without health care in order to have a balanced checkbook. They would not go without a roof over their head rather than to acquire a mortgage. Families make responsible decisions in which in some cases they use debt or use savings. But they act in ways in which they do in fact create opportunities for future generations.

So when the majority leader, who I believe is sincere, along with the two gentlemen who are the makers of this substitute amendment, suggest they are doing this on behalf of future generations, I would suggest to you that we also in many ways, some even unimaginable at the moment, by limiting ourselves in this way jeopardize future generations.

The last thing I would say, Mr. Chairman, is that what we are doing does not make common sense. All we need is 51 percent of the Members of this House, 218 votes, to pass a balanced budget. What we are doing now is searching for 290 to give us a flag to wave rather than a balanced budget that we actually can send to the President's desk.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. CRAMER].

(Mr. CRAMER asked and was given permission to revise and extend his remarks.)

Mr. CRAMER. Mr. Chairman, I rise in strong support of the Stenholm balanced budget amendment.

I rise today in support of a balanced budget constitutional amendment. I have said these words before in this Chamber.

I have voted for such an amendment since being elected to Congress. Perhaps today I can say we met the vote threshold and passed the balanced budget amendment.

Congress now has all the authority it needs to balance the budget. However, the Congress is missing one thing: fiscal discipline.

The balanced budget amendment provides the fiscal discipline that Congress needs to face up to the hard choices that we must make in order to reduce a national debt the current exceeds $4.7 billion.

I have become more and more frustrated with this budget process that cannot stop record deficits year after year.

I have come to the conclusion that it is necessary to restrict the ability of the Government to borrow money from future generations and that it is necessary to restrict the ability of the Government to tax the American people.

If families in my district have to balance their budgets and monitor their spending habits, it only makes sense that the Federal Government abide by the same commonsense rules.

Our citizens are disgruntled with the Federal Government making excuses. They expect and should expect that the Congress put aside the partisan tactics and pass strong legislation that can rein in our national debt and spiraling interest payments.

Until we balance the budget, these interest payments will continue to force downward pressure on the American economy and the American people. I think hard-working Americans deserve some relief.

Making sure that we do not spend more than we bring in is the relief that is needed. The mechanism to ensure that relief is the balanced budget amendment.

I encourage my colleagues to vote for this amendment so that we can say today we moved to control runaway spending.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, I thank and congratulate my dear friend, the gentleman from Texas [Mr. STENHOLM], for the excellent work he and the gentleman from Colorado [Mr. SCHAEFER] and others have done in bringing this balanced budget amendment to this floor tonight.

As a conservative Democrat, I am pleased to follow my more liberal Democratic colleague, the gentleman from Massachusetts [Mr. KENNEDY], in a request to all Members that we do the right thing tonight, that we pass this balanced budget amendment on to the floor of the full House for a final vote.

As the principal cosponsor for many years with my friend, the gentleman from Texas [Mr. BARTON], of the Barton-Tauzin constitutional amendment that contained the supermajority requirement to raise taxes, let me make an admission tonight. I think we all need to admit we do not have the votes to pass that amendment. It in my mind was the superior version.

But I must tell you that the Stenholm-Schaefer amendment we are debating now is an awfully good version of a balanced budget amendment for the U.S. Constitution, the best one we can pass and the one we ought to pass to the floor for final action tonight.

Why is it the best one we can pass and a good one to boot? Because it contains a supermajority provision twice to ensure that before we budget an unbalanced account and before we raise the debt ceiling in America, that we get the supermajority agreement to do it.

People have complained about a supermajority and said it is not American, not Democratic. Let me assure you, corporations generally include a supermajority requirement before the majority in a corporation can hurt the minority rights. The supermajority provision is designed to protect minority rights from the tyranny of the majority.

What tyranny have we been subjected to for 25 years? We have been subjected to a tyranny of a majority spending money we do not have and creating debt we cannot pay down and creating a situation as my friend JOE KENNEDY said where we do not have the money to do good things for Americans anymore. It is time to end that tyranny and balance this budget and settle the accounts.

But let me turn the argument on its head. Should we put in our Constitution a requirement that we stop unbalancing our accounts each year? Let me turn that on its head. Do we have a right to spend money we do not have? If you want to spend money that is your money that you do not have and borrow yourself into debt, you certainly have that right. But we are here as agents of the American taxpayer. Do we have a right to spend money he has not sent us, she has not sent us? The answer I think is no.

We are agents of the taxpayers of America. We owe an agency-fiduciary relationship to the people of America who sent us here. And our agency requirement is not to spend money we do not have because we cannot do this in a free society and keep it free.

The obligation tonight, all of you, all of you who wanted Barton-Tauzin to pass and now we know we cannot do it, the obligation is to rally around Schaefer-Stenholm and make it the law of this land.

Mr. WATT of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, first, though I will not be voting for this amendment, I want to salute the gentleman from Texas [Mr. STENHOLM] and his colleague in this effort, the gentleman from Colorado.

The gentleman from Texas [Mr. STENHOLM] and I disagree on many, many things, but I have the greatest respect for his integrity and his commitment. I hope you prevail tonight, CHARLIE. You deserve it. And though I will be voting against you, you have certainly put up the good fight for a long, long time.

We had a chance, 2 years ago, to put a vote on this floor that went way beyond the rhetoric of an amendment and talked about real spending cuts, real deficit reduction. Not a single Republican would vote for it. We are talking about the Clinton deficit reduction plan. The result of it, some $600 billion in deficit reduction, a tough plan that worked, 3 straight years of deficit reduction, the first time since Harry Truman. Not one single Republican vote in the House or the Senate.

And then I came to the floor last year with the suggestion in an appropriation bill to cut 10 percent, $1.3 billion, from the previous year's discretionary spending. And if you look at the rollcall, you know what you will find? Many of the balanced budget warriors who have stood so bravely at these microphones tonight calling for major surgery on our deficit were fainting at the sight of blood when

they saw the spending cuts. Folks, it is in the record.

Now we are about to change the Constitution of the United States and for the first time put a fiscal policy in it which is to guide us to courage. We did not need it. We needed the determination, the bipartisan determination of Democrats and Republicans. Instead, not a single Republican would step forward 2 years ago when we had a chance to do something about it.

I am concerned about the conservative political groups in this town who will exalt over the passage of this amendment. They will finally be able to shred the safety net constructed by Franklin Roosevelt, the safety net constructed with Medicare in the 1960's. The victims unfortunately are the most vulnerable people in America.

Mr. SCHAEFER. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana [Mr. MCCRERY].

(Mr. MCCRERY asked and was given permission to revise and extend his remarks.)

Mr. MCCRERY. Mr. Chairman, I rise in support of the balanced budget amendment.

Mr. Chairman, I rise today in support of the Schaefer balanced budget amendment and to urge all of you who support bringing the Federal Government's spending binge to an end to do so.

Let me say at the outset that I much preferred the Barton amendment with its requirements for a supermajority of the Congress in order to pass a tax increase. The Barton amendment offered the best hope for curing the Congress' addiction to tax hikes—to end the practice of blithely dipping deeper into the pockets of middle-class Americans in order to finance increased spending. But the simple fact is, we lack the votes needed to ensure the Barton amendment becomes part of the Constitution.

Faced with a choice of politics as usual or with adopting a meaningful constitutional requirement that the budget be balanced, I support the Schaefer-Stenholm amendment.

If you and your family set up a budget each year and you estimate you'll spend more than you earn, you might use your credit cards or borrow money from the bank. Twenty years of credit cards and borrowing would probably find you in bankruptcy. So it is for families and—I submit—so it is for the Federal Government.

The fact is: We have not balanced a single budget since 1969. Time and again Congress has had the opportunity to cut spending—either with across-the-board cuts on appropriations bills or with specific measures such as the $90 billion Kasich-Penny spending cut initiative in 1993. Time and again the majority in Congress rejected these modest efforts to hold the line on spending. Clearly sufficient congressional will to cut spending and reduce the deficit was lacking.

Because the present capacity to borrow money creates an unlimited ability to spend without immediate consequences, there is no clear procedural or political barrier to ever-spiraling spending. A constitutional amendment is the only way to force Congress to make the difficult choices needed to balance the budget.

The Schaefer amendment shores up our best intentions with constitutional backbone. It requires that the President submit and the Congress adopt a budget which balances actual outlays with actual receipts. It protects our ability to respond to national emergencies by waiving the requirement for a balanced budget whenever the United States is engaged in armed conflict.

Mr. Chairman, I would have preferred the Barton amendment's stricter tax-limitation provisions. But the perfect must not become the enemy of the very good. Passage of the Schaefer-Stenholm balanced budget amendment will ensure that we not only fulfill our obligations to the American people in our contract with them, it will ensure we fulfill the unwritten but no less binding obligation not to saddle future generations with unbearable debt.

I strongly support the Schaefer-Stenholm amendment and urge each of my colleagues to do so as well.

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from New York [Mr. BOEHLERT].

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, I rise in support of the Schaefer-Stenholm amendment.

I must candidly admit I have not always been in the front ranks of the warriors fighting for a balanced budget amendment. My position has evolved over the years.

When I first came here 13 years ago, I said to myself in response to those who called for amending the Constitution, let us not tinker so readily with that very sacred document. I felt we had a conservative President who could advance a balanced budget amendment or proposal anytime he wanted. That balanced budget proposal was not advanced. I felt that the Congress of the United States in its wisdom, adults, could pass a balanced budget anytime it wanted. But it did not do so. I watched the deficit mount and mount and mount, and I began to consider my kids and grandkids.

I looked at the situation where now we have a debt approaching $5 trillion, which means that every single day, every 24 hours, we are spending almost $1 billion just to service that debt. It does not educate anyone or feed anyone or clothe anyone. That is obscene and we have got to change it.

Mr. SCHAEFER. Mr. Chairman, may I inquire about the time?

The CHAIRMAN. The gentleman from Colorado [Mr. SCHAEFER] has 3 minutes remaining, the gentleman from Texas [Mr. STENHOLM] has 3 minutes remaining, and the gentleman from North Carolina [Mr. WATT] has 4 minutes remaining.

Mr. SCHAEFER. Mr. Chairman, I believe that we have the right to close?

The CHAIRMAN. The gentleman from Colorado would have the right to close.

□ 1910

The Chair apologizes. The gentleman from North Carolina [Mr. WATT], because he is a member of the committee and is controlling time in opposition, may close.

Mr. SCHAEFER. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. LOBIONDO].

(Mr. LOBIONDO asked and was given permission to revise and extend his remarks.)

Mr. LOBIONDO. Mr. Chairman, I thank the gentleman for yielding me this time. I strongly support this amendment. I would have preferred the Barton amendment that obviously we are not going to get a chance to get the number of votes for. But I think we have an obligation to the American people, and I think it is a sacred obligation.

In my district when I get into the church halls and the fire halls and look people in the eye, they ask me: ''How come Congress does not live in the real ''How come Congress does not live in the real world.'' They ask me how come we do not live by the same rules that they live by.

They live with a balanced budget, Mr. Chairman. They cannot spend more than they take in, at least not for very long, and they cannot understand why Congress does not live with that same discipline.

We now have an opportunity, and it is a historic opportunity, to give something to the American people that they should have had long ago, that will establish that we in Congress recognize the real world that they live in and we can do this right. It is the right thing to do for ourselves, for our constituents, for their children and for our grandchildren.

Mr. STENHOLM. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Arkansas [Mrs. LINCOLN].

(Mrs. LINCOLN asked and was given permission to revise and extend her remarks.)

Mrs. LINCOLN. Mr. Chairman as an original cosponsor from last session and this session, for our children and our children's children, I rise in strong support of the Stenholm-Schaefer amendment.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. POSHARD].

(Mr. POSHARD asked and was given permission to revise and extend his remarks.)

Mr. POSHARD. Mr. Chairman, I rise in support of a Schaefer-Stenholm amendment.

Mr. Chairman, I rise in support of the Barton balanced budget amendment. I will also, as I have in years past, vote for the Stenholm balanced budget amendment.

Here is the way I see it.

This year we have a Federal budget of $1.5 trillion. That budget is divided essentially into three components.

Discretionary spending, which includes defense, education, science, space, technology, agriculture, law enforcement, judiciary, environment and other domestic programs. The discretionary programs receive 35 percent of the tax dollars sent to Washington this year.

The second category is the entitlement programs. Those are Social Security, Medicare, Medicaid, food stamps, veterans health care, Federal retirement, farm subsidies, etc. These programs receive 45 percent of all tax moneys this year.

The third part of the budget is interest on the $4.5 trillion debt we have accumulated as a Nation. This year that interest payment is 20 percent of our entire budget. Out of a $1.5 trillion budget, 65 percent of all the tax dollars go to entitlements and interest on the debt, and in the year 2012, according to the Entitlement Reform Commission analysis, 100 percent of all tax dollars will go to entitlements and interest. None of our tax dollars will go to defend this Nation, educate our children, protect our citizens from crime, protect our environment, provide research for our science and industry, etc.

In other words, total, complete bankruptcy.

This is why we must have a balanced budget amendment to compel this Congress to make the hard choices to stop this insane direction in which we are moving. It must be done, even though we will offend many people with the hard choices we make.

The rub in this debate is Social Security. A resolution was passed on the floor yesterday exempting Social Security from the balanced budget amendment. It passed by an overwhelming margin, but everyone in this House knew it was a ruse. It has no legislative effect. Even the senior citizens organizations condemned it as a farce. It was for political cover, so we would all go back home and say we voted to protect Social Security, knowing that it is absolutely impossible to balance the budget of this country and exempt one-fifth of the entire budget from the equation.

The truth is that the Social Security system must accept the same responsibility that every other program in the Federal budget accepts for helping solve the deficit and the debt.

Everyone here knows that we are talking about slowing down the growth of increased Government spending. In the case of Social Security, seniors will continue to receive increases in COLA's, although they may not be as great as those increases in the past. If Social Security is totally exempt from considerations to balance the budget then the education of our children, the health care of our veterans, the protection of our environment will all have to suffer three times as great a slowdown in the growth of their funding as the Social Security system.

This is not fair. I represent senior citizens, but I also represent the children and grandchildren of senior citizens. I worry about the security of seniors today, but I also worry about the security of their children tomorrow and beyond.

I don't know any seniors in my district who would put themselves ahead of their children and I'm not going to lie to them to tell them Social Security has no part in solving this problem. Both parties, Republican and Democrat, know, beyond any doubt that the budget must be balanced and it cannot be balanced without the help of the seniors and the Social Security system.

The best protection for Social Security in the end is to eliminate this deficit and debt, and I repeat it, it cannot be done by exempting 20 percent of the Federal budget from consideration. Seniors want the truth just as all of the American people want the truth, not some game to deceive them in the end.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. MONTGOMERY].

(Mr. MONTGOMERY asked and was given permission to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Chairman, I rise in strong support of the Schaefer-Stenholm amendment. I have been working for years for a balance budget constitutional amendment. We need discipline in Congress to quit spending more than we take in.

This amendment will now have to be ratified by 38 State legislatures. Now its up to the Senate and the States.

I commend the gentleman from Texas [Mr. STENHOLM] for his hard work on this amendment as well as the gentleman from Colorado [Mr. SCHAEFER].

This is a great night for America if this amendment is passed.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. CONDIT].

(Mr. CONDIT asked and was given permission to revise and extend his remarks.)

Mr. CONDIT. Mr. Chairman, I rise in strong support of the Schaefer-Stenholm amendment.

The CHAIRMAN. The Chair's understanding of the situation is that the gentleman from North Carolina [Mr. WATT], has one additional speaker.

Mr. WATT of North Carolina. Mr. Chairman, I have one additional speaker, and I will close.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. NADLER].

(Mr. NADLER asked and was given permission to revise and extend his remarks.)

Mr. NADLER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas.

I commend the gentleman for his principled defense of the principled defense of the principle of majority rule on the tax issue. The lack of sense of giving a minority the right to decide whether the United States will meet its obligations to its bond holders, or how we will make fiscal policy, is clear and I regret that the budget debate has strayed so far from the mainstream that we have to breathe a sigh of relief when a longtime and committed proponent of a balanced budget amendment courageously speaks out against the radicalism of the three-fifths rule on the tax issue.

Nonetheless, I must speak out against the gentleman's amendment.

We must work harder to achieve a balanced budget, but, nothing can substitute for the courage and discipline to take the tough budget votes. This amendment will not do it, it will simply give those who lack backbone the ability to say, ''Look, I voted for a balanced budget amendment, don't ask me to actually vote for a balanced budget.''

Well that's not good enough. If we really do not want to stick our kids with the bills, then we must either not spend money on something somebody here wants—and there is no shortage of people here who will vote for this amendment but will fight vigorously to protect their pet programs—or we will have to tax somebody—and nobody here wants to do that.

The distinguished majority leader stated the real issue clearly when he ruled out any discussion of the real choices we will have to make in order to balance the budget ''because'' he said ''the fact of the matter is once Members of Congress know exactly, chapter and verse, the pain that the Government must live with in order to get a balanced government, their knees will buckle.''

Are we really prepared to say that the democratic process can't produce a sound economic policy—that Federal judges should be given control over taxes, spending and our nation's priorities? Are we prepared to place control of our destiny in the hands of the special interests and of a minority of the House? I, for one, still believe that democracy, majority rule, can be made to work.

But even if the Members of this House succumb to a sudden attack of fiscal courage, we still have to look at the economic impact of this amendment.

We have heard no discussion of the impact of the complete elimination of the issuance of Federal debt on pension funds and other institutions which turn to such debt instruments as a conservative place to invest funds?

Mr. Chairman, this amendment is a dangerous way to try to ensure fiscal responsibility. It will not work. I commend the gentleman for his courage, and urge the defeat of the amendment.

Mr. STENHOLM. Mr. Chairman, I yield myself the remaining 3 minutes of my time.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, before I begin, let me say on behalf of all of those who have participated in debate over those 2 days, thank you for your job. You have been extremely fair, and we owe you a debt of gratitude for the way in which you have conducted yourself.

The CHAIRMAN. The Chair thanks the gentleman.

Mr. STENHOLM. Mr. Chairman, if I might, indulge me in a little historical perspective. This debate on the balanced budget amendment has matured considerably since we first participated in 1982. We have not spent as much time arguing over whether deficits are bad. We have a lot more Members who have signed off on the concept of amending the Constitution. Although we still differ on which one is the best, we have had far fewer accusations about people's motives in supporting a constitutional amendment, and that is the good news. We also got to a floor consideration with a lot fewer gymnastics this year than in the past, and we sincerely appreciate the Republican leadership for that.

To my own leadership I owe a great deal of sincere appreciation this year as well. Some people say that we Democrats have not learned a thing in the past 3 months, but I know we have. The handling of this issue is ample proof. My leadership understands that there are Democrats who have always felt passionately about the importance of this amendment. DICK GEPHARDT and DAVID BONIOR could not have been more gracious in bringing us to this point.

The bad news is that the need for a constitutional amendment is so much greater than when we started working on this issue. The ever-growing danger posed to our children and grandchildren is more threatening than ever.

One Member on the floor yesterday put it as succinctly as possible: Deficit spending is stealing all of us gathered here, especially those three-quarters of us who are veterans, have been guilty of taking from the pockets of the very people we love the most.

People have asked me, how could you have had the energy, the will and the motivation, and from some people's perspective the stupidity, to keep pounding away at this effort to add a balanced budget to the Constitution year after year. I always explain that is the farmer in me. If you are not an incurable optimist with a farmer dealing with floods one year and drought the next, and bugs and insects and all of the things that go with it, and intense international competition, and then the argument with my good friend, DICK ARMEY, regarding the policy on agriculture, as a farmer you just cannot give up and let it defeat you. You keep plugging.

As a father, soon to be grandfather, I cannot let myself be defeated on the constitutional amendment either.

That is my motivation, and I share it in a bipartisan way with so many tonight.

If we do not hand over to those children, my children and yours, your grandchildren and mine to be, if we do not deliver the best country we can, if we do not give them at least as good a life as we have enjoyed and had the privilege of enjoying, what kind of a daddy am I and what kind of grandfather or grandmother will we be?

□ 1920

Each one of us here in this Chamber knows what I am talking about, whether it is our own kids or our nieces and nephews or kids down the street, we know we owe them the best future we can offer. Stealing from them, sustaining deficit spending, is not the best answer.

I thank all who have participated in this debate, in this ongoing, decade-long effort. For all of the right reasons, I urge my colleagues to support this bipartisan amendment calling for a budget of the United States of America to be balanced by the year 2002 and forever thereafter.

Mr. SCHAEFER. Mr. Chairman, I yield the remainder of the time on our side to close to the gentleman from Iowa [Mr. GANSKE], a member of our great freshman class, a great worker on this particular issue.

Mr. GANSKE. Mr. Chairman, I believe there is nothing more important to the future of our country than getting our national debt under control.

The facts are sobering: $4.7 trillion of debt, $18,000 for every man, woman, and child in this country. In 1994 the gross interest payments on this debt equaled $240 billion. This is almost as much as we spent on Social Security; it is more than the combined budgets for the Departments of Agriculture, Education, Energy, Housing and Urban Development, Interior, Justice, Labor, State, Transportation, and Veterans' Affairs.

Some opponents of the balanced budget amendment seek to minimize the consequences of this national debt. What they ignore is the impact on Government services, program beneficiaries, and taxpayers from remaining on this same course that we are on now, a course that will result in the Federal debt increasing 90 percent over the next 10 years and annual spending on interest increasing by two-thirds.

That is why I believe a constitutional amendment to balance the budget is so necessary. The national debt is a real and serious problem, and nothing short of a balanced budget amendment will give politicians the backbone they need to make the tough decisions.

You know, Americans have to realize that sacrifice is necessary. For too long the public has wanted unlimited services, unlimited resources. Passage of the balanced budget amendment will initiate a great debate, just what can and what should Government do. We need to ask what is good for the country.

If we cannot act responsibly with our country's budget, we will have bankrupted our children's future.

I urge my colleagues to recognize the importance of this amendment and to support the Schaefer-Stenholm version.

Do not let the perfect be the enemy of the good. This is a very good amendment. If we fail to pass this balanced budget amendment, we will have failed to deliver on the promise we made to the American people.

Mr. WATT of North Carolina. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I want to start by agreeing with the majority leader, the gentleman from Texas [Mr. ARMEY]. This vote is not about the next election. It is not about the election after that, because the drafters of this bill have carefully drafted it so that they will not have to dance to the music until the year 2002. In fact, if you look carefully at the Contract With America and you follow this 6-year limitation on service in this body, conveniently everybody here will be gone. If you look at the new rules of the House and the limitation on how long the Speaker can serve, the Speaker will be gone, even if he continues to be in the majority. In 2002 we are called upon to balance the budget.

So it is not about this election. It is not about the next election. It is not even about the election after that. It is about democracy and honesty and when we are going to level with the American people and when we are going to have the guts to balance the budget. That is what this vote is about.

I implore you not to take away my right to have an equal voice in this body, not to give me this stuff about a supermajority being required, because that is going to give the major States the control of this decision.

I come from a small State, but we in North Carolina have the same rights as everybody in every other part of this country, and the minute you pass a supermajority, and say, ''We are going to up the ante, your vote is not worthwhile,'' let us defeat this amendment and let us defeat this balanced budget amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Colorado [Mr. SCHAEFER].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WATT of North Carolina. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 293, noes 139, not voting 3, as follows:

[Roll No. 49]

AYES—293

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLay
Deutsch
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Gordon
Goss
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kasich
Kelly
Kennedy (MA)
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martinez
Martini
Mascara
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Moran
Morella
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Richardson
Riggs
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stearns
Stenholm
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Torricelli
Upton
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—139

Abercrombie
Ackerman
Baldacci
Barrett (WI)
Barton
Becerra
Beilenson
Bentsen
Berman
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Bunn
Cardin
Clay
Clayton
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Furse
Gejdenson
Gephardt
Gonzalez
Graham
Green
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Holden
Hostettler
Hunter
Jackson-Lee
Jefferson
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Matsui
McDermott
McKinney
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Murtha
Myers
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pastor
Payne (NJ)
Pelosi
Pickett
Pomeroy
Rahall
Rangel
Reed
Reynolds
Rivers
Rohrabacher
Roybal-Allard
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Souder
Stark
Stockman
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Tucker
Velazquez
Vento
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—3

Bishop
Fields (LA)
Rush

□ 1943

Mr. HILLIARD and Ms. MCKINNEY changed their vote from ''aye'' to ''no.''

So the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. WALKER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States, pursuant to House Resolution 44, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. CONYERS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONYERS moves to recommit the joint resolution H.J. Res. 1 to the Committee on the Judiciary with instructions to report the same back to the House forthwith with the following amendment:

At the end of the matter proposed to be added as an article of amendment to the Constitution, strike the period and closing quotation marks and add the following new section:

''SECTION .—Total receipts shall not include receipts (including attributable interest) for the financing of benefits and administrative expenses of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or any successor funds, and total outlays shall not include outlays for disbursements of the Federal Old-Age and Survivors Insurance Trust Fund for benefits and administrative expenses and the Federal Disability Insurance Trust Fund for benefits and administrative expenses, or any successor funds. The receipts and outlays referred to in the preceding sentence shall be limited to receipts and outlays that provide old-age and survivor cash benefits for individuals based upon their earnings and dependents of such earners or provide disability cash benefits for disabled individuals based upon their earnings and dependents of such earners.''.

Mr. HYDE (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. BONIOR. Mr. Speaker, I object.

The SPEAKER. Objection is heard. The Clerk will read.

The Clerk concluded the reading of the motion to recommit.

The SPEAKER. The gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes in support of his motion to recommit.

Mr. CONYERS. Mr. Speaker, my colleagues, this motion to recommit and to report forthwith would present immediately to the House exactly the same identical Schaefer-Stenholm proposal just passed with one and only one exception. Social Security would be explicitly protected in the actual words of the constitutional amendment.

Mr. Speaker, we are now at the end of the night, and, after all is said and done, after all the rhetoric dissipates, four essential facts remain about the treatment of Social Security in the measure before us:

First, Mr. Speaker, Social Security is currently off budget under Gramm-Rudman and the Budget Enforcement Act. Second, Schaefer-Stenholm puts it back on the budget and creates an incentive to balance the budget on the backs of Social Security recipients. Third, the Flanagan resolution approved yesterday does not change the fact that Social Security can still be

cut. It is the Flanagan fig leaf, and it is getting smaller all the time. Finally, the only way, I repeat the only way, to protect Social Security from being cut is to write into the words of the amendment that it cannot be cut, as my motion to recommit does. Anything short of that will only meet the laugh test.

□ 1950

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, a lot of Members have talked about, and a number of Members have made promises, saying that Social Security surpluses will not be used to offset deficits elsewhere, because that creates an incentive to cut Social Security benefits. But all of those promises are wiped out by this constitutional amendment, because under the constitutional amendment they are united again and Social Security and the rest of the budget are counted together. If you wish to say that Social Security surpluses shall not be counted to offset a deficit elsewhere, you have no option but to vote for this.

Voting against this, and this is the only change, there is no three-fifths at stake, there is no four-fifths, there is nothing. This adds to the existing text only serious protection for Social Security.

Defeat this, and you have created a constitutional incentive to reduce Social Security benefits in case we need that to get to a balanced budget in the future.

Mr. CONYERS. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Speaker, I rise in strong support of this motion to recommit.

Fellow members, the reality check has now arrived. The time has come to match your rhetoric with your vote. Let us be absolutely clear, a vote against this motion is a vote to subject the Social Security trust funds to the provisions of this balanced budget act.

This vote is not a sense of Congress resolution. It is not a nonbinding, soon-to-be-forgot commemorative like was pushed through here last night. The $423 billion surplus in the Social Security trust fund will offer some easy pickings as budget balancing decisions get harder.

All Americans, especially the seniors in our home communities, will know tonight if you stood with them or your party bosses. Let us put our votes where our mouths are. Let us give Social Security meaningful and real protection. The decision is up to you. You cannot hide behind a useless exercise tonight. Support his motion to recommit.

Mr. CONYERS. Mr. Speaker, with this motion we are separating the wheat from the chaff, the true believers of Social Security from the faint hearted. This is the only motion where you can truly show the American people where you stand on the issue of Social Security.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Is the gentleman from Illinois [Mr. HYDE] opposed to the motion?

Mr. HYDE. Mr. Speaker, I am.

The SPEAKER. The gentleman is recognized for 5 minutes in opposition to the motion to recommit.

Mr. HYDE. Mr. Speaker, we are on the threshold of a historic moment. The House is about to pass its first balanced budget amendment and send it over to the Senate. And to those who have participated in this, I congratulate you and salute you, and I salute true bipartisanship which can work and did work in this instance. I salute the gentleman from Texas [Mr. STENHOLM], the gentleman from Louisiana, [Mr. TAUZIN], the gentleman from Texas [Mr. GEREN], the gentleman from Maryland [Mr. HOYER], and all those Members who have given by their speeches and their votes the answer to the remarks of the gentleman from Michigan.

Mr. Speaker, our declaration tells us that Governments derive their just powers from the consent of the governed. That is why we are here. That is why we are voting as we are about to vote, consonant with the consent of the governed. They want a balanced budget amendment, and we are going to give them one.

If you habitually overspend, the courts appoint a conservator for you. We are beyond that point now. The only thing that will help us survive is a balanced budget amendment.

This motion to recommit deals with the Social Security issue. I would like to remind my colleagues that we have dealt with it three times on the amendment process. Three of the substitutes carved out Social Security, one by the gentleman from West Virginia [Mr. WISE], which got 138 votes, one by the gentleman from Michigan [Mr. CONYERS] which got 112 votes, and one by the gentleman from Missouri [Mr. GEPHARDT] which got 135 votes. So once more we go to the well on the issue of Social Security.

I tell you, Social Security is not endangered by this balanced budget amendment. I just ask the Members of this body to use their imagination. What is the biggest threat to Social Security? It is not us. It is not elected Congressmen, I can assure you. But it is from an economy that is top heavy with debt. That is the biggest threat to Social Security.

I have heard talk about safety nets. Listen: We are on a high wire, and we are holding our kids and our grandchildren on our shoulders. This balanced budget amendment is our safety net and their safety net. Saint Paul said ''There is much to be done; now is the acceptable time.'' Seize the day. Vote ''no.''

Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 184, noes 247, not voting 3, as follows:

[Roll No. 50]

AYES—184

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bilirakis
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Canady
Cardin
Chapman
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hayes
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E.B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Laughlin
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCollum
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Pickett
Pomeroy
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skelton
Slaughter
Spratt
Stark
Stearns
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOES—247

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)

Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Johnston
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCarthy
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Sabo
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—3

Bishop
Fields (LA)
Rush

□ 2013

Mr. BAESLER and Mr. LUTHER changed their vote from ''no'' to ''aye.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 300, noes 132, not voting 3, as follows:

[Roll No. 51]

AYES—300

Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLay
Deutsch
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Ford
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, Sam
Johnston
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kim
King
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Luther
Manzullo
Martini
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Meehan
Metcalf
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Moran
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Paxon
Payne (VA)
Peterson (FL)
Peterson (MN)
Petri
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Richardson
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Torricelli
Upton
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—132

Abercrombie
Ackerman
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Cardin
Clay
Clayton
Coleman
Collins (IL)
Collins (MI)
Conyers
Coyne
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Frank (MA)
Furse
Gejdenson
Gephardt
Gonzalez
Green
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Holden
Hostettler
Jackson-Lee
Jefferson
Johnson, E. B.
Kanjorski
Kennedy (RI)
Kennelly
Kildee
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McDermott
McKinney
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pastor
Payne (NJ)
Pelosi
Pickett
Pomeroy
Rahall
Rangel
Reed
Reynolds
Rivers
Roybal-Allard
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Souder
Stark
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Tucker
Velazquez
Vento
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—3

Bishop
Fields (LA)
Rush

□ 2030

So (two-thirds having voted in favor thereof) the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MFUME. Mr. Chairman, I rise today in opposition to the measure before us and I urge my colleagues to do the same.

Mr. Chairman, I support a balanced federal budget.

As such I have, since coming to Congress, attempted to be fiscally responsible in my votes. I have tried to be consistent in my support of both spending cuts as well as revenue increases that I felt were necessary and would not have a negative impact on the national economy. I have tried to act in the best interest of the people of our nation, both socially and economically. In addition to voting to cut programs that in other circumstances I would have whole heartedly supported, such as the Space Station, I have seen inadequate funding for a number of programs which I consider vital to our people.

If I had a dollar for every instance in which I have said to a constituent, ''I agree that this program is meritorious, but the fiscal reality is that the federal government is not going to be

able to help,'' I may very well have been able to eliminate our national deficit by now.

As the representative of some of our nation's poorest people, I can attest to the problems that we are being forced to neglect because of the budget deficit.

Children go to bed hungry at night because their parents cannot find work and because there is no one else to help them. Parents cannot find work because they have lost their jobs, sometimes as a result of government policies, and they do not have the training to make them appealing to potential new employers. Senior citizens cannot afford to heat their homes in the winter, a sometimes fatal condition. Small or minority owned businesses cannot even get started due to a lack of capital.

Mr. Chairman, colleagues, I see victims of the Federal deficit every day, and while I sympathize with them I am forced to talk about fiscal realities.

So I would argue that perhaps more than others, I am aware of the long-term problems that our deficit is causing the people of our nation.

Given my concerns, then, people may be surprised by my strong opposition to this constitutional amendment. Yet I am passionately opposed to this amendment, as I do not feel that it is the proper answer to our problem.

In fact, I would argue that this amendment may do more harm than good not only to our nation but also to the very people whom I feel the government has already neglected.

According to a report recently released by the Economic Policy Institute, the result of the Balanced Budget Amendment is that by the year 2002 my congressional district alone would lose more than $904 million. This translates into $1,513 per person in Maryland's seventh congressional district.

To recover losses to my state's highway, educational, job training, housing, environmental, Medicaid and other programs Maryland would be forced to raise taxes dramatically, by as much as 13.5 percent by the year 2002 if the balanced budget amendment and other Republican proposals.

Not only would this wreak economic havoc on my district and on my state, but the people who I mentioned earlier who have already been denied many basic human needs because of budget constraints would continue to suffer.

A study released by the non-partisan Children Defense Fund points out that in Maryland alone 25,400 babies, preschoolers, and pregnant women would lose infant formula and other nutrition supplements that they currently receive through the Women, Infants, and Children [WIC] program. 59,250 children would lose their access to food stamps. 108,000 would lose free or subsidized school lunch program lunches.

While these numbers may be derived from a worst case scenario, it is the only scenario under which we can operate, as we do not have even seen a sketchy blue print of how the budget would be balanced under the current proposal.

In short, I would greatly prefer that instead of spending our time talking about gimmicks and amending the Constitution, we concentrate on establishing our fiscal priorities and getting our house in order.

I would prefer that we spend our time developing long-term strategies to reduce our deficit in a meaningful yet economically responsible way, rather than continue to debate an ideal that can, one way or another, be circumvented.

Congress has, in the past, shown a willingness to bypass targets set into law for the federal deficit. The most recent example is the Gramm-Rudman-Hollings Act. Rather than adhere to the limits established in the legislation Congress and the Administrations projected higher revenues than were realistic and took many items off budget.

The result was that overruns in deficit spending, above the budget resolutions, averaged $34 billion from 1980 to 1992. The fact of the matter is that unforeseen events, such as the savings and loan crisis and Operation Desert Storm make annual deficit targets unrealistic.

As I said earlier, rather than idealistic gimmicks I would prefer sensible economic policies to attain our goal.

With the 1993 Omnibus Budget Reconciliation Act Congress and President Clinton took a more reasonable, and I would argue more effective, step toward fiscal responsibility. The 1993 Reconciliation bill cut discretionary spending, placed caps on future expenditures, and raised revenues by increasing the progressive structure of federal taxes. As a result of that Act, the deficit is projected to fall from $290 billion in 1992 to $166 billion in 1996. For the first time since President Truman, the federal deficit has fallen three years in a row.

Beginning in 1982 Congress has been debating a Balanced Budget Amendment to the Constitution. Yet between 1982 and 1994 our national deficit has increased by $12.3 billion.

Mr. Chairman, colleagues, I oppose the Balanced Budget Amendment to the Constitution. I would like to eliminate our deficit, and I am committed to working toward that goal regardless of the outcome of this debate. I would urge my colleagues to consider what they are doing and to think long and hard about substantive changes versus gimmicks.

Mr. STOKES. Mr. Chairman, I rise in opposition to the Balanced Budget Amendment.

At the core of the Republican Contract With America is a three part fiscal initiative: to simultaneously cut taxes, amend the Constitution to require a balanced budget by the year 2002, and increase defense spending. These goals are coupled with a stipulation that Social Security not be cut. The combined cost of the initiative translates into an over one trillon dollar price tag. The GOP has yet to outline how it proposed to achieve these objectives.

If we hold to the Contract's bare minimum stipulations alone—no cuts in defense spending, and preserve Social Security, federal programs would have to be cut across-the-board by 30 percent or more. If the GOP honors its Contract, all spending cuts will have to come from programs like education, health, the environment, housing, nutrition, biomedical research, mass transit, federal pensions, Medicare, Medicaid, and welfare. When the GOP increases defense spending as it proposes to do, the cuts in these programs would have to increase.

So, as you can see, the dilemma is not should we balance the budget but more importantly how, especially against a backdrop of GOP promised tax cuts and defense spending increases. According to the Treasury Department, reducing taxes alone will add $376 billion to the deficit in seven years.

The legislation setting forth the balanced budget provision, House Joint Resolution 1 was marked up and approved by the House Committee on the Judiciary on January 11. The Democratic members of the Committee denounced Judiciary Committee's Chairman HENRY HYDE for railroading the legislation through the Committee. This action was a gross insult not only to the democratic members of the Committee but to the American people as well. Americans have a right to know the impact of the Republican Contract With America on their community, their jobs, and their lives.

House Majority Leader RICHARD ARMEY recently stated on ''Meet the Press'' that, ''The fact of the matter is once members of Congress know exactly, chapter and verse, the pain that the government must live with in order to get a balanced budget government, their knees will buckle.'' The recent Wall Street Journal/NBC News Poll revealed that when asked, ''Do you favor or oppose a balanced budget amendment to the Constitution?''—68 percent of the respondents favored and 19 percent opposed the amendment. However, when the respondents were asked, ''Would you favor or opposed a balanced budget amendment to the Constitution if it required a 20 percent cut in spending on entitlement programs such as Medicare, Medicaid, and veterans' benefits?''—61 percent opposed the amendment and 33 percent favored it.

The Treasury Department recently conducted a state-by-state analysis of the impact of the balanced budget amendment and the Republican Contract With America. By even conservative estimates, for Ohio, the loss is over $12 billion. This amount includes $3.9 billion in federal grants reductions, and $8.2 billion in reduced annual federal spending in Ohio. More specifically, the loss to Ohio is: $2.4 billion per year in lost funding for Medicaid; $4.7 billion per year in reduced Medicare benefits; $233 million per year in lost highway trust fund grants; $290 million per year in lost funding for welfare—Aid to Families with Dependent Children; and $4.5 billion per year in lost funding for other areas including education, job training, the environment, housing, student loans, veterans' benefits, and grants to local governments.

The most vulnerable populations in our society will be hit the hardest by the balanced budget amendment. Children would suffer tremendously.

In Ohio alone:

Nutrition impact: 75,800 babies, preschoolers, and pregnant women would lose infant formula and other WIC nutrition supplements. 183,350 children would lose food stamps. 291,800 children would lose free or subsidized School Lunch Program lunches. 20,950 children in child care and Head Start would lose Child and Adult Care Food Program meals.

Welfare impact: 141,900 children would lose welfare benefits—Aid to Families with Dependent Children. 11,500 blind and disabled children would lose Supplemental Security Income [SSI].

Education impact: 10,200 children would lose Head Start early childhood services. 56,300 children would lose remedial education through Title I.

Health care and child care impact: 284,400 children would lose Medicaid health care coverage. 10,150 or more children would lose the

federal child care subsidies that enable parents to work or get education and training. 287,150 cases now served by the state child support agency would lose help to establish paternity or collect child support.

In fact, because of its constituency base, a GOP-controlled Congress is more likely to cut funding in urban areas rather than in suburban and rural ones.

Because Social Security and defense must be left untouched, and the interest on the debt must be paid, all of the spending cuts will have to come from one-half of the budget. Under past deficit reduction laws—like Gramm-Rudman—Congress set yearly mandatory budget targets in order to balance the budget.

In fiscal year 1993, the latest year that state-by-state federal expenditure data is available, Ohioans received a total $46 billion in federal dollars. If the states seek to make up the loss in federal funding, the Treasury Department estimates that nationally state taxes would have to increase 12 percent. The Treasury Department estimates that Ohio would have to increase state taxes by 19.8 percent across-the-board to make up for the loss in federal grants.

I urge the defeat of the balanced budget amendment.

Mr. BONILLA. Mr. Chairman, I rise today in support of the balanced budget amendment to the Constitution of the United States. President Clinton has promised the American people he would end the budget deficit. During his State of the Union Address, President Clinton expressed his ardent desire to cut spending and balance the budget. It has been 25 years since Congress has balanced the Federal budget, and the deficit continues to grow with each year. For the sake of our future, I urge my colleagues to adopt the balanced budget amendment with the supermajority tax provision.

The people of the 23d District of Texas and the people of this Nation overwhelmingly support the passage and ratification of a balanced budget amendment. The balanced budget amendment is a tool that will compel Congress to make tough budget decisions. Unfortunately, such decisions have been avoided for many years. Families have to maintain a balanced budget and, in fact, 48 States have some sort of balanced budget requirement; yet, even after years of fiscal abuse the U.S. Congress has no provision calling for a balanced budget.

Mr. Speaker, I would also encourage my colleagues to embrace the supermajority provisions included in this bill. Raising taxes should not be the easy way to combat the deficit. The Congress must refrain from taxing citizens into obliviion. A three-fifths requirement to increase taxes would help protect our economy from the stifling effects of high taxes, while also requiring Congress to reduce overall spending. It will be imperative that Congress examine carefully every function of the Federal Government and make the appropriate reductions or terminations. Not only must we pass the balanced budget amendment, but we must also protect citizens from the prospect of increased taxes.

We cannot saddle future generations with the bills for continued wasteful Government spending. Although past votes have been close, a proposed amendment has never been successful in the House and the Senate. In 1990, the amendment failed by only seven votes in the House and in 1992, it failed by only nine votes. However, with the renewed interest of the American public and a Republican majority in both chambers, it has become clear that a balanced budget amendment is not only needed, but coveted by the citizens of this Nation.

Mr. Speaker, I urge this chamber to adopt measures that will safeguard the futures of our children. Presently, our national debt of $4.5 trillion stands to destroy all that we have created. Opponents of this provision want to know how we will balance the budget, they want to know the specifics behind such a proposal. No Member in this chamber can outline changes that will occur between now and 2002, which is the year this bill would require a balanced budget. There is no question that we will all be asked to make some tough budget choices. It is important to remember, however, that such choices must be made for the good of this Nation's future.

Mr. LATOURETTE. Mr. Chairman, before the end of this day, the 104th Congress could vote on a historic piece of legislation—the balanced budget amendment. It is a piece of legislation I intend to support not simply because it's the right thing to do, but because it's the only thing to do.

Some will argue that the solution to our Government's financial woes is to simply start exercising more discipline in the budgeting process. History has proven this does not work. Time and time again, Congress' best intentions to cut the fat out of a very bloated Federal Government have fallen by the wayside. At the end of 1994, the deficit was approximately $223 billion and the public debt reached $4.7 trillion. Averaged out, every man, woman and child in America is saddled with this debt to the tune of roughly $18,000 per person.

In November, the American people sent a very clear message: they want a balanced budget amendment because they're tired of hearing our shopworn excuses about how impossible it is to balance a budget. Frankly, Americans no longer trust us to get the job done. But passage of a balanced budget amendment will change that. It will force us to make the difficult, necessary choices.

On Wednesday, my Ohio colleague, JOHN R. KASICH, stood before a room full of reporters and television cameras and announced that the balanced budget amendment will be the most important piece of legislation he will vote on during his career in the House of Representatives. Even though I am in my first month of my first term of Congress, I agree with him wholeheartedly. While the goals of the Contract With America are noble, the goal of a balanced budget is tantamount. We can no longer continue to rely on the old method of raising taxes every time we get into a deeper financial mess and need cash to bail us out.

If we do not pass such legislation—which will benefit our children, their children and their grandchildren—I am convinced that this Congress will be branded with a legacy we will all be ashamed of. I do not plan to be a part of that, nor do many of my colleagues, Republicans and Democrats alike.

Will balancing the budget be easy? No, but neither was digging ourselves into the deficit quagmire we're in now. Climbing out will take time and it will be an arduous and painful task. It also will be one requiring courage. By passing this legislation, we in the Congress are telling the American people that from this day forward we will be fiscally accountable.

We're no longer simply going to talk about making the tough cuts to bring this budget into line, we're going to do it. And we're going to have the power of a constitutional amendment hovering over us like a vulture that hasn't eaten in a month to make us stick to our promises. Additionally, as a Congress we are committed to achieving this goal of a balanced budget without placing it on the backs of our Nation's seniors. Social Security is off the table. Period. That is my contract with America's seniors.

Congress has had long enough to act like one of those people who keeps telling his betrothed, ''Yes, I intend to marry you . . . one day.'' By passing a balanced budget amendment, we're setting a date and we plan to stick to it. In fact, we've gone so far as to rent the hall and hire the band. Rest assured, if we fumble on this one, which we won't, the American people have permission to hang us by our thumbnails. Or, you could just not re-elect us, which I'm sure some of my colleagues would find a far more painful fate.

In a perfect world, the 104th Congress would have passed a balanced budget amendment with a three-fifths or supermajority tax limitation. This is what I preferred and this is what I felt was the optimal legislation. Yesterday, I voted for its passage. The reason the supermajority was necessary was to prevent Congress from taking the easy and irresponsible way out as it has done in the past by raising taxes.

This begs the question: Are we settling for second best now, some watered down version with no teeth? No. When the 49ers take the field this weekend, they will want their starting quarterback, Steve Young, as their man. But they also will have a competent, capable back-up sitting on the bench ready to rise to the challenge. The end goal, and one we must not lose sight of, is to get the job done. Succeed, win, whatever you want to call it, we need to make it happen and balance the budget.

As a Congress we've been selfish long enough. If we can demand that you start taking more responsibility with your lives and stop relying on the Government for those things you can do on your own, the very least we can give you in return is a pledge to be responsible today and with your futures. We must pass a balanced budget amendment.

Mr. MINETA. Mr. Chairman, I rise in opposition to House Joint Resolution 1.

I do so not because I am opposed to balancing the Federal budget. I fully agree that long-term deficit spending, which almost quadrupled our national debt during the Reagan and Bush administrations, is a drain on our economy and a burden which our country cannot tolerate forever. But I do not believe that the Constitution of this country should be used as a substitute for political courage.

When President Clinton sent his fiscal year 1994 budget to this Congress—a budget which has successfully reduced the annual deficit for 3 years in a row for the first time since the Truman administration and more than halved it as a percentage of our gross domestic product—most of those backing this amendment voted against it.

I do not think anyone in this House was happy about the tough choices contained in that budget. But a majority of us, thankfully, found the courage to vote for it.

Why is it that those who 2 years ago backed away from the specifics of balancing the budget now race to not only embrace the principle, but to use the Constitution to make a political point?

The 1993 budget vote was a painful one, and it was painful precisely because we told the American people exactly what pain would be involved. We told them exactly what we were doing, exactly how much it would cost them, and exactly what would be gained as a result.

That, Mr. Chairman, is what responsible government is all about.

It is all very well and good to vote for this amendment today, and then tell your constituents that you voted to balance the budget. But that is not what is happening today.

Our Democratic leader, Mr. GEPHARDT, observed not too long ago that we should not sign this part of the Contract With America without reading the fine print. He was exactly correct—except that our colleagues who are backing this amendment have not even bothered to write that fine print yet.

That is not a responsible way to legislate, and I am gravely concerned that this amendment may one day be written into our Constitution.

The question today, however, is not whether we will debate a constitutional amendment. The question is what form will that amendment take?

Given that environment, I plan to vote in favor of the amendments offered by our Democratic leader and Democratic whip, Mr. GEPHARDT and Mr. BONIOR, and for the amendments offered by my friends Mr. CONYERS and Mr. WISE.

In each case, these amendments make important points about the process we are entering with this constitutional amendment.

All three, for example, contain the principle that we will not renege on our promises to the Nation's senior citizens in implementing the balanced budget—and that we will protect Social Security.

And all three have eliminated the supermajority requirement that is in such direct violation of the principles enshrined in the Constitution.

But each amendment offers a crucial principle which I believe any comprehensive consideration of the balanced budget amendment must contain.

The amendment by the gentleman from Michigan [Mr. CONYERS] would prohibit the amendment from going into effect until the Congress had passed a detail resolution—a resolution honestly telling the American people what that implementation would mean and how it would be accomplished.

The amendment by the gentleman from West Virginia, my good friend Mr. WISE, contains a provision which I believe has been unfortunately overlooked in this debate: a separate capital budget.

Mr. Chairman, virtually every State with a balanced budget requirement—whether in statute or in its constitution—recognizes that capital investments are unique. They specifically allow for a separate capital budget.

Most importantly, Mr. Chairman, if it were not for those separate capital budgets they would not be able to achieve the balanced budgets they claim.

I will vote for these three alternative amendments, but ultimately I cannot endorse using the Constitution of the United States as a platform to enshrine a political gimmick.

If the Members who advocate House Joint Resolution 1 want to balance the budget, all they have to do is put a plan on the table. The fact that they have not done so, and openly refuse to do so, says something to me about the substance, or the lack thereof, of this amendment.

I urge my colleagues to join me in voting ''no'' on final passage.

Mr. LAZIO of New York. Mr. Chairman, I rise today to urge passage of House Joint Resolution 1, the balanced budget amendment. Remember the year 1969? The Beatles were still together, man had just walked on the Moon, and Watergate was just a hotel. It was also the last year the Federal Government ended with a surplus of funds.

Since then, each year, the Government has added to the debt, which now totals over $4.7 trillion—about $19,000 for every man, woman, and child in the United States. A large part of our taxes go to the interest payments on this debt, $235 billion this year—$643 million per day. Interest payments on the Federal debt are right behind Social Security and defense as the third largest single expenditure in the Federal budget. It is time to take drastic action.

In fiscal year 1995, the Government will spend almost $200 billion more than it takes in, and this dangerous trend is projected to increase into the next century. The legacy of these deficits, our national debt, is projected to reach almost $6 trillion by the year 2000. Unless we control spending now, serving the national debt will quickly crowd out all other priorities in the Federal budget.

In addition to putting a squeeze on spending priorities, large Federal deficits have a profound affect on the amount of money the private sector in our country has to invest. The financing of the deficit each year absorbs money that could have been used by the private sector. As a result the Nation suffers from a lower rate of private investment, lower productivity, and a lower standard of living.

The country simply cannot afford to keep up this spending pattern. Our children and their children should not be saddled with paying for our indulgent spending. According to a new and comprehensive method of accounting known as generational accounting, the Office of Management and Budget [OMB] projects Americans born in 1992 will face a lifetime net tax rate of 82 percent unless we do something to change current tax and fiscal policies. This is completely unacceptable.

Efforts to set spending limits to eliminate the deficit have failed largely because Congress has not had the willpower to enforce them. In the now infamous 1985 Gramm-Rudman-Hollings bill, Congress agreed to balance the budget by 1991. As it turned out, Congress missed its spending target over the 6-year period by $737 billion. In 1991, the year the budget was supposed to be balanced, the deficit grew from $221 to $270 billion.

By the end of the fiscal year 1995, Congress will have missed its agreed on deficit by $1.944 trillion since Gramm-Rudman-Hollings was passed. Two other times in the past 10 years Congress has agreed to balance the budget by a certain date and yet our debt and deficit continue to grow.

Having tried everything else, a constitutional amendment now is the only way to break this cycle of spending beyond our means to ensure that the Government lives by the same rules our families do—every single year after the year 2002, except in times of war or real national emergencies.

Some have expressed fears that a balanced budget amendment would threaten Social Security. On the contrary, a balanced budget will protect this program. The greatest threats to Social Security and our senior citizens are deficits and the debt. To finance our deficit spending, the Government sells bonds and pays interest on the dividends. Spending more on interest payments eats up scarcer Federal resources, which in turn, eventually will threaten all programs, even Social Security.

The balanced budget amendment, by itself, will not cure our economic ills, but it clearly is a step in the right direction to put our financial house in order, to stop mortgaging our Nation's future and to protect future generations from economic disaster. Let us have the courage to pass this amendment.

Mr. FRANKS of Connecticut. Mr. Chairman, I take great pride in rising in support of Congress doing the people's will and passing a balanced budget amendment.

Since coming to Congress in 1991, I and many of my Republican colleagues have voted for the balanced budget amendment so that we could lift the burden of Congress' spendthrift ways off the backs of our children and grandchildren. In our every attempt to achieve fiscal sanity, the then-Democratic majority rebuffed our efforts, saying that the House and the Senate had the sense of discipline to cut the deficit and that a constitutional amendment was unnecessary. However, despite the assurances of the former majority and after many ill-advised appropriations bills, our federal spending continued and continued to balloon to zeppelin-like proportions.

Mr. Chairman, on November 8, 1994, the American people sent a loud and clear message that they were tired of Congress conducting business as usual. They sent a message that said they have had enough of big government and out-of-control spending. I and my Republican colleagues have heard that message and today we shall take the first steps to carry out the people's agenda.

When we do pass the balanced budget amendment, we will have to make choices which will be painful and difficult. Some programs will have to be altered while others will have to be plainly eliminated. The Congress will finally have to come to a conclusion of what its priorities are.

To the senior citizens in my district who are concerned about Social Security, I will say—as I did in 1994—that I am aware of the contributions you have made to the Social Security program and that Social Security should be left off the table. We need to balance the budget by cutting wasteful, frivolous pork programs and by downsizing government, not by hurting our seniors who have invested in the Social Security system with their hard-earned dollars.

There will be six substitutes to H.J. Res 1 today. Of the six, the one which I favor most is offered by my distinguished colleague from Texas, [Mr. BARTON]. The Barton substitute states that Congress may not adopt a budget

resolution in which total outlays exceed total receipts unless three-fifths of each House approves. Also, Mr. BARTON's substitute installs a permanent cap on the Federal debt held by the public and to break that debt ceiling, the House must agree to do so by a supermajority. Finally, the House must muster a supermajority to raise taxes. Should the Barton amendment fail, I intend on voting for the substitute offered by Messrs. SCHAEFER and STENHOLM. While the Schaefer and Stenholm substitute does not include the provision that a three-fifths supermajority needs to be mustered to increase taxes, it does contain provisions which require supermajorities to increase the debt ceiling and to enact deficit spending. This is important for two reasons. First, the supermajority provisions in Stenholm-Schaefer will help ensure that if the Congress deems a spending increase or debt ceiliing hike necessary, it will be done, in most instances, in a bipartisan manner and not rammed down the minority's throat like many economic initiatives were in the last Congress. Second, the provisions in the Schaefer-Stenholm amendment will force Congress to make the hard choices and enact real deficit reduction rather than continuously raising our national debt levels. For these reasons, I believe that the Schaefer-Stenholm substitute is a sound solution to enable our country to get our of and stay out of the red.

Mr. KIM. Mr. Chairman, I rise today in support of the balanced budget amendment.

Before I came to this body, I was a small businessman. In the operation of that business, I always had to follow one simple rule:

I could never spend more than I took in.

Unfortunately, some of my colleagues who have never been in the real business world probably don't understand this, so let me tell you from personal experience what happens to a business that cannot maintain a balanced budget.

When I was in business, I almost had to file bankruptcy once because the bank would not extend my credit.

I spent many sleepless nights worrying about how I was going to meet my payroll—how I was going to come up with the money to keep my business going another week.

If I didn't come up with that money, I would lose everything my wife and I had to our name.

And, unlike the Federal Government, I couldn't keep borrowing money endlessly to keep myself afloat—and I certainly couldn't tax my customers to make up the difference!

That is the reality that real Americans who have real lives have to face everyday.

Unfortunately, the Federal Government has never had to live by these same rules:

For 33 out of the last 34 years, the U.S. Government has spent more than it took in.

The result? A national debt of over $4 trillion.

To put that number in perspective, that is over $18,000 for every man woman and child in this nation.

In response to this situation, politicians have promised year after year that Congress is going to do something about these runaway deficits.

In fact, Congress has gone so far as to pass several laws requiring that Congress achieve a balanced budget.

One example of such a law is the 1986 Gramm-Rudman Deficit Reduction Act.

But this can be waived—that means ignored—by a simple majority vote.

And this has happened time and time again.

The fact is that despite all the statements supporting a balanced budget—despite all of the laws which require us to balance the budget—we have done nothing.

And why have we done nothing?

Because there is no incentive for Members of Congress to say ''no'' to bigger government.

There is no incentive for Members to make the hard decisions necessary to balance the budget.

The balanced budget amendment is the only way to end this insanity.

A balanced budget amendment would finally force Congress to face reality and make the hard decisions it has avoided in the past.

Finally, let me make two other points about the balanced budget amendment:

First, it has become clear that my liberal friends are trying to scare the American people by accusing Republicans of wanting to make massive cuts in Social Security.

Let me say that nothing could be farther from the truth—the new Republican majority can and will balance the budget without cutting Social Security.

For this reason, I am glad that Congress yesterday passed House Resolution 17. This resolution prohibits Congress from cutting Social Security to balance the budget.

I can think of no clearer statement of our intent, as the new Republican majority, to protect Social Security from the budget cutting axe.

Second, I have been listening to my Democratic colleagues criticize us for not saying exactly how we intend to balance the budget.

Well, when I was in business, we set the goal and then we decided how we were going to achieve the goal.

A balanced budget is the goal.

Once we have agreed on the goal by passing the balanced budget amendment, then we can work together to decide how we are going to get there.

I invite my Democratic colleagues' input on how to get it done.

But, the critical thing is that we all agree on the goal of a balanced budget first.

In short, Mr. Chairman, it is time to stop bickering and get to work on what the American people asked us to do last November:

Balance the Federal budget.

Thank you, Mr. Chairman.

Mrs. WALDHOLTZ. Mr. Chairman, in November, the American people sent us here to carry out an agenda of change. They said that it was time for Government to live within its means by ending runaway spending and balancing the budget.

The American people want results.

The passage of the Schaefer-Stenholm bill will give Congress the fiscal discipline that it has repeatedly demonstrated it lacks and the American people the change that they demand.

Yesterday, we voted to reaffirm our commitment to our older Americans that we will not use Social Security to balance the budget.

But we must also act today to protect our children, and put an end to this institution's unforgivable habit of spending our children's future by running up debts they will have to pay.

I voted for the Barton amendment, and I believe we should have further limited Congress' ability to raise taxes. But we must not let the best be the enemy of the good.

We may disagree over how much tax limitation should be included in a balanced budget amendment, but the only effective amendment is the amendment that passes.

Failure to pass Schaefer-Stenholm means victory for the big spenders and big taxers that built our annual deficits and put us $4.7 trillion in debt.

I urge my colleagues to join me in keeping our word to the people who sent us here, and support the Schaefer-Stenholm balanced budget amendment.

Mr. MANTON. Mr. Chairman, after serious consideration of the Barton and Stenholm proposals to amend the Constitution to require Government receipts to equal outlays each year, I rise today in opposition to the H.J. Res. 1, the balanced budget constitutional amendment.

I have not come to this decision lightly. I strongly support deficit reduction. However, despite my support for fiscal responsibility, I cannot vote in favor of any plan to strip the Congress of the powers bestowed upon this body by our Founding Fathers. The U.S. Constitution is a truly remarkable and enduring document. More than 200 years ago, a small group of revolutionaries fashioned a blueprint for a free and democratic government which has enabled our Nation to endure two centuries of dramatic change and growth in which we have found answers to the most pressing and timely problems of our day, which the Framers could never have anticipated.

Furthermore, despite empty promises by the Republican leadership that Social Security will never be affected by a balanced budget amendment, the amendment clearly does not exempt Social Security from budget cuts, I am unconvinced that such a draconian proposal requiring Government spending to equal receipts would not negatively impact our Nation's neediest citizens. Senior citizens, children, the poor and the disabled who receive the lion's share of direct Government payments would be most at risk.

Mr. Speaker, the balanced budget constitutional amendment would place these citizen's benefits in peril whenever the Congress is unable to responsibly perform its duties as enumerated in the Constitution, ''to lay and collect taxes, and . . . provide for the general welfare of the United States.''

I am proud of my record and that of my colleagues who have joined me in voting for legislation to reduce our budget deficit. Next year will be the first year since President Truman was in the White House that the budget deficit has fallen for 3 straight years. The progress we have made is a testament to the success this House can have when we responsibly consider deficit reduction. Balancing the budget can not be achieved by way of one simple vote on a balanced budget amendment to the Constitution. It will require careful and difficult choices. I look forward to working with my colleagues to ensure fiscal responsibility does not come at the price of protecting our citizens.

Mr. HASTINGS of Washington. Mr. Chairman, a recent ABC News/Washington Post poll showed that 80% of Americans support a constitutional amendment to balance the federal budget. The result is hardly surprising. Our $4.6 trillion national debt and $200 billion budget deficit continue to grow. Yearly interest payments top $225 billion.

The concept of a balanced budget is just plain common sense. 43 state governments—including my own state of Washington—now must live within their means. In 1993 the voters of my state revolted against excessive government spending and capped the rate of growth of state spending. The time has come to apply this common sense principle to the federal government.

While a balanced budget amendment must be passed now, let's be very clear. More taxes will not reduce the deficit. The last Congress argued that more taxes were the answer when they imposed the largest single tax increase in American history. What do we have to show for it? Well, the Congressional Budget Office reports that the deficit will actually increase by $2 billion this year and another $13 billion next year. Tax revenues have actually fallen as tax rates have increased.

So what is the cure for our deficit spending disease? Pure and simple—cut spending in some programs, eliminate others, and limit the rate of growth for still more. And let's be clear, we can do this without touching Social Security.

Mr. Speaker, let's let the people who elected us know that we are listening to their voices. Let's pass this Balanced Budget Amendment today.

Mr. COSTELLO. Mr. Chairman, I rise today in support of a Balanced Budget Amendment to the United States Constitution. I have long supported a balanced budget amendment and have voted in favor of it since I came to Congress in 1988, and it is my hope that we will have the two-thirds majority necessary to pass it this year.

Our Constitution contains several provisions which dictate how Congress can both raise revenues and spend public funds from our federal budget. However, there is no provision in our Constitution which dictates that the budget must be balanced.

This amendment will require that the Congress spend no more than it receives in revenues each year. This will put at least a halt to the exploding debt which has overtaken our federal budget. In 1995, Americans will pay $213 billion in interest alone on a total national debt of $4.7 trillion.

As most Americans know, because of our government's spending habits, we have to borrow every year just to make our interest payments on this debt, which only serves to increase this same debt every year. This year, we will borrow $176 billion to meet our federal government's spending needs and pay interest on the national debt. It's as if every year we charge the interest due on our Visa debt to our Mastercard!

The amendment I favor would balance the budget by the year 2002 while at the same time protecting our Social Security system. Social Security, now 60 years old and healthier than ever, is one of our most successful government programs. Currently, our Social Security program takes in more than it pays out in benefits, giving it a surplus and hiding the real size of the budget deficit.

I favor taking our entire Social Security program—both benefits and incoming revenues—totally off-budget. That way, we have an honest trust fund where the money used to pay benefits sits in a separate, interest-bearing account and where surpluses are not used to finance deficit spending in the rest of the budget.

I intend to vote for a balanced budget amendment which takes Social Security completely off-budget. The workers and employers who have paid into this system have a trust and contract with their government to make sure these benefits are there upon retirement.

Enacting a balanced budget amendment will ensure that as we enter the 21st Century, our goal will be to begin to pay down our enormous national debt and keep government spending in check. It will require Members of Congress to make the difficult choices they can now avoid more easily, with the force of law making it mandatory that we balance our federal budget.

The House is considering six amendments dealing with a balanced budget, and I intend to vote for three of them which all accomplish the goal of amending our Constitution to require a balanced federal budget. However, unlike the provision sponsored by the Republicans in their ''Contract with America,'' the proposal I favor will take Social Security off-budget in order to protect it, and require only a majority to raise taxes in order to achieve a balanced budget amendment.

The Stenholm-Schaefer bipartisan amendment is identical to one which I have supported in recent years, and one which came close to passage during the 102nd Congress. It has been the primary legislative vehicle in recent years, unlike the amendment sponsored by Congressman Barton of Texas. The Barton amendment requires a 3/5 supermajority to raise taxes, which I believe is only a further attempt to shield the wealthy from higher taxes should they be needed to reduce the deficit. Why should Congress enact a provision which will make it even more difficult to ask those who make $1 million or more to contribute their fair share to a balanced federal budget? We should not, and that is why I oppose the Barton substitute.

Mr. Speaker, my hope is that one year from today, the U.S. Congress will be working on its new federal budget with this balanced budget provision written into the Constitution. If we can pass this amendment this month, and the Senate follows suit, the legislation then goes to the states for ratification. It is my hope that we can end this budget deficit madness and return our nation to fiscal sanity. For the sake of future generations, which will already pay a larger share of the burden of overspending in the 1980's, we owe them this amendment.

I urge my colleagues to join me in supporting the Stenholm-Schaefer balanced budget amendment to the Constitution.

Mr. THOMAS. Mr. Chairman, the House is considering a vote on a constitutional balanced budget amendment. The amendment included in the Contract With America also requires a three-fifths supermajority vote to increase taxes and the debt limit. I wholeheartedly support the bill and voted for it.

A constitutionally balanced budget amendment is the only viable mechanism for resolving the deficit issue. Other efforts at fiscal restraint by Democratic controlled Congresses have failed miserably. I served on the House Budget Committee for 6 years; I know firsthand the games that have been played in Congress to get around our own rules. I witnessed numerous revisions of Gramm-Rudman, designed to reduce Government red ink. The record speaks for itself. They failed.

We can no longer tolerate mere promises of fiscal restraint. To do so would saddle our children, and children's children, with uncontrollable and runaway deficits. A constitutional amendment forces Congress to act responsibly.

My belief in the importance of an amendment is so strong that if the Barton three-fifths amendment does not pass, I will support the Schaefer amendment.

I do so, Mr. Speaker, because there is no alternative to a constitutional balanced budget amendment. Adoption of this amendment is long overdue. I encourage my colleagues to vote in favor of this constitutional amendment.

Mr. QUINN. Mr. Chairman, I rise today in strong agreement with my colleague from New York, Congressman GERRY SOLOMON, who yesterday called the balanced budget amendment, ''the most important matter the House will address during the 104th Congress.''

The important thing to remember today is that I am here at the request of my constituents who overwhelmingly support this historic legislation.

As an advocate of fiscal responsibility, I have been fighting for a balanced budget amendment since I ran for Congress more than 2 years ago.

Implicit in this legislation is a measure to require that a balanced budget amendment is achieved without touching the Social Security trust fund. We must leave Social Security alone.

Time and time again, Congress has failed to summon up the courage to attack spending. This constitutional amendment makes courage the law and forces us to get our financial house in order.

In addition to the balanced budget amendment, we also need the line-item veto and legislation prohibiting unfunded mandates. By enacting all of these proposals, we can help reduce the deficit and make a start on balancing the budget.

I supported the Barton substitute with the three-fifths tax limitation provision because I think it is the best approach to make it as difficult as possible to raise taxes to balance the budget. Raising taxes simply lifts the burden off of Congress and places it on the backs of hard-working, American taxpayers.

As the Hamburg Town Supervisor, I was required by law and by my constituents to balance the town budget each and every year. The American people are calling on us to balance the Federal budget, and we can respond with this law requiring us to do just that.

Local governments are forced to balance their budget. State governments are forced to balance their budget. Yet the Federal Government has failed to balance the budget since the Johnson administration.

We must always keep in mind that we are the representatives of the people. As such, we must listen to the voices of Americans. Their voices are loud and clear. Pass the balanced budget amendment.

Mr. FILNER. Mr. Chairman, as we deliberate today on the issue of adopting a constitutional amendment to require a balanced budget, I wanted to share with you a particularly thoughtful letter I received from a constituent. As you will see, this American patriot does not have any vested interest at heart, except our national interest.

This gentleman wrote:

I am a retired Navy Commander, flew in Vietnam, Beirut, Libya. Had a marvelous career. I have never written my Congressperson. The full extent of my political expression is that I run one of the polls in my town.

I want you to know that I could not feel more strongly in favor of Public Broadcasting.

Please be very careful as you and other fine men and women who represent me attempt to put the Nation's budget in order. It is not easy and I advise against simplicity. If it was easy, my fellow democrat patriots would have done it already.

The quality of our culture needs to be raised not lowered, and I'm using the word culture in its broadest sense. I'm not asking for ballet and symphonies, I'm asking you to support the free expression of factual reporting on radio and TV.

The charge that the Corporation for Public Broadcasting is elitist is probably true. In the same sense that the finest, highest quality of anything is elitist. That is where my Navy always aimed to be. And that is the stock in trade of USMC. So be careful and don't be sloppy. Yours very truly * * *.

This thoughtful letter points out the danger of simplistic solutions. I urge my colleagues to take this suggestion to heart.

Yes, we must balance the budget. But let us accomplish this worthwhile goal in a planned and systematic manner, not with slogans nor by amending our Constitution.

Mr. DICKEY. Mr. Chairman, the inflated scare-tactic rhetoric on the House floor yesterday and today is really incredible. Social Security is a social contract that will not be altered in order to balance the budget. However, liberals continue to scare senior citizens about the alleged impacts of the Congress passing, and the States ratifying, a constitutional amendment to require a balanced Federal budget. Social Security is off the table when it comes to balancing the Federal budget.

No one should forget, it was the Democrat-controlled Congress which last year voted—without a single Republican vote—to increase taxes on Social Security benefits. The Contract With America calls for the repeal of that onerous tax, and will increase the amount of money seniors may earn without their benefits being reduced.

Yesterday, we overwhelmingly adopted—412 to 18—a resolution (H. Con. Res. 17) to further state our commitment that bringing the Federal budget in balance over the next 7 years must not involve reducing Social Security benefits or increasing Social Security taxes, regardless of which version of the balanced budget amendment we adopt. That's a commitment I have previously made and I vote to reaffirm.

The liberals are resisting a strong balanced budget amendment because it would inhibit their ability to continue the spending addiction that has been their hallmark over the past 40 years. They refuse to admit that the exploding Federal debt—now $4.6 trillion—poses the greatest threat to Social Security and all other Federal programs if it is not brought under control. The balanced budget amendment, with a three-fifths requirement to increase taxes, is needed to discipline Congress to cut spending without raising taxes. That is my commitment.

It is ironic that the liberals' attempt to stall or defeat a strong, meaningful balanced budget amendment comes at the same time Federal Reserve Chairman Alan Greenspan is warning the Congress and the administration against caving in to fiscal pressure that could lead to higher inflation. ''History is replete with examples of fiscal pressures leading to monetary excesses and then to greater inflation,'' Greenspan declared yesterday. He charged Congress with the task of keeping the Federal budget deficit at bay.

That is what this is all about yesterday and today on the House floor. It is clear that Social Security will not be harmed by the adoption of a balanced budget amendment; indeed it will only be strengthened. Congress and the States must pass and ratify the balanced budget amendment, to make it harder to raise your taxes and in order to protect your Social Security benefits.

Thank you.

Mr. VENTO. Mr. Chairman, I rise to express my serious concerns and my opposition to the various proposals being considered by this House to amend the U.S. Constitution, the law of the land, the most important basic document in our nation's history and its future, with a balanced budget constitutional amendment.

I am deeply concerned about our budget deficit, especially its explosive growth the past 15 years which looms over the future of our children and the future health of our economy. Throughout my career, I have supported numerous efforts aimed at streamlining the Federal Government, reducing spending, eliminating waste, and responsibly increasing revenues in an equitable way. I support a balanced budget but not an amendment to our basic document, which is more symbolism for today and postponing action until tomorrow with yet another budget process response.

Amending the Constitution for any matter must be more than just a slogan. It certainly shouldn't be a token soundbite for the nightly news or for mere political posturing. Without a balanced budget plan and the political will to act on such a plan, this balanced budget amendment is just that: a quickie fix for instant gratification that will place the nation in a fiscal straight jacket.

Even with the best of intentions a balanced budget amendment will not deal with today's budget decisions or the exponential growth of problems and policy choices in the future. Creative actions for circumvention, gimmicks, and shifting economic assumptions is illustrated by the recent debate over ''dynamic budget scoring'' and such tampering may well become the preferred alternative and would not be prevented even under a balanced budget amendment. In fact the amendment specifically empowers Congress to implement this constitutional amendment. Shifting dates, postponing liability, scoring, redefining credit and capital expenditures, are but a handful of creative legislative possibility that could frustrate the balanced budget requirement. In addition, most of the measures proposed invite circumvention by Presidential finding and a Congressional vote—but who will arbitrate and what are the enforcement mechanisms? It is clearly demonstrated that what is certain to be produced by such an amendment is even greater public cynicism toward the Congress and Federal Government.

The simplicity of this constitutional solution is its greatest fault. None of these amendments state how the task is accomplished. I have many serious questions, questions such as: What are the enforcement mechanisms? What is the appropriate role of the court system? How can the budget be litigated? What macro and micro economic effects would litigation encompass? And most important, what happens to the economy as the Federal budget is being defined and controlled by the courts? Can we afford that as an outcome? Can we risk to tying our own hands, perpetuating inaction and an inability to respond to a recession plagued U.S. economy because of a balanced budget amendment, inevitably leading to further economic decline?

Mr. Chairman, we must look at the constitutional balanced budget amendment as yet another process fix proposed to be enshrined in the Constitution. Such a measure promises to answer deficit problems tomorrow instead of today. What we must work for together is substantive action now for meaningful Federal budget cuts, changing budget priorities, and a refocusing of our national commitments in the real world. Making decisions about reductions in important programs is not a simple task. Of course, we don't agree as to what constitutes an unnecessary or lower priority expenditure within our national budget. Day after day, week after week, month after month, we must vote for change to establish a policy path which will achieve rational budgets, hopefully with less deficit and in the end a balanced budget. Congress must deal with fiscal expenditures—spending—and tax expenditures—tax giveaways. Congress should not lock in the existing tax code with special protections for the special interests, no more than we should foreswear cuts in military or other spending categories. Carried to its conclusion, superimposing such limitations on top of a constitutional balanced budget amendment could well return our form of government to a weakened confederation of States.

The consequence of writing into the Constitution an inflexible and unclear budget process may well result in much more harm than good, and unlike a bad law, will be very difficult to correct. Mr. Chairman, it's clear that the past decade of federal budget process laws promised far more than they performed or delivered: hence the skepticism, yes, even intense cynicism today. This constitutional balanced budget amendment, if enacted, could well result in yet one more unfulfilled promise and the continued political blame game or, conversely, it could significantly disable the strongest free democracy and economy on the face of the earth. These are real risks to which the Congress should not choose to expose our nation. Amending the Constitution after all is no substitute for the political constitution that Federal lawmakers must practice to deliver the results of a balanced budget. I urge my colleagues to oppose these amendments to avoid an uncertain, unpredictable measure that would not only alter our Constitution but would likely inexorably alter the balance of powers in our Nation.

Mr. McDADE. Mr. Chairman, passage of the balanced budget amendment sends a clear message to the American people that Congress will exert the fiscal discipline necessary to cut spending and end deficit spending.

There can be no doubt about the need for this measure. The national debt exceeds $4.7 trillion. The share of that debt is $13,000 for every man, woman and child in this country. There has been a Federal deficit for 57 of the last 65 years, and the last 25 years in a row. Interest on the debt is now the third largest single item in the Federal budget.

The balanced budget amendment provides a long-term solution to our long-term problem. It is a necessary enforcement tool for reaching balanced budgets. Other legislative methods have been tried and failed. If we do not act, the result will be large deficits harmful to our economy, increasing dependence on foreign capital and a lower standard of living for our children and grandchildren.

The amendment will force Congress to make the tough decisions that will result in lower deficits and transform the way Congress deals with Federal spending. The Budget Committee is currently developing a 5-year budget resolution which will set the Government on a path to a balanced budget.

Some opponents of the amendment are trying to scare senior citizens into believing that it will ultimately lead to cuts in Social Security. That is just not true. Republicans have made it clear that Social Security is off the table. The budget can be balanced in the next 7 years without touching Social Security.

A balanced budget amendment will actually protect each American's investment in Social Security. By balancing the budget, no additional Government bonds will have to be issued to finance the deficit. Consequently, there will be no more borrowing from the trust funds, which truly protects the future of our Nation's retired citizens.

This Congress is serious about the promises that were made before the election. The balanced budget amendment is just one more step toward making the Federal Government more responsive to the American people.

Mr. KOLBE. Mr. Chairman, this is a defining moment of truth for Congress, the American people, and the Contract With America: consideration of the balanced budget amendment to the U.S. Constitution. Why? Because today we will put down a marker for fiscal responsibility for generations to come. Today we will approve a balanced budget amendment.

Working with the mandate voters gave to Republicans last November, the new Congress is committed to aggressively examining every function of the Federal budget, looking for ways to make Government smaller, less intrusive, smarter and more efficient. The balanced budget amendment is a critical element in this process. It's the starting gun that puts us in the 7-year race to a balanced budget.

We all know that chronic deficits threaten our Nation's long-term prosperity. And we all know that our short-term interests all too often lie in spending more on the demands of various special interests. When faced with demands for more spending and less taxes by competing interests, Congresses and Presidents have taken the easy way out by borrowing more money. The balanced budget amendment corrects this bias by creating immediate political and economic consequences for running a deficit.

Living off a giant credit card and sending the bill to the next generation is a form of taxation without representation in a very real sense. We are borrowing money from future generations, laying national indebtedness at the feet of our children's grandchildren, all for continued deficit spending which may reelect Members tomorrow, but cripples our children's future. Farmers, laborers, merchants and families of tomorrow should not have to bear the burden of our spending decisions today. The balanced budget amendment is about setting priorities. It is about accountability. It is about fiscal responsibility.

I fully support the contract's balanced budget amendment that includes the three-fifths tax limitation provision. I have voted for it in the past; I am an original cosponsor; and I am committed to passing the strongest tax limitation amendment possible. We need to permanently shift the predisposition of our Federal legislature away from raising taxes and toward fiscal responsibility on the spending side of the equation.

But, while each Member could write his or her own ideal version of a balanced budget amendment, we should not let the perfect be the enemy of the very good. I will strongly support and push hard for the three-fifths tax limitation version. In the end, however, we must vote for a balanced budget amendment that can get two-thirds of the House and the Senate to vote for it, then the States to ratify it.

We must pass the strongest possible measure. If it isn't the Barton three-fifths supermajority vote for tax increases, then it must be the Schaefer substitute. This leaves intact the underlying principle of a balanced budget and imposes stronger tax limitation language than current law. All other alternatives lack the teeth to bring the budget into balance.

We have pledged to the American people that we will deliver on our promise to send a balanced budget amendment to their State legislators. Let us deliver that promise with the strongest possible measure. Let us enshrine in the Constitution the fundamental principle that current generations must not be able to burden future generations with excessive debt.

Mr. EVERETT. Mr. Chairman, I rise today in strong support of the balanced budget amendment to the Constitution. Amending the U.S. Constitution is a serious matter, and one that I take seriously. It is unfortunate that Congress must resort to such a drastic measure, but what is more unfortunate is the fact that Congress cannot control it's propensity to spend more than the Nation takes in. This habitual spending has created a national debt approaching nearly $5 trillion; debt that we will pass down to our children and our children's children.

Many organizations and interest groups have come out in opposition to the idea of a balanced budget amendment, claiming that important Federal programs will be harmed and that future economic growth will be hampered. These groups have even resorted to scare tactics directed toward the elderly, claiming the Social Security Trust Fund will be robbed; this couldn't be further from the truth. These claims are not only ridiculous, but are unfounded. These claims should certainly be satisfied after yesterday's vote (H. Con. Res. 17), where nearly the entire membership of this body voted to specifically protect Social Security from budget cuts.

Other nay-sayers claims that specific spending cuts must be outlined before we agree to a mandatory, balanced budget requirement. Again, the opponents fail to understand the seriousness of the financial calamity facing the Nation. A balanced budget amendment is not about specific spending cuts, but about fixing a broken process. A balanced budget amendment to the Constitution is required because Congress and the White House, unlike most American families, lack the fiscal discipline to live within the constraints of a budget. It would be tragic if we missed this opportunity to stop the current practice of passing our debt on to our children and grandchildren.

If Congress was forced to be fiscally responsible by a constitutional requirement to balance the budget, funds would be freed-up that currently go toward servicing the debt. In this current fiscal year, $230 billion will be required to pay interest on the national debt. If the President and Congress formulated a balanced budget, the $230 billion could be spent on important programs like education & training, national security, and veterans concerns. We could even use these funds for a tax refund to hard working Americans.

The legislation before us is a prudent measure, phased in over a number of years, to provide the fiscal discipline so desperately needed by the United States. The Barton substitute includes a number of key provisions that must be adopted to ensure the integrity of a balanced budget process. Without the three-fifths majority necessary to raise the deficit, raise taxes or raise the debt ceiling, Congress will not have the impetus to set policies within the constraints of Federal receipts. Again, the problem is setting priorities. The Barton amendment provides the sound fiscal discipline needed to avoid the economic pressures created by deficit spending, and should be strongly supported by the House.

If Congress and the President lack the courage to make the tough decisions needed to control deficit spending, we ought to at least have the decency to pay our own bills, rather than asking our children to pay our bills. A constitutional amendment to balance the budget is the only way we can prevent a financial legacy of disaster for our children and grandchildren. I urge all Members to support the Barton amendment.

Mr. BUYER. Mr. Chairman and my colleagues, Thomas Jefferson observed over 200 years ago:

> The question of whether one generation has the right to bind another by the deficit it imposes is a question of such fundamental importance as to place it among the fundamental principles of the government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Congress has lost its political morality.

Passage of this amendment to require a balanced budget amendment is long overdue.

Our fiscal house is not in order and it will never be in order until Congress puts a stop to its habit of spending more and more of the taxpayers' money. Congress cannot continue to spend, spend, spend, and hand the bills to our children and grandchildren.

The budget has not been balanced in 25 years. The accumulated debt of the Nation has skyrocketed to over $4 trillion dollars. If the existing rules cannot force fiscal sanity on the Congress, then the rules must change to impose discipline on Congress. This is why we need a balanced budget amendment.

The Nation should do what every Hoosier family in my district must do—live within its means. The people in my district believe that the Federal Government spends too much—and they are right. The problem is not taxation, the problem is spending. Over the past 30 years, revenues as a percent of gross domestic product have consistently ranged between 18 percent and 19 percent. Federal revenues increased from $606 billion in 1981 to

over $1 trillion in 1989. Spending, however, as a percent of GDP has steadily risen from 18 percent of GDP in fiscal year 1962 to almost 24 percent of GDP today. This is why it is necessary to hold the line on tax increases. The average American family works until May of each year just to pay its taxes. The limitation in this amendment is there in order to preserve freedom—it is in the spirit of the Bill of Rights which limits Government's ability to impose restrictions on a citizen's right to speech, assembly, religion, and petition of grievance. We cannot continue to have Americans working harder and harder, yet more of the decisions on how their money is spent are made in Washington and not around the kitchen table.

Many of my colleagues would like a road map of how to get to a balanced budget before voting on one. This is a little of placing the cart before the horse. The bottom line is whether or not one believes that the budget should be balanced and that Congress should manage the budget within the means of the citizens. Let's not divert the debate from the principles involved.

Deficit spending is the greatest threat to Social Security. Net interest on the national debt has grown from 8 percent of Federal spending in 1980 to 15 percent in 1995. Every dollar spent on interest is a dollar that cannot be spent on other programs no matter how worthy. In addition, if Social Security has a specific exemption, it would become the funnel for spending on other nonrelated programs to avoid the balanced budget requirements. Congress would be enticed to raid the trust fund to pay for pet programs.

Congress has not demonstrated the political morality to curb its appetite for spending. It is time to give Congress some backbone to make the hard decisions. It is time for this amendment to be adopted.

Ms. JACKSON-LEE. Mr. Chairman, It is no secret that Americans benefit from Federal programs. Social Security, Medicare, Veterans' Pensions and Compensation, Aid to Families with Dependent Children, and student loans—these are all essential programs from which many segments of our population benefit. These programs are certain to be on the chopping block if a balanced budget amendment passes, an outcome that many Americans, clearly, are not expecting.

In one survey, three out of five Americans opposed a balanced budget amendment that requires a 20 percent cut in spending on entitlement programs. In the same survey, 7 out of 10 Americans opposed cutting spending on Social Security, Medicare, and Medicaid to reduce the Federal deficit.

Data compiled by senior advocacy groups shows that passage of the balanced budget amendment could mean a 12-percent cut in benefits or the loss of more than $1,000 per year for the average beneficiary. Additionally, more than $420 billion could be cut from these health care programs over 5 years, according to a study done by Families USA.

It is projected that the Medicare program, which provides health insurance to the Nation's elderly and persons with disabilities, would suffer the largest dollar cut of any Federal program. This is because Medicare alone will account for 18 percent of the Federal budget by the year 2002. The State of Texas alone will receive at least a $2.5 billion a year loss in funding for Medicaid if the balanced budget amendment passes. My State will also bear a $1.2 billion per year loss in funding for education, job training, the environment, housing, and other crucial programs.

I am not ashamed to stand before you on the floor of the House of Representatives to fight for federally backed social service programs. Need I remind my colleagues that those programs are essential to communities in each and every one of your districts? The 18th district of Texas is one of the most diverse in the Nation. I am proud to be a voice for the people of my district whose very livelihoods depend on these programs. Few may stop to realize that while low- and middle-class families receive most of their Government benefits through programs, wealthy individuals and large corporations receive most of their Government subsidies through tax benefits. How different are these concepts? Do they not, in the end, serve the same purpose?

Mr. Chairman, I ask my colleagues to carefully reflect before casting their votes on this monumental piece of legislation.

Mr. COYNE. Mr. Chairman, the proposed balanced budget amendment fails to provide an honest accounting of the sacrifices to be required of the American people.

I want to note my strong opposition to this balanced budget amendment proposal. This proposed amendment to the U.S. Constitution provides only a fiscal placebo instead of a honest and realistic plan for reducing the Federal deficit. I support a balanced budget but this can only be achieved by enacting tough and balanced deficit reduction plans, like the 1993 economic plan that has served to reduce the deficit for 3 straight years in a row.

It should be no surprise to the Members of Congress that a majority of Americans have indicated their opposition to a balanced budget amendment. The truth is that the American people are learning about the sacrifices that will be required of working and middle-class families under the budget plans being crafted by the Republican majority. They are agreeing with the Republican majority leader who stated that ''knees would buckle'' if people understood the painful cuts required under the Republican majority's plans to reach a balanced budget.

The Majority leader's statement explains why the Republican majority is using their control of Congress to hide the truth about this balanced budget amendment. They have voted in committee and on the floor of the House to keep the American people from learning how their planned budget cuts will affect family pocketbooks across America. They want to hide the truth that Americans will pay more out of their own pockets for education, transportation, and health care. Taxpayers will pay more in local and State income and property taxes as Federal assistance to States and communities across America falls under the budget axe.

It is often said that the devil is in the details. Well, some of the details can be found in the Contract With America which calls for balancing the budget by 2002 while cutting some taxes. Budget experts estimate that doing so without cutting Social Security or defense spending or raising taxes would require slashing all other Federal expenditures by 30 percent. If efforts are made to protect Medicare or veterans programs, then the level of cuts would be even greater for remaining programs like education, child nutrition, job training, community development, and transportation.

Pittsburgh area residents in my district can expect to pay between 15 and 20 cents more in transit fares. Pittsburgh Children's Hospital will have to reduce services as a result of major cuts in Medicaid. Pittsburgh residents will pay higher State income taxes as a result of cuts in direct Federal aid to Pennsylvania, which equaled 26 percent of the State's total budget in 1992.

Cuts in domestic programs will hit those Pennsylvania residents with the greatest need. The Children's Defense Fund has estimated that in Pennsylvania 77,500 babies, preschoolers and pregnant women would lose infant formula and other WIC nutrition supplements, that 264,400 Pennsylvania children would lose Medicaid health coverage, and 292,600 Pennsylvania children would lose free or subsidized school lunches.

These are not exaggerated predictions of the sacrifices to accompany a balanced budget amendment under the new Republican majority. The level of cuts required in programs serving American families and local governments is evident in the budget priorities already outlined in limited detail by the Republican majority.

The Republican majority has taken fully half of the Federal budget off the table for any budget cuts. Social Security, defense, and interest payments on the debt either will not or cannot be cut. The Republican majority would subject less than half the Federal budget to the full impact of a balanced budget amendment. Only Medicare, Medicaid, education, grants to State and local governments, and remaining Federal programs would be open for cuts of up to 30 percent by the year 2002.

I agree that Social Security should be protected from budget cuts because of the debt we owe to older Americans who worked to make this country what it is today. It must be noted, nonetheless, that Republicans will not vote to back up their promises of protecting Social Security with a specific guarantee. Seniors in the Pittsburgh area are calling my office to demand that guarantee because they do not trust the Republican majority to keep their promises of protecting Social Security.

I do not agree, however, that defense spending should be exempt from any cuts, especially since the $270 billion fiscal 1995 defense budget alone will nearly equal the entire $276 billion budget for all nondefense discretionary spending this year. This is not fair to hard-working Americans who are being asked to sacrifice under a balanced budget amendment.

The truth is that the Republican majority plans to increase defense spending even while slashing into funding for all other Federal programs. News reports indicate that Republican Budget Committee guidelines call for increasing defense spending by $10 billion next year while cutting $22 billion from domestic programs like Head Start, medical research, national parks, and school lunches. Americans have a right to know that education, health, transportation, and other domestic programs will all be cut even more so that defense spending can be increased in a post-cold-war world.

Middle-class and lower-income Americans also have a right to know that the new Republican majority would exempt the most affluent citizens of our Nation from much of the budget

sacrifices required of others. The richest in our society would be protected from paying any additional taxes even if that means more draconian cuts in programs serving low- and moderate-income Americans. The new majority would enshrine in the U.S. Constitution a requirement that any tax increase be approved by a super-majority vote of the House and Senate.

These are the devilish details behind the proposed balanced budget amendment. Middle-class and low-income Americans can expect to feel the full brunt of the program cuts required to balance the Federal budget by 2002. If this fiscal straitjacket is enforced, the American people must also understand that the Federal Government may not be able to help their community in times of economic crisis or natural disaster. A committed minority would be able to use this proposed amendment to block even the most vital Federal response to the needs of the American people.

There are some, of course, who say that a balanced budget will not be enforced. They say that Congress will use the super-majority loophole in the amendment to continue adding to the Federal debt. It is worth noting that the Republican majority leader of the Senate has compared a balanced budget amendment to Prohibition. It may not stop America from deficit spending but it will focus attention on the spending.

I must remind Members of the House that amending the U.S. Constitution, the foundation of our Nation's liberty and democratic principles, is serious business. Our country's experience with Prohibition led to increased disrespect for the rule of law and I fear the same will be true of a balanced budget amendment. We risk debasing the U.S. Constitution itself if the American people perceive that a balanced budget constitutional amendment is not worth the paper it is written on.

Mr. Chairman, balancing the budget will require tough votes and does not require revisions in the U.S. Constitution. Congress should reject the proposed amendment but if it is to be approved, I believe strongly that the American people have a right to know the truth about the sacrifices they will have to make under the proposed balanced budget amendment.

Mr. BEREUTER. Mr. Chairman, now is the time to put before the States a responsible balanced budget amendment that will be ratified. This Member is pleased that there is such strong support for a balanced budget amendment to the Constitution. There are many ''Johnnies Come Lately'' to this issue among Members of Congress—long-term incumbents and newly elected Members, but this Member welcomes their effort in getting a balanced budget amendment ratified. This Member has been a cosponsor of a constitutional amendment to balance the budget since 1981, and has voted for them on every instance that they have reached the House floor.

Mr. Chairman, this Member would also like to express his concern regarding the requirement of a three-fifths super-majority vote for any increase in taxes. This Member believes that there is a heavy burden of proof to deviate from a very basic principle of our American democracy—the principle of majority rule. Therefore that anyone proposing a super-majority and placing it in the Constitution has an extraordinary burden of proof and that step should not be taken lightly.

However, if that argument does not convince his colleagues, this Member would ask them to consider the pragmatic argument against a three-fifths majority. The three-fifths tax provision will doom the balanced budget amendment to failure.

Even if the Senate and a conference committee would approve the three-fifths provision, a step that is extraordinarily unlikely, it is very clear already that it would keep three-fourths of the States from ratifying it.

This Member also wants to make it more difficult to move toward a balanced budget simply by increasing taxes, believing that expenditure restraints must be the primary focus of our actions, as demonstrated by the fact that this Member voted for a House rules change on January 4 which required a three-fifths vote for raising corporate or individual income taxes. That restraint imposed for the 104th Congress is, by majority vote, an appropriate action for current fiscal or budgetary conditions, and will stay in place as long as there is a like-minded Republican majority in the House. However, such a three-fifths super-majority voting requirement does not belong in the U.S. Constitution, and this Member will vote for the Schaefer amendment which attempts to delete the requirement from the legislation which has been reported to the House floor for a vote. This Member regrets that the Istook amendment was not made in order. The Istook amendment has much merit and would have appealed to the supporters of the three-fifths requirements.

Mr. Chairman, this Member's vote will be for the kind of balanced budget amendment that has some chance of successfully emerging from the Congress and being ratified by three-fourths of the States. The three-fifths vote requirement to raise taxes would condemn the balanced budget amendment to failure. Members, now is the time to actually pass a balanced budget amendment and put it before the States for ratification, and that is what this Member is doing with his vote.

Mr. Chairman, this Member strongly believes that all Members who support a balanced budget amendment must work together on the common goal—to get a balanced budget amendment passed by the House and Senate that really will be ratified by three-fourths of the States.

Mr. Chairman, this Member has witnessed the positive effect of such a constitutional requirement to balance the annual budget when serving in the Nebraska legislature.

It became apparent to this Member early in his congressional career that fundamental, institutional changes are needed to avoid deficit spending. A constitutional amendment requiring a balanced budget would provide the Members of Congress collectively with the necessity to either say no, limit proposed increases, or force decreases in order to meet the spending limitations. Congress cannot responsibly leave this legacy of debt for future generations.

GENERAL LEAVE

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks on House Joint Resolution 1, the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FULFILLING A DEMOCRATIC CONTRACT TO PRESERVE SOCIAL SECURITY AND MEDICARE

(Mr. KENNEDY of Rhode Island asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY of Rhode Island. Mr. Speaker, many freshmen were elected to the 104th Congress to fulfill their party's Contract With America. The people of the First Congressional District of Rhode Island sent me to Washington to fulfill a contract that has been around a lot longer than the Republican Contract With America. It was the Democratic Contract With America that was forged with Social Security and Medicare for our senior citizens.

This is the Contract With America, this is the American contract with our senior citizens, that I pledge to fulfill in my term here in the 104th Congress.

Mr. Speaker, the highlight of the Contract with America is the balanced budget amendment. Unfortunately, this document fails to provide any insight as to the impact it may have on the American people. Subsequently, I had the Department of Treasury provide me with data calculating the impact on Rhode Island of achieving a balanced budget by 2002 in conjunction with the tax breaks contained in the Contract. Here is how Rhode Island would be affected:

No. 1, a balanced budget amendment would reduce annual Federal grants to the Rhode Island State government by $430 million: $255 million per year in lost funding for Medicaid; $42 million per year in lost highway trust fund grants; $23 million per year in lost funding for AFDC; and $109 million per year in lost funding for education, job training, the environment, housing, and other areas.

Rhode Island would have to increase State taxes by 21.4 percent across the board to make up for the loss in grants.

No. 2, a balanced budget amendment combined with the ''Contract'' tax cuts would require even deeper spending cuts, thereby reducing annual Federal grants to Rhode Island State government by $590 million: $350 million per year in lost funding for Medicaid; $58 million per year in lost highway trust fund grants; $32 million per year in lost funding for AFDC; and $150 million per year in lost funding for education, job training, the environment, housing and other areas.

Rhode Island would have to increase State taxes by 29.3 percent across the board to make up for the loss in grants.

No. 3, a balanced budget amendment and the ''Contract'' tax cuts would reduce other annual Federal spending in Rhode Island by $849 million: $476 million per year in Medicare benefits, $373 million per year in other spending including housing assistance, student loans, veterans' benefits and grants to local governments.

I think it is important to take a moment to examine what these numbers really mean. By the year 2002 Rhode Island Medicare recipients will face a $476 million reduction. Such a cut would mean that people will lose services and benefits they have earned as a result of a lifetime of hard work. Instead of raiding our healthcare programs, we should be looking for ways to utilize funding to best meet the needs of the elderly. Prescription drug benefits for the elderly is an example of such an initiative.

During my 6 years in the State legislature, I had the opportunity to engage in many discussions with Rhode Island senior citizens. We would often discuss the difficult choices they have to face and the one concern I heard most frequently pertained to prescription drugs. For 75 percent of America's elderly, the highest out-of-pocket expense is not rent, it is not food—it is their prescription drugs. Senior citizens are all too often forced to make decisions no one should have to make: whether they can afford to purchase the prescription drugs they require to stay healthy or to pay for other basic necessities such as food, rent, and clothing.

If the goal of Medicare is to keep our senior citizens healthy, what better investment can there be than to ensure that seniors get the prescription drugs they need to stay healthy and stay independent. It is a much better investment of taxpayer dollars to invest in providing prescription drug coverage via Medicare rather than investing in intensive care that may be required when an elderly person cannot afford their requisite medication. Let us be honest, we can pay now or we can pay later. We will do senior citizens a greater service and achieve significant savings by including prescription drug coverage in Medicare.

CONTRACT WITH AMERICA THREATENS SOCIAL SECURITY

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GENE GREEN of Texas. Mr. Speaker, today we will be voting on the balanced budget amendment. During the recent campaign and public statements defending the Contract With America, the Republicans have stated firmly they will not touch Social Security. But in committee hearings on the balanced budget amendment, the Republicans blocked all attempts to explicitly exempt Social Security from their balanced budget axe.

Yesterday we passed a sense-of-Congress resolution that Social Security would not be touched because of the balanced budget amendment. But this resolution does not have the force of law. It was effective for one brief snapshot yesterday. It is not effective today, it is not effective tomorrow, and definitely not effective next year.

This House does not have to obey it. Future Congresses do not have to obey it. Putting it in the Constitution would be the most effective way we can do it.

A constitutional amendment to balance the budget does not exempt Social Security and puts into jeopardy that original contract with our seniors in 1935. We owe it to the American people to tell them where the $1.2 trillion in cuts will come from. We also owe it to our seniors to ensure that they know it is protected in the Constitution and that their benefits will not be cut on the crusade of the balanced budget.

Mr. Speaker, I include the following for the RECORD:

[From the Houston Chronicle, Jan. 11, 1995]

TELL, WON'T TELL

BALANCED BUDGET SHOULD HAVE NO DEFICIT OF DETAILS

It's been said about as many times as there are dollars in the federal deficit—trillions—but it's still true: The devil is in the details.

And Democrats have a point in the current tell/won't tell debate over details in GOP calls for a balanced budget constitutional amendment. Asking Republicans for some specificity on how they would accomplish the task is relevant.

A citizen purchasing an automobile might reasonably be expected to be informed of such basics as: what type of motor the car has, if it has one at all; what color the auto is; the driveout price, etc. Would we not take the same or greater care with our Constitution that we would in buying a car?

Even such conservative mainstays as economist Herbert Stein, who was President Nixon's chief economic adviser, are making that point. ''It is unfair to ask the American people to sign on to the amendment without telling them what they would be committing themselves to—what combination of tax increases and expenditure cuts might be required to achieve the balanced budget,'' he says.

The larger problem with the whole debate is that it points out the flaw in relying upon a constitutional amendment to do the work and make the decisions of lawmakers. And many supporters of the amendment concept mistakenly assume that it means automatic cuts of government spending. That is not the case. The pressure of such an amendment could just as easily be used to justify as yet unspecified tax increases.

A Senate vote and a House floor debate on the issue have now been postponed for at least a week. Several ''Honest Budget'' bills that would require Congress to give details are expected to be filed.

Americans ought to have their budget balanced, but a constitutional amendment on ''cruise control'' is not the right vehicle. Lawmakers ought to be in the driver's seat making the hard choices on spending and taxes. And they should tell us in a more specific way how we're going to get there from here. The devil is in the details.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. CAMP). Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members are recognized for 5 minutes each.

The SPEAKER pro tempore (Mr. CAMP). Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

[Mr. OWENS address the House. His remarks will appear hereafter in the Extensions of Remarks.]

ILLINOIS LAND CONSERVATION ACT

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

Mr. WELLER. Mr. Speaker, today I introduced a bill that has overwhelming support from Members on both sides of the aisle. This legislation, knows as the Illinois Land Conservation Act, overwhelmingly passed the House last session, when introduced by my predecessor George Sangmeister. Unfortunately, time ran out before the bill was able to pass the Senate.

I would like to speak briefly about the importance of this legislation. This bi-partisan measure is supported by virtually the entire Illinois Congressional delegation, both Senators PAUL SIMON and CAROL MOSELEY-BRAUN of Illinois, the Governor of Illinois Jim Edgar, a large number of veterans, environment and conservation organizations, the business community, private citizens and a broad coalition of groups interested in making this project a reality.

First, a little background. The Joliet Arsenal was declared excess Federal property in April 1993. A local Citizens Planning Commission was formed to develop a plan for reuse of the site. The Commission unanimously adopted a plan, which is encompassed in my legislation.

This innovative land use plan for Army base conversion has been touted as a model for accelerating base closures to peace-time productive uses. It will be the first national tallgrass prairie park east of the Mississippi, and will have enormous environmental, economic and educational benefits not only for the State of Illinois, but for the entire country. Never will we have another opportunity to preserve such a large tract of land for wildlife habitat and prairieland preservation, and also to incorporate a much-needed veterans cemetery and land for economic development.

The largest portion of land, 19,000 acres, will be transferred to the National Forest Service for creation of the ''Midewin National Tallgrass Prairie.'' This is very crucial to a State that once had more than 43,000 square miles of prairie land, most of which has now been development into towns and cities. This is a great opportunity to restore critically imperiled ecosystems and their fragile habitats, an opportunity to provide protection for endangered and threatened species, and an opportunity to provide recreational opportunities in an increasingly urbanized landscape and densely populated area. Over 6 million people live within 45 miles of the land. Trails, camping, wildlife watching—possibly including the reintroduction of buffalo—are planned. The proposed prairie land is home to many species of birds and animals that are on both Federal and State endangered and threatened lists. Among these are the Upland Sandpiper,

the Marsh Yellow Crest, Blanding's turtle as well as numerous species of fish, insects and plant life.

The plan also includes a veterans cemetery which will occupy approximately 1,000 acres on the arsenal property. This veterans cemetery, which will be the largest in the United States, will serve more than a million veterans and their spouses and dependents within a 75-mile radius. The site of the cemetery, known as Hoff Woods, is a beautiful and tranquil setting of forests and rolling hills; a perfect location for a national cemetery.

There will also be two sites, a total of 3,000 acres, to be used for the purpose of economic development. These 2 sites are seen as ideal for job creation. Many manufacturing companies would find a space like this well suited to their needs. Not only is the land equipped for economic development, but there are a series of water wells with the capacity to pump 15 million gallons of water each day. This portion of the redevelopment plan is very important to the surrounding communities. Using this land for job creation will put many local men and women to work and stimulate the local economy.

It is my hope to hold a field hearing on this very important piece of legislation. I would like to provide a forum for the local communities, the Forest Service, the Department of the Army, veterans, conservation groups, the State of Illinois, and the business community to voice their interests in this project. I find it encouraging that such a broad spectrum of interests are all supportive of this plan. The hard work and commitment by these groups and individuals demonstrates what can happen when people work together to make a difference.

I plan to do all I can to pass this legislation in a timely fashion and get the project moving. I look forward to working with the distinguished Senators from my State, to get this bill through the other body.

Redevelopment of the Joliet Army Ammunition Plant is my top local priority during my first term in Congress. Not only is it good for my Congressional District, it is good for the State of Illinois and the entire country.

□ 2040

The SPEAKER pro tempore [Mr. CAMP]. Under a previous order of the House, the gentlewoman from Arkansas [Mrs. LINCOLN] is recognized for 5 minutes.

[Mrs. LINCOLN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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

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

THE PROPOSED BAILOUT FOR MEXICO

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Mr. KAPTUR. Mr. Speaker, my friends, please consider this carefully: The administration's and congressional leadership's proposed $40 billion in loan guarantees plus $18 billion in swaps and lines of credit to Mexico and Mexico's creditors is unprecedented. Never has the U.S. pledged the full faith and credit of our Government to a foreign Nation's creditors on such a huge scale. This proposal would risk U.S. taxpayer money to support a foreign government with an authoritarian past. Before we jump headlong into a new role—as insurance company to Mexico—let us stop for a minute and consider carefully what's happening here in Washington.

Only one hearing was hastily scheduled yesterday to leave the impression this House is actually deliberating on this matter. But in fact no bill has been introduced by those working behind closed doors to cobble this together. To get answers to some of our questions, a group of colleagues from the Fair Trade Caucus and I held our own forum yesterday afternoon. Many distinguished economists and experts, representatives of outside groups, and Members from a diverse cross-section of the political spectrum had the opportunity to express their views in opposition to this rescue package.

Then this morning, the Washington Post had an article saying that a new Los Angeles Times poll shows that 81 percent of 1,353 adults surveyed oppose the Mexican bailout. And another California poll showed that 97 percent are opposed. Shouldn't we listen to the 80–90 percent of our constituents who want us to vote against this when it is there $40 billion on the line if Mexico defaults.

The financial meltdown of Mexico was being discussed well over a year ago during the NAFTA debate. One has only to turn to the public record to learn the truth. Not only did our colleagues, like Representatives LAFALCE and GONZALEZ, repeatedly bring up the potential liability posed by Mexico's economic policies and the speculative practices of United States investors—but economists, journalists and others did so as well. Let me quote you just one example from a June 1993 report by Jeff Faux of the Economic Policy Institute: ''NAFTA . . . is a formula for creating future demands that the U.S. taxpayer bail out the Mexican banking system in order to save the assets of major United States financial institutions.''

If the administration and leadership of this institution persists in its cries of ignorance, one has only to cite the secret $6 billion dollar line of credit that the administration and the Mexican Government negotiated in the days leading up to the NAFTA vote. It was recognized then, over a year ago, that the Mexican economy was in trouble. It should have further been recognized that the United States was in grave danger of being liable for the fallout. Instead, the administration kept the $6 billion quiet.

So it is folly to say that the administration and the Mexican Government did not know of the coming storm. In a recent New York Times article, it was quoted, ''According to officials in Washington, the Treasury Department told several Mexican official starting last summer that the country's short-term borrowings had reached a dangerously high level and that the peso was being kept artificially high.'' They knew. They did not want us to know.

Earlier this month, Representatives HUNTER, DEFAZIO, EVERETT and I sent a letter of inquiry to Treasury Secretary Rubin listing our questions regarding Mexico's financial crisis, and I have a copy of that letter here with me today. We have received no reply to the specific questions we raised in our letter. And so I ask the Treasury Department again: to whom does Mexico owe its existing debt? What collateral that has not already been pledged to other creditors is Mexico willing to put up? What type of economic and political reforms is Mexico willing to pursue? These and other questions need to be answered before any legislation is called up for a vote. If American taxpayers are asked to bet $40 billion dollars, they deserve at last that consideration.

We are waiting for answers to those questions because frankly the reasoning that has been offered as to why this bailout package is in the best interests of the United States and the vast majority of Mexicans has been grossly inadequate. For example, it is now being said by the administration, and I quote from the Treasury Department's briefing paper, ''(T)he goal of our support package is to protect our economic interests in a nation which has become our third largest export market. Mexico bought more than $40 billion worth of our products in 1993, and nearly 770,000 United States jobs depend directly on exports to Mexico.'' Pardon me, but who does the administration think they are dealing with? A fifth grader can see imports from Mexico going up and exports to Mexico going down, and can tell you that we are headed for a trade deficit with Mexico. A smart eighth grader could tell you when the value of their money has been cut by half, they won't be able to buy as much from us and we are going to be running a trade deficit with Mexico in a few months. Add this unfortunate circumstance to the fact that the United States in 1994 suffered its worst trade deficit in history with 20,000 U.S. jobs lost for every billion dollars of deficit, we are talking about the hollowing out of another 3.1 million jobs.

The United States is not going to increase its exports. In fact, the Mexican

Government devalued the peso to do exactly the opposite: to decrease United States exports to Mexico and increase Mexican imports to the United States—so that Mexico will have the money to pay its debts to Wall Street, megabanks, investment houses, and multinational corporations.

Members of Congress must demand answers. Who exactly owns the Tesobonos and how much interest are they being paid? It is not good enough for the administration to say that United States investors lost 40 percent on their Mexican investments in the last month, without also admitting that those same investors have been earning up to 66 percent returns on those same investments. Since 1990, in emerging market mutual funds, certain folks have made handsome profits. As they reaped their huge dividends, let them now eat their losses.

It is not good enough to say that the $40 billion in new loans will be secured by Mexico's oil reserves. At current oil production and price levels, the gross export receipts for Pemex, Mexico's national oil company, are only about $8.5 billion a year. Many economic experts, including Walker Todd, a former Assistant General Counsel for the Federal Reserve, say that virtually all of Mexico's oil has already been pledged to other creditors—notably, holders of Eurobonds. Perhaps most importantly, Mexico's energy minister, Ignacio Pichardo Pagaza, in a January 23, 1995 article in the Financial Times stated Mexico has no intention of putting up its oil reserves as backing for these loans. He stated: ''Our oil will not be mortgaged, nor will it form part of any loan guarantees.'' So don't count on promises of Mexican oil to help our taxpayers swallow this bitter pill. Even if Mexico did promise and then reneged on its promises, where would the United States seek legal redress in a court of law? The guarantee can't be enforced. No U.S. court has jurisdiction. No Mexican court has jurisdiction.

As Barron's magazine said last week, on this one the United States got caught in the ''Venus fly trap'' of the hemisphere. Mexico's clever leaders postponed the hardship until after NAFTA passed. If this passes, the United States will be held hostage to every debt on the continent.

Finally, I would recommend to all Members that unless you get full answers to hard questions, and I doubt you will, you should vote no on this bailout.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 11, 1995.

Mr. ROBERT RUBIN,
Secretary of the Department of the Treasury, Washington, DC.

DEAR SECRETARY RUBIN: We are writing in regard to the Administration's decision to extend a $9 billion dollar line of credit through the U.S. Treasury and the U.S. Federal Reserve to the government of Mexico in order to stabilize the Mexican peso. The U.S. Federal Reserve has further committed an undisclosed amount of U.S. dollars to the same end. Using uncollateralized loans, major U.S. commercial banks have loaned another $3 billion. The total sum of the peso bailout represents a huge commitment by the U.S., our taxpayers and our banking system. We are sure that you will agree that American people have a right to know what risk they are assuming in these transactions. With this in mind, please find below a series of specific questions to which we would appreciate answers as expeditiously as possible.

1. In view of the fact that U.S. banks are earning historic profits, why is U.S. government intervention—in the form of a currency swap and lines of credit—necessary? When the private sector gambles and loses, shouldn't those losses be borne by the private sector?

2. To what specific banking and corporate interests does Mexico owe the $26 billion in outstanding obligations that come due this year, $10 billion of which is due in the first quarter, and $16 billion of which is allegedly owed to U.S. interests? How much in additional obligations comes due in 1996 and 1997; specifically, to whom is it owed?

3. Of those business entities incorporated in the U.S. to which Mexico is indebted, which hold voting rights at their regional federal reserve banks, and in which regions?

4. Under what conditions is Mexico permitted to draw on the $9 billion U.S. currency swap line and $5 billion line of credit from the Bank for International Settlements, of which the U.S. Federal Reserve is a member?

5. What will be Mexico's ''assured source of repayment'' if it draws on these funds?

6. What are the explicit terms of this credit facility—for what period of time, and under what conditions is the facility renewable?

7. If Mexico defaults, is it the intention of the U.S. Treasury to enlarge the assistance? For what period of time, and for what purpose?

8. Under what legal authority was the original swap line negotiated and more recently increased from $6 billion to $9 billion?

9. Why is the commercial bank line of credit in the peso bailout uncollateralized?

10. What financial instruments have been or are being created to carry out Treasury's currency swap and any related transactions?

11. How are these instruments different from Brady bonds, formerly sold to bail Latin America out of its debt crisis? Brady bonds were collateralized by U.S. Treasury securities.

12. What is the current yield of Brandy bonds?

13. What percentage of the interest Mexico must pay its bondholders in 1995 represents interest due Brady bondholders?

14. In the NAFTA agreement, U.S. banks won access to the Mexican financial system, with limits, initially at 8%, rising to 15% by 1999. In view of the peso devaluation, what risks are posed to the U.S. of complete foreign ownership of the Mexican banking system, by the U.S. or other nations?

Thank you for your cooperation. We look forward to hearing from you soon.

Sincerely,

MARCY KAPTUR.
PETER DEFAZIO.
DUNCAN HUNTER.
TERRY EVERETT.

A VICTORY FOR THE AMERICAN PEOPLE

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Moments ago the U.S. Congress, 300 members, passed a balanced budget amendment here on this floor.

As a freshman of the 104th Congress, I am so proud of this collegial body, from the leadership of Speaker GINGRICH, to the leadership of the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from Texas [Mr. STENHOLM], both sides of the aisle working to pass something that the American public has asked for, requested, and now will see success in the victory tonight. It is a victory of two parties working together; to the gentleman from Texas [Mr. ARMEY], the gentleman from Texas [Mr. DELAY], and the gentleman from Ohio [Mr. BOEHNER], our leadership in the Republican Party, I salute them.

Because I am proud as an American to address this Congress and take pride in the fact that I was one vote of the 300 supporting something that the American public wants desperately for this Government to live within its means. This is in fact a historic night. It is a proud night for all Americans, and I thank the American people for allowing me to be a part of this great Congress.

NUTRITION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Mrs. THURMAN] is recognized for 5 minutes.

Mrs. THURMAN. Mr. Speaker, all across the country tonight almost 800,000 elderly Americans and those who do not have the capacity to leave their homes are eating hot meals that have been delivered through programs like Meals-on-Wheels. I want to thank Parishes United for Meals on Wheels, a member of the National Association of Meals Programs for providing the meal I have this evening.

Republicans have proposed cutting the funding for elderly nutrition programs by lumping them together as a block grant with other nutritional programs. Even worse, the Contract With America proposes to make an across-the-board cut on this block grant, while offering absolutely no protection for any funding for elderly nutrition programs. Under the Republican plan, it is conceivable that elderly nutrition programs could be zeroed out of the budget.

Mr. Speaker, this proposal from the Contract With America does not make cost effective sense. The logic of this proposal is faulty on its face. The proposed changes will result in more people going to nursing homes since preventive and supportive services, including meals, will be decreased. Every recipient who receives meals at home is considered frail and generally at risk of nursing home placement.

If this block grant is created, 5,000 home delivered meal recipients in my State would be dropped from the program. These frail seniors would most likely be unable to remain in their homes and would be at high risk of

needing nursing home care. This would cost the Federal Government $86 million per year in Medicaid funds, as opposed to the present cost of $7.5 million under the Older American Acts and related State funded programs for home-based care.

And remember, this $86 million is only for Florida. It is more than 10 times less expensive to keep people in their homes, where they want to be in the first place. Obviously, the results of block granting these programs have not been thought through. It is just another one of the shallow plans Republicans are offering without thinking through the human or financial consequences. This plan would end up costing us billions of dollars and cutting vital services to the elderly.

Moreover, these programs are some of the most effective in keeping administrative costs extremely low. Much of the administrative costs of these programs are provided by volunteers. The reduction of funding will have an adverse effect on the potential of providers to recruit increased numbers of volunteers. Furthermore, the number of volunteers would be decreased as well, since many senior volunteers are participants in the programs.

Mr. Speaker, the average age of the people I represent makes my district the second oldest in the State. I have worked closely with a number of programs in my district that provide these nutrition programs to my constituents. I know from firsthand experience how important they are to a great deal of the elderly folks in Florida.

Nutrition studies from the University of Florida have shown that 69 percent of the congregate meal participants were at moderate to high risk for malnutrition. Moreover, 89 percent of the home delivered meal participants were at moderate to high risk for malnutrition.

Mr. Speaker, I have talked to many participants of these nutritional programs and I receive letters like this every day.

Like the one from this 83-year-old woman. She has been going to the same site in New Port Richey every day since 1983. Her son brings her every morning and picks her up afterwards. She loves to be around people and feel useful instead of just sitting at home.

She is very healthy and goes to the site to enjoy the camaraderie of other seniors her age. She is very active at the site and is a regular volunteer.

She is grateful to this elderly nutrition program and stated that ''the program keeps her young.'' If this program were based on income eligibility she would not qualify for it.

Mr. Speaker, what we need to understand, is that the Elderly Nutrition Program is not welfare. Unfortunately, the Nutrition Program for the Elderly got swept along in a big net cast out to reform the welfare system. This is a program that serves very vulnerable seniors. This program does not belong in the debate on connecting recipients to the workplace.

The welfare debate is about personal responsibility and work. The Elderly Nutrition Program is about keeping seniors alive and independent. Not a single person has alleged that the program is anything less than a successful program that has improved the nutrition and physical and mental health of millions of seniors in our country.

Mr. Speaker, I urge my fellow Members to examine these elderly nutrition programs and recognize the fact that they do not belong in the welfare debate. Including them in a massive block grant, as offered by the Republicans in the Contract With America, would be a massive mistake. It would in the most cruel way, pit one generation against another in the fight for survival.

Tuesday night, President Clinton said that seniors have made us what we are as a nation. He is right. We should not thank them for their sacrifices to the present generation by kicking them out on the street and into nursing homes.

□ 2050

EFFECTS OF PERSONAL RESPONSIBILITY ACT ON ELDERLY NUTRITION PROGRAMS

The SPEAKER pro tempore (Mr. CAMP). Under a previous order of the House, the gentleman from Rhode Island [Mr. REED] is recognized for 5 minutes.

Mr. REED. Mr. Speaker, one of the most dramatic changes occurring in our nation is the aging of our population. When the post-war ''baby boom'' generation matures, one-third of our population will be over age 55. In fact, the fastest growing part of our population are those over the age of eighty-five. Today's oldest Americans, as a group, live longer, healthier, and financially more secure lives than their parents or grandparents. They are clearly the beneficiaries of successful federal programs such as Medicare, Social Security, Medicaid, and the Older Americans Act. These programs have helped to reduce the poverty, poor health, and inadequate living conditions that were widespread five decades ago.

In light of this record of success, I am deeply disturbed that the Republican's Personal Responsibility Act contains a dangerous proposal to eliminate specific funding for the elderly congregate and home-delivered meals programs. Funding for these programs would have to come from the $36.5 billion state food assistance block grant established under the Personal Responsibility Act.

I am especially concerned about this proposal because Rhode Island ranks as one of the nation's ''oldest'' states, with 197,000 individuals over the age of 60—this is approximately 16% of the state's population. Rhode Island boasts 42 senior centers that serve approximately 40,000 seniors annually.

I have personally witnessed the importance and effectiveness of these programs. Last summer, I had the opportunity to deliver ''Meals on Wheels'' in Providence, Rhode Island. I was first struck by the efficiency of the program. Volunteers are the key to the program. I had the privilege to travel with a young woman who donates her lunch hour to help deliver meals. She has come to know many on her route, and, as a result, she offers not just food, but a friendly face and a brief moment of social contact to her senior recipients. And, I was also struck by the obvious necessity of this program. These seniors depend upon the meals since so many are unable to travel or to routinely prepare a nutritious meal.

On numerous occasions, I have visited the senior centers throughout my district. The meal programs at these centers are not only a source of sustenance, but also act as a focal point for many other activities that enhance the lives of our seniors.

These programs respond to an overwhelming need in an efficient manner under local control. Rather than being a target of the Republican Contract, they should be a model of how we should restructure government.

This proposal is a bad idea for a number of reasons. Most importantly, there is no requirement that states maintain existing nutrition programs funded through the Older Americans Act. As such; all food and nutrition assistance would be forced to compete for limited discretionary funds. A States' ability to deliver nutrition benefits would be subject to changing annual appropriation priorities. Moreover, the authorization ceiling in every future year would be based on the previous year's appropriation. If the Food Assistance Block Grant is reduced in one year to support other priorities, funding for future fiscal years would be permanently lower.

It is important to note that, more than two decades after the creation of these programs, several million older Americans still go hungry. The Urban Institute recently estimated that as many as 4.9 million elderly—about 16% of the population aged 60 and older—are either hungry or malnourished. Further, it found that at least two-thirds of needy older Americans are not being reached by federal food assistance programs. The study also noted that funding for these programs has not kept pace with either the rising cost of food or the aging of the population. In many cities throughout the country, the elderly are put on waiting lists for food and nutrition assistance.

The Older Americans Act is the major vehicle for the organization and delivery of social and nutrition services to older persons. Although the program is authorized at the federal level, and administered by the Administration on Aging, it is operated locally.

Service planners and providers are required to target services to persons with the ''greatest social or economic need'', but also to make programs available to all older persons in the community. The OAA congregate and home-delivered meals are federally-funded, state administered programs that are low-cost, consumer-focused, and locally managed programs that work. The service network is composed primarily of private, non-profit agencies rather than government agencies.

Older American Act funds stimulate additional funding from states, area agencies on aging, local governments, and community-based agencies. Congregate meals support multipurpose senior centers which are focal points in communities and which support the elderly through information and referral services, health promotion activities, and educational programs.

Mr. Speaker, in FY94, Rhode Island received $1,966,444 for the congregate meal program and served 716,000 meals under this program. Home delivered meals are part of a comprehensive in-home care package which helps the elderly continue to live independently. In FY94, Rhode Island received $481,575 and delivered 553,000 meals to the elderly. Together, these two programs helped to provide over 1 million meals to Rhode Island's elderly.

Food assistance for the elderly should not be a part of welfare reform. The nutrition block grant proposal could restrict or eliminate access to food assistance serving 2–4 million elderly Americans.

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

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan [Miss COLLINS] is recognized for 5 minutes.

[Miss COLLINS of Michigan addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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

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

□ 2100

EFFECTS THE BALANCED BUDGET AMENDMENT WILL HAVE ON HOUSTON

The SPEAKER pro tempore (Mr. CAMP). Under a previous order of the House, the gentleman from Texas [Mr. GENE GREEN] is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, Members, I am proud to be here tonight to join with three of my colleagues from Houston who today voted against the balanced budget amendment and to explain the impact it will have not only on the city of Houston, but also Harris County. The House passed the balanced budget amendment tonight by 300 votes. But what I am concerned about is we do not know, and neither do the American people, what we are actually doing with the balanced budget amendment.

The chart I have here, and we are again the three of us from Harris County, are sharing this. We will talk about the impact on Harris County and Houston, TX. If the balanced budget amendment is passed, Houston, Harris County, stands to lose $488 million in the first year alone. Over the 7 years our county will lose $15 billion of Federal funds that now come into our county.

Tonight we did not have the votes to exempt out Social Security from the balanced budget amendment, so it is part of the package. It could be cut over the next 7 years. But this package here on the impact does not include Social Security. The impact of it, and Republican majority spelled out in their Contract With America, or on America; they have not spelled out where the spending cuts are going to be, so I think we owe it to our constituents to say, ''What's going to happen in our communities?''

The NBC-Wall Street Journal poll shows that Americans support a balanced budget amendment by 71 to 16 percent, but two-thirds of the Americans oppose it if you are going to cut Medicare, Medicaid, or veterans' benefits. And today, Congress, we could not even exempt out Social Security, not even considering Medicare, Medicaid, and veterans.

We have a veterans hospital in Houston that serves a lot of our constituents, and yet that could be cut because there is no provision to safeguard veterans' benefits.

The balanced budget amendment will impact on Houston, could be on the Meals and Wheels, as our colleague, the gentlewoman from Florida [Mrs. THURMAN], pointed out on Meals on Wheels. By the year 2002, 1,110 seniors from the numbers today will not be served meals. We are not talking about the increase in the seniors for next year, the year after, who may be eligible, but 1,100 seniors less than today that are being served would be cut.

Our attorney general's office, who use as a $1.2 million next year of Federal funding for child support enforcement, will not be able to do that, will not be able to make deadbeat fathers and mothers pay for their children.

This last 2 years in Congress, along with my colleague, the gentleman from California [Mr. BECERRA], we spent all our time working on chapter I funding, or title I funding, for education, for children at risk. In Harris County alone next year $4.8 million will be cut from our Harris County schools, not just Houston Independent School District, but Galena Park, Aldine, Goose Creek, and Baytown. In fact we have some exemplary programs in the Houston Independent School District, Travis Elementary, and Love Elementary, and they would be cut because of the Federal funding cut. We are applying this 20 percent cut across-the-board for education funding, and this would impact every school in the 29th District.

In 1996, 4,800 women, infants and children will lose their funding for nutrition supplements. That is unless the Texas legislature, meeting now, or the city council in Houston, picks up the funding for that, and so we are transferring that responsibility from the Federal Government, who now pays for it, to the cities, to the States and to our counties.

Earlier, 2 weeks ago, the majority leader, who is also a Texan, said on Meet the Press, ''The fact of the matter is once Members of Congress know exactly chapter and verse the pain that government will live with in order to balance a government, their knees will buckle.'' That is why they did not want to specify today. That is why we could not even pass an amendment excluding Social Security. But the people need to know what is happening and what will happen to them, even considering Social Security, the many other programs, veterans, Medicare, that is not even excluded.

So, this has a direct impact, not only on people all over the country, but the people that I represent and the people that live in the city of Houston in Harris County, and this chart shows that very well.

The GOP put the squeeze on Houston, and it is going to be transferring that authority to the city of Houston, to our county commissioners' court and to the Texas legislature, and that is the impact of it.

I say, ''Let's don't buy a pig in a poke. Let's know what we are voting on before we do so.''

THE IMPACT OF THE BALANCED BUDGET AMENDMENT ON HOUSTON

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

Mr. BENTSEN. Mr. Speaker, let me thank my colleague, the gentleman from the 29th District of Texas [Mr. GENE GREEN] for putting together this special order tonight, and I want to thank also my colleague from the 18th District of Texas [Ms. JACKSON-LEE] for joining me today.

As many of us said in the debate over the last couple of days as it related to the balanced budget amendment, it was unfair not to disclose to the American people how we would achieve such a balanced budget. The people need to knows how the cuts are going to be made.

Now I think it is true that everybody in this room wants to see our country move towards a balanced budget. We know the American people want to see us move towards a balanced budget. But we need to know how we are going to get there.

As I said earlier, I came from the private sector, not from government, but from the private sector, to this House, and in the private sector, if you do not have a balanced budget, you do not stay in business very long. But also in the private sector when you need to balance your budget, you sit down with your partner, you address your shareholders, you talk to your employees, you lay out the cuts that have to be made, and you come together with a common plan.

That is not what has been done here, and so I think it is incumbent upon us that we sit down and try to lay out for the American people just what the cuts are that the contract of America has in mind.

As my colleague from the 29th district mentioned, cuts in veterans' benefits will affect many thousands of veterans who live in the Houston area who go to the veterans hospital which is in the 25th district. But it goes further than that. We will see billions upon billions of dollars cut from the Medicare system, which will cut through the bone into cutting beneficiaries, but going further and cutting the medical research that is done at the Texas Medical Center, research that is done to cure such things as cancer, Alzheimer's, and AIDS. All this will be reduced.

We also know that with the cuts that are going to be put through with this plan that it is quite possible that we will see a cut in NASA and the space station, and quite frankly that is something that this House and this Congress over the last several years has made a commitment to, and yet now that is uncertain because we are not willing to lay out the plan. I know that my colleague from the 18th district has situations throughout the district that are going to be cut.

What we are saying here today is, ''Tell us, tell us were the cuts are going to be. Lay it out for the American people. Bring them into the debate so they can be part of this so that they can understand what it means to achieve a balanced budget.''

Every day across this country families sit down at the kitchen table to discuss how they are going to make ends meet, but we do not do that in this House. We sell them a bill of goods that says, ''By the year 2002 we will balance the budget,'' but the facts are that when we get to 2002, under the legislation which was adopted today we do not know the answer, and we will have to make severe cuts in very real programs that will effect very, very real people.

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

Mr. GENE GREEN of Texas. I say to the gentleman, ''Congressman BENTSEN, you and I have talked, and we worked with Congresswoman JACKSON-LEE today on putting together this information on the impact on Houston. One of the parts that I don't think a lot of people recognize is that in Houston, and I know the city council in Houston works on. We have a program called Covenant House that deals with teens, and they receive Federal funding. It's an alternative program for teenagers that we try to raise a lot of private sector funding for, and there's a small amount of Federal funds that go to it, about $11,000 a year, and this would also be cut by 20 percent by the adoption of this amendment, that that 20 percent by the adoption of this amendment, that that 20 percent over the period of years—so a program, for example, that a lot of people may donate to out of their private donations gets just a small amount of Federal spending, but it could be cut 20 percent, so we would have to make that up either in local tax money, or else through private donations.''

□ 2110

Again, private donations are hard to come by today.

Mr. BENTSEN. I thank the gentleman for his comments. We have a serious situation before this House. As we go forward to discuss this Contract on America, as we go forward to lay out budget plans, it is going to be important that we go through these programs line by line by line, to talk about what the cuts are going to be in Medicare, who it is going to affect, when they will be affected, will their premiums go up, will their services go down. And I think that the majority owes it to the American people to lay this out.

ADVERSE IMPACTS OF CONTRACT WITH AMERICA

The SPEAKER pro tempore (Mr. CAMP). Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE], is recognized for 5 minutes.

Ms. JACKSON-LEE. Mr. Speaker, I thank you very much for the recognition, and I thank Congressman GREEN and Congressman BENTSEN for the work we are collectively doing in attempting to understand for our communities which direction this House, this Congress, and this Nation is going to take with a balanced budget amendment and as well the Contract With America.

I think it is important that we do our homework, and I appreciate as we look at the absolute bottom line cuts at this time, which may be even more, we can clearly see the impact on the city of Houston.

The question becomes what is the ongoing impact? What is going to be the outreach of these programs. Right now we know that single parents, for example, who already face the kind of hardship of keeping the family together, of working, of meeting the bills and making ends meet, will already be suffering for the contract will cut nearly $30 million over 7 years in Federal money to help the State attorney general's office enforce child support payments.

When I spoke to my constituents, they always offered that we give to the Federal Government, we want a lean Federal Government, but we simply ask our fair share. The city of Houston, that has balanced its budget, has continuously returned to the Federal Government a sizeable amount on the dollar. But we have not gotten our fair share. We have not gotten our fair share as it relates to transit dollars, and we are still working to improve our system.

Now we find out that Harris County will lose over $12 million next year if we continue with the Contract With America. At the same time we have made great inroads in AIDS treatment in our community. The community has come together to focus on this devastating disease, to bring all of the segments of the population together on this issue. And now we hear that the Ryan White AIDS funding is being cut.

When I campaigned, I talked to constituents about job development and economic development. As a city council member we worked very hard to get $25 million in empowerment dollars. Now we find out through the Contract on America, those jobs that are so needed for youngsters like the Covenant House residents, and the youngsters involved in the special programs going on in elementary school and going on to middle school and high school, will no longer exist.

What we are asking for is a lean but sensible Government. I did my homework. I went to the local officials and talked to council members about what they are doing, how they are now preparing their budget coming up for the next fiscal year. And I might add that Council Member Judson Robinson was concerned that poverty in this country is higher than ever before. And we are talking about putting an even greater strain on Houstonians, many of whom are least likely to be able to help themselves. He said the Contract With America is a very drastic proposal, a proposal without a lot of vision and without concern for the impact it will have on our citizens, many who are on or above our poverty line.

Council Member Fragra, who represents the district, indicated that this whole matter needs serious consideration. If ever our country needed to help the poor, it is now.

And the real issue is, it is the poor, it is working men and women, it is middle class, it is the small entrepreneur, that is looking for small business development loans. It is NASA who is asked simply to give us simply a 5-year flat budget so we can in fact mind the store and do the job.

Mr. BENTSEN. If the gentlewoman would yield, I would like to ask the gentlewoman with respect to NASA, I believe she sits on the committee that oversees the authorization of NASA. I know the Executive Director of NASA has been before your committee and testified. Could you possible elaborate on the possibility of the cuts that might be seen there and what impact that might have on the people who work at the Johnson Space Center, the people who are working on the space station?

Ms. JACKSON-LEE. You know, we have tried to work on this matter together and have already had some initial hearings on the Committee on Science, and already we have heard of at least a large segment of the employees in NASA being subject possible to layoffs. Administrator Golden indicated he wants to be part of the whole process. He recognizes that NASA, in order to be effective, must be efficient. But he cannot be effective or efficient with an erratic projection of how his budget will look. He simply asked can we come to the table, as has been discussed by you and Congressman GREEN, and lay out what are the receipts and the outlays, and let's make an effective, realistic budget that allows NASA to work for all Americans and allows the workers there to work and be most efficient.

This is the difficulty he faces time after time when the budget is not consistent, but, more importantly, when we do not face the fact that the contract does damage to a program that serves all Americans.

It is time then that we realize, as John Marshall said, that the Constitution is intended to endure for ages to come; consequently, to be adapted to the various crises of human affairs. We have crises in Social Security, crises in Medicaid, crises in Medicare, crises in small business, crises in transit issues, and we are not doing it the right way, by coming together, looking at the budget, looking at ways we can effectively work for our respective communities and for Americans, and making a balanced budget that responds to the needs of human crises.

GETTING OUR FISCAL HOUSE IN ORDER

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

Mr. FOX. Mr. Speaker, it has been a long time. We have had tax-and-spend previous Congresses, and there has been no budget discipline for a number of years. This has led to a $4.8 trillion deficit, $18,500 for every man, woman and child. We know that every State government, every county government, every family budget must be balanced.

So I am here to tell you that tonight by an historic vote which was positive, a bipartisan vote, by 300 to 132, the House has for the first time passed a balanced budget amendment.

You say to yourself how are we going to get the savings, how are we going to make sure we get to a balanced budget? We are not going to do it by cutting Social Security. Not at all. What we are going to do is have a line item veto follow this, by making sure we cut out the pork barrel legislation that has happened in this Congress for years. We are also going to reduce the number of regulations. We are also going to sunset Federal agencies that have outlived their usefulness. We are also going to have zero base budgeting so each agency would have to justify every dollar they spend. We are also going to have capital gains tax reduction, so our companies can prosper and grow. Investment tax credits, research development tax credits.

What is off the table? Social Security is off the table. All of us here in the House want to protect Social Security and our senior citizens. No one in this House also wants to see any reduction in our Medicare or veterans benefits.

But we are looking to welfare reform as part of the Contract with America. Those who are able bodied, who really want to work, they will come off the welfare roles within two years, with job counseling, with job training, and job placement, and with the appropriate child care when it is necessary.

Believe you me, this House is very much proud about a balanced budget amendment, because we are going to get our fiscal house in order while still preserving those important programs, important to the people of the United States.

REPUBLICAN PARTISANSHIP

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 60 minutes as the designee of the minority leader.

Mr. MOAKLEY. Mr. Speaker, there are probably quite a few American citizens out there who have been watching their government on C–SPAN over the last few weeks. Those Americans have seen a few partisan fights break out on the House floor.

I would like to take this opportunity to explain just what has been happening to the Democrats here on Capitol Hill since the Republicans took over.

Republicans have held closed door meetings with telecommunications executives on legislative policy. Republicans have kept Democrats from questioning witnesses or offering amendments.

Republicans have imposed gag rules on constitutional amendments and kept committees from looking over bills that fall under their purview. In short, the American people have been shut out of their own legislative process.

The people who are joining me here tonight have been on the front lines of the uncomfortable situation we now find ourselves in. And let me tell you, it's no fun.

Democratic Members of Congress believe they were sent here to work with Republicans to carry out the peoples' business. Lately, that's been very hard to do.

Democrats are caught between a rock and a hard place. If we cry foul, if we say we are being gagged, we are being difficult. But if we keep quiet, no one knows about it .

I don't know how much longer we'll continue to be nice guys. At the moment we are just patiently pointing out Republican mistakes, and trying to work with them as President Clinton asked us to do on Tuesday night.

But in my committee, the Rules Committee, it's the same old thing over and over again.

I've gone deaf in my right ear hearing Republican complaints over the years that we did too many closed rules.

They promised to do a lot more open rules than we did. Open rules are rules that give Representatives the chance to offer any changes they wish to a bill.

So far, they are way off their mark. In fact, they've gagged the Democrats in 3 of the 4 rules considered by the House this year. That doesn't sound like open government to me.

I don't think that most people realize the Republicans' 100-days campaign promise is turning Mr. Jefferson's deliberative democracy on its ear. And in this case, what they don't know will hurt them.

Mr. Speaker, this is not a fair way to treat the millions of American citizens who are represented in this body by Democrats.

I hope my Republican colleagues will stop working against us. And get down to the business of representing the American people. After all, isn't that why we were sent here?

□ 2120

Mr. Speaker, at this time I yield to the gentleman from Alabama [Mr. HILLIARD].

Mr. HILLIARD. Mr. Speaker, today I rise carrying a banner for the future of our country, our children.

Earlier this week I introduced two amendments to the Republican-controlled Committee on Rules asking that they be made in order for floor consideration during the discussion of the proposed balanced budget amendment to the constitution.

Much to my disappointment, both amendments were defeated by a partial vote of 9 to 4. When I made by presentation to the committee, there were five persons there, four Democrats and the presiding Republican chairperson. And after I left, I understand that nine of them voted against me. They did not hear my presentation. They did not know how strongly I asked that my amendments be considered.

Unfortunately, I guess they did not care. They just wanted to vote the party line. And that is exactly what they did, to the detriment of the constituency that I represent.

The most important of these measures was an amendment to exempt the Aid to Families with Dependent Children, AFDC. I wanted to exempt them, this particular program, from any cuts to the balanced budget.

More than half of our nation, 27.3 million recipients of AFDC benefits are children, about 51.4 percent.

The U.S. Department of Health and Human Services estimates that more than half of these children could eventually become ineligible under a balanced budget bill. I wanted my Republican counterparts to hear that, because I wanted them to understand the seriousness of my amendments.

My home state of Alabama stands to lose close to 28 percent of its current aid to dependent children benefits under the Republican proposals. I wanted to prevent this. I wanted them to understand how devastating it would be. But they were not present, and they did not hear my testimony. And they voted anyway against the interests of my constituents.

Many problems associated with our youth today are directly related to malnutrition. As representative of the 7th congressional district of Alabama, which has some of the highest poverty statistics in the country, I know the importance of this program. I do not think that we should practice politics, as usual, when the lives of our children are at risk.

The defeat of my amendment in the Committee on Rules was wrong and a direct attack on our future.

Those persons who will be strong and healthy, hopefully, who will work for the elderly when we are there, who will provide Social Security benefits for the future, will not be able to benefit because of the fact that they will be denied any type of aid to dependent children.

Therefore, they will not be strong. Our work force will be weak. They will not be able to work and take care of the elderly. And the reason why is because the Republican Committee on Rules denied them the opportunity.

This was one chance to send a message to our constituents that gridlock was a thing of the past. They blew that opportunity.

We have committed a sin. We have committed a crime against the future, against our children, against their health, their welfare.

In the words of Ben Lindsey, the great American judge, ''I am for children first, because I am for society first, and the children of today are the society of tomorrow.''

We cannot progress in this country unless we give every voice an opportunity to be heard, especially here in the halls of Congress where the laws are made.

It was once said that Congress is a place where deliberate consideration is given to all measures before they are voted upon. I looked with fervor, I looked with ideals like a child in my eyes that one day I would be able to come here and participate in meaningful debates, not just on the floor of this Congress but in committee meetings and elsewhere.

However, for the last month I have been disappointed. I have been denied that opportunity. Many of my contemporaries have not been able to bring amendments to this floor because of the actions of the Committee on Rules. Many of them have not been able to question witnesses. Many of them have not been able to bring substitutes to this floor to be considered.

This is not the American way. That is not the way Congress should operate. And those persons who said that on November 7th or 8th of 1994, that they received a mandate from the people to change things, to make sure that things were not as they were in the past, so to speak, evidently they did not think much of that mandate, because they have failed to perform. They have failed to carry out that mandate.

So I say to my colleagues, business as usual, because all voices have not been heard; all amendments have not been considered, and the deliberations have not been as they should have been. This is not the way Congress should operate. It should be deliberate in its consideration of all measures. And until our Republican counterparts recognize that, rushing to judgment, rushing to a decision in 100 days is worthless.

□ 2130

Many mistakes have already been made. Several times we have had to correct the record. Who knows in the future how detrimental and how disadvantageous this bill will be. We do not know, because we have not given adequate deliberation to the measures, the bills, the amendments, and the substitutes that affect what we do. If we had given deliberation, as we should have, we would not be wondering about the consequences of our actions in the future.

Mr. Speaker, I hope that this will not be the way this Congress will operate the next two years. Congress must come together. Congress must perform constitutionally, so all things must be considered, all amendments, all substitutes, and everyone, the majority and the minority party, must be given the opportunity to question witnesses and address their concerns, not just in the committee, but on this floor.

Mr. MOAKLEY. I thank the gentleman from Alabama.

Mr. Speaker, the gentleman is so correct. The unfunded mandate bill and the balanced budget bill both came to the floor, and we could have waived points of order on each one of them, but we know if we did that, we would have been called dilatory, or we would have been called obstructionist, or people just interested in gridlock, but we did not do that.

We just allowed a vote on the motion, and we let it go that way. However, as I say, Mr. Speaker, we are getting in between a rock and a hard place, and we have to just put our foot down if this type of action continues.

Mr. Speaker, I yield to the gentlewoman from Illinois [Mrs. COLLINS], who has been a subcommittee chairman and who has been an activist in keeping the rules and performing according to the House rules.

(Mrs. COLLINS of Illinois asked and was given permission to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, I certainly thank the gentleman from Massachusetts, the ranking minority member of the Committee on Rules, for taking out this special order this evening.

As the ranking member of the Committee on Government Reform and Oversight, I have been seeking to do the same thing the gentleman is doing with his special order, and that is to bring to the attention of the House and to the public the unprecedented procedural abuse that we have seen in the House over the past three weeks in the Republicans' lightning speed dash to rush their contract in 100 days.

I am specifically referring to the procedural tactics employed around the handling of the unfunded mandates legislation, H.R. 5, which has been on the House floor this week and will be tomorrow. In the previous Congress, the 103d Congress, when the Democrats controlled the House, we worked together with the minority on an unfunded mandates bill. We held three hearings, developed a consensus bill, and reported a bill with a vote of 35 to 4.

In this Congress, the process was the exact opposite. On Tuesday, January 3d, the day before the opening of the 104th Congress, we were informed that the unfunded mandates legislation would be considered on Tuesday, January 10. That is the same day as the organizational meeting of the committee.

Mr. Speaker, the following day, January 4, the day we were sworn in, I asked the chairman for public hearings and for sufficient time to review the legislation. The request was denied. No hearings were held on the bill.

The fact that two hearings were held on the subject of unfunded mandates in the last Congress I find to be totally irrelevant. First of all, the bill that was introduced on January 4, 1995, was a new bill. It was different from any bill considered in the previous Congress.

Moreover, 31, over half of the 51 members of the Committee on Government Reform and Oversight, did not even serve on the Committee on Government Operations in the previous Congress.

The request for public hearings is not a matter of procedure alone. Very key groups that are affected by mandates were not even involved in the drafting process, and have had no chance to be heard in the debate.

Mr. Speaker, these include ordinary citizens who may benefit from clean air and clean water, who have children receiving special education or immunizations, or who have parents receiving Social Security benefits. They include workers who receive the benefits of workplace protections and minimum wage laws. They include private companies that are concerned about the competitive disadvantage they would face if publicly-owned competitors were not required to comply with the same laws with which they are forced to comply.

Members had virtually no time to deliberate on the bill. The actual printed version of H.R. 5 was not available until Friday, January 6, and the mark up was held just two legislative days later, on Tuesday, January 10. In other words, Members had to try to find the time to read the bill over the weekend, when most of them were back home in their districts meeting with their constituents.

Mr. Speaker, at the markup, after the opening statement by the chairman and myself, the chairman recognized a Member who was not a member of the committee, who was a Member of the House, however, who was seated at the Clerk's table, to make a statement concerning the bill.

Minority Members made points of order, contending that the Chair had no right to recognize Members who were not members of the committee to make statements. A point of order was made that the acceptance of the testimony constituted a hearing that flagrantly violated both committee rules and House rules. A point of order was also made that the decision to accept testimony denied the Minority the right under House rules to call witnesses selected by the Minority.

In addition, Mr. Speaker, Minority Members requested an opportunity to question the Member, who was not supposed to be sitting there at a hearing, but who was at the witness table, but were even denied that opportunity, despite House rules which provide an opportunity to Members of the committee to ask questions under the five-minute rule.

In each case, Mr. Speaker, the Chair ruled against the points of order, with the justification that the Chair has the prerogative to recognize whomever he chooses, even if it is in violation of committee and House rules, I assume.

At the end of the testimony, the witness even thanked the Chair for the ''opportunity to testify at this hearing.'' Again, this disregard of both committee and House procedural rules is not in keeping with appropriate congressional conduct.

The markup continued with continued refusal to consider amendments that were offered by the Minority. A substitute offered by Congressman MORAN was voted on and defeated before it was even read; pretty speedy. A different substitute was ruled out of order under an incorrect ruling that a second substitute was not in order. The final ruling of the Chair was that the heart of the bill in Titles 2 and 3, dealing with regulatory review and legislative points of order, were out of the committee's jurisdiction altogether and could not even be amended.

Mr. Chairman, let me point out that this revelation was not even known to the Minority until the committee was well into the process of marking up this piece of legislation. These procedural abuses are important because they affect the outcome of the legislation.

Let me give Members one example. The proponents of the bill constantly have stated that their purpose was not to ban unfunded mandates, but rather, to require an explicit vote to waive a point of order that a bill contained an unfunded mandate. However, Mr. Speaker, in their lightning speed to develop the legislation, they forgot to include the procedure that would allow a vote on the floor to waive the point of order. They did the exact opposite, in fact, and totally precluded such a vote.

Mr. Speaker, this was a monumental error. I think it is kind of akin to forgetting to put a requirement to pass a balanced budget in a balanced budget amendment. After reviewing the bill over the weekend, we spotted the problem, but the Chairman's ruling that this title could not be amended precluded us from even trying to fix it at all. Fortunately, a partial fix was fashioned by your Committee on Rules, Mr. Ranking Member.

As a result of this excessive haste to steamroll the bill through committee, the House is now forced to spend additional time doing the work that should have been done in committee. The voices of ordinary people, the workers, the children, the elderly, were never heard, so their interests never got a fair shake.

Mr. Speaker, I am pleased to report that so far the bill has been handled on the floor in a pretty fair manner that was denied to us earlier, although there continue to be ominous threats to stifle debate.

□ 2140

I suspect that this is because we have been raising our voices against these very abuses. I think the ranking member of the Committee on Rules is to certainly be commended for raising the issues of the roughshod treatment that we are seeing here. I believe that only by raising the issue can we hope to contain it, and we hope to prevent this from being the kind of procedure that we will see for the rest of the 104th Congress.

Mr. MOAKLEY. Mr. Speaker, will the gentlewoman yield?

Mrs. COLLINS of Illinois. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Is the gentlewoman telling this House that the very important matter of unfunded mandates was rushed through your committee without a hearing, without any minority members being able to put an amendment through?

Mrs. COLLINS of Illinois. That is precisely what I am telling you.

Mr. MOAKLEY. As you well know, when it came before the Committee on Rules, I discovered that there was an error in the bill, that they had two sections were exactly the same, and that was a very easy error to spot, besides the point of order that could have lied against the bill.

Mrs. COLLINS of Illinois. That is right.

Mr. MOAKLEY. When you were subcommittee chairman, did you ever employ those kinds of tactics?

Mrs. COLLINS of Illinois. No, I did not. The interesting thing is that when I was subcommittee chairman, I had rankers, and I think that those rankers can tell you that I never employed those kinds of tactics in the 20-odd years that I have been here and in the many years that I have been a subcommittee chair.

Mr. MOAKLEY. But yet the chairman of the committee to date heard testimony from a nonmember of the committee and would not allow committee members to testify?

Mrs. COLLINS of Illinois. That is absolutely the case. And when we brought that out, he said that this was his prerogative to do so.

The argument was being put forth by others on the committee that this was not a hearing. Well, what in the world was it if it was not a hearing? First of all the man was at the witness table, he was talking about the legislation. He was going to be asked questions by somebody else, but not the minority, certainly. And when he finished, he said, ''Thank you for the opportunity to testify at this hearing.'' That I thought was very interesting, to say the least.

Mr. MOAKLEY. I thank the gentlewoman.

Mrs. COLLINS of Illinois. I thank the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I yield to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. I thank the gentleman for yielding.

Mr. Speaker, it is obvious that in any transition, there are always going to be some rough spots and here we have a situation where one party held power for a number of years and has passed the gavel to another party. Democrats passed the gavel to Republicans. I say that from the get-go so that everyone knows this is not a case of simply minority or Democratic whining. In fact, I think in some cases the new majority, the Republican Party, has done an excellent job in presiding.

The Speaker behind me and the Speakers that have presided over the past few days, the Speaker and the presiding officer today during the balanced budget debate have done excellent jobs. They rehearsed and they practiced before they even took power. They stepped very smoothly into that role and they are to be commended for that. But as they have anticipated that and made that run so smoothly, then I wonder what the design is and why it is that things are running the way they are running in other areas.

That is, I think, something of a concern. The gentlewoman from Illinois [Mrs. COLLINS] who just spoke made the case well. I also serve on her committee.

This is not just some academic or parliamentary concern. Everybody ought to be concerned in this country, because when we say unfunded mandates, that is a nice Beltway term. We are talking about clean water. We are talking about whether or not the water you get out of your tap is of sufficient quality that you want your children to drink it. We are talking about the chlorosporidium in that water, such as was responsible for the deaths of a number of people in a large metropolitan midwestern city, and indeed even shut the water system down to the Nation's capital just a few months ago. We are talking about clean air.

Everybody in this country probably, as I who grew up in an industrial area, knows what it was like 20 years ago when you literally chewed the air on certain nights in an industrial community. You do not do that anymore.

We are talking about food safety. We are talking about something important in my neck of the woods, coal mine safety, where the number of deaths has been decreased because of the Mine Health and Safety Act from 22 a couple of years ago, way too many, to 9 this year. That is not a good record, either. But is far better than it was.

What this legislation could do is to threaten all of those if this legislation is not drawn properly. It is one thing to ask for a cost estimate of what a new regulation or law will cost. It is something else to say it cannot go into effect if it is not fully paid for.

I happen to believe that clean water and clean air are things that are shared expenses. There is also a reason that States cannot enact these limits strictly by themselves. One State enacts a stiff limit, a business says, ''Fine, I'll move across the border.''

Now many people want to be in a situation where their city may have a wastewater treatment plant that cleans the water adequately but meanwhile they are catching the raw sewage that is coming down from the city 30 miles upstream that does not?

Once again a Federal mandate makes that impossible. This is not just academic discussion. If this legislation is not drawn properly, then great problems can result.

That is what the gentlewoman from Illinois and I are so upset about on this. In fairness, there is an open rule on the floor. But this is like taking sausage out of the meatpacking factory where it is a messy enough job already and moving it out into the city park where everybody gets to make it now, and 435 House Members are scurrying trying to draft this bill and put it back into a shape where there will not be some of the errors such as the gentleman from Massachusetts, the ranking member of the Committee on Rules, and others have noticed.

There is another concern I have that happened here on the House floor just a couple of nights ago. Once again people ought to be concerned about this because this is how our laws are made or are unmade.

It was a motion to waive the regular rules that were passed only a couple of weeks ago to say that committees could sit while the full Congress was amending pieces of legislation this week. That was a fairly routine motion a few years ago. But because of some of the reforms that passed just 2 weeks earlier which ended proxy voting, that is, being able to be on the House floor and give your piece of paper to your chairman or ranking member and they would vote it for you so you did not have to be present, you could be here on the floor tending to business here. Proxy voting was ended, committees were cut down, and staffs were cut by one-third.

Laudable reforms. But they are not laudable if you then make it impossible for them to work. Instead what happened was with this, we were threatened by the fact of having to be on the House floor tending to very important legislation while at the same time the Banking Committee had a hearing on the Mexican loan guarantees, the Committee on the Judiciary might be working on the crime bill, our own Government Reorganization Committee would be working on line-item veto and other major items, appropriation committees would be conducting hearings, the Committee on the Budget would be working, and at the same time we are supposed to be debating a major amendment to the Constitution on the House floor. An impossible situation.

That was bad enough, but what followed the way it was considered bothered me even more. That was when the majority leader rose to make the motion. It is, as I understand it, a privileged motion. He controls all debate time which is routinely an hour. The practice is that you routinely, out of comity, give half the time for debate purposes only to the minority side. That is something that the Democrats always did with the Republicans.

He yielded, and that was only after repeated asking, he gave us 3 minutes. They like to make the point, ''Well, there was only 8 minutes of discussion and you got 3 minutes.''

No, that is not the point. The point was we were not to be considered an equal partner and were not able to raise these points satisfactorily.

In closing, let me just say that I think it is important that the American public understands, this is not about whining and this is not about the fact we are in the minority and this is not about simply that we want to delay the process.

Indeed these kinds of tactics lead to delay. They lead to the delay of sloppiness when you have to clean up a bill that was not handled properly in the committee to begin with. But it also leads to delay because after a while you do say, ''I have to stop this train somehow and if I can't stop it and can't have normal discourse and conversation in the committee, then I have to come out here on the floor and do something procedurally.''

But the purpose here is not to delay. Vote on every item in the contract. Do it all in the 100 days. I do not think the American people ever signed up to see a train run through, have one constitutional amendment and major legislation all done in 100 days, people not having the slightest idea half the time what they are voting on.

If you want to do that, fine. I get paid to be here. I will be here 5 days a week, 7 days a week, whatever it is. But just make sure it is done right.

The issue is not delay. It is deliberation. How much do you actually have a chance to deliberate? I am not in a mind to stop any item in the contract from being voted on. I do want time to consider it fully and to deliberate it the way it should.

I thank the gentleman very much for taking this time to make these points.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. WISE. I yield to the gentleman from Massachusetts.

□ 2150

Mr. MOAKLEY. As the gentleman knows, two committees have reported out bills either without a hearing or not fully allowing the minority to participate, and they were told that they can go to the Committee on Rules and get an open rule. In one instance they got an open rule in the other instance they did not. So I can see a practice of starting up with the authorizing committee moves the previous question so no amendments get adopted, send it to Committee on Rules, get a closed rule and you get a bill on the floor that has never be heard by anybody. That is what I am afraid of.

Mr. WISE. I think there is an excellent chance, particularly as we get close to the end of the 100 days, which I believe is April 13. The West Virginia legislature is sitting right now in what is a constitutionally mandated 60-day session. Some States have other lengths of time mandated. They understand they are under a 60-day gun and they, and I also know the way that there is a crush of legislation in that

last 10 to 15 days and particularly in the last 3 nights. I have a feeling this is going to look every bit like what my States legislature is preparing to do which this is suppose to be a full time deliberative body, I think around April 13 we are going to be racing pell-mell to meet somebody's contract, and to heck with the details and what is in it, we will clean it up later in conference. I think it is just incredible.

To the gentleman from Massachusetts I will express another concern raised by the gentlewoman from Illinois. We have an open rule on this unfunded mandates bill. I am wondering if this thing goes longer than tomorrow and becomes inconvenient how quickly we lose that open rule. That I think will be the test.

Mr. MOAKLEY. That is done at the prerogative of the Speaker.

Mr. WISE. Yes, sir, it is. Thank you.

Mr. MOAKLEY. I thank the gentleman very much.

I yield to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. Mr. Speaker, I thank the gentleman from Massachusetts first of all for asking for this time and for inviting me and other Members to participate.

Ladies and gentleman, I think what we need to understand is that we have a situation where we have been talking about the unfunded mandates bill and talking about the balanced budget amendment. These are no normal pieces of legislation.

For example, the unfunded mandates bill impacts every piece of legislation that deals with the Federal Government's relationship with States or local government, every piece of legislation and, as the gentleman from West Virginia pointed out, that may sound good to some people that think the Federal Government has gotten too big, except that I think I like the idea my medication is safe, I like the idea my drinking water is clean, I like the idea the air is clean, my food is reasonably safe. And I really like the idea when I put my money in the bank, the safety and soundness of that bank is guaranteed by Federal regulatory agencies. And when I invest my money in bonds and stocks in Wall Street I know the SEC is watching so my life savings, everything I have worked my entire life for is being protected. My kids' college money is probably going to be there, unless I invested it in Mexico. But as long as I kept my money in the United States, I have reasonable expectations that the Federal regulations are going to make sure that that money is going to be there.

These are the kinds of things that this piece of legislation will impact, our ability to make sure that those safeties still exist.

What we have 3 weeks into the new Congress is something that was designed to win an election. Focus groups were put together, lobbyists were consulted, and we came up with what we call on our side the contract on America. And now, all of a sudden, we are rushing pell-mell, because of a victory on the other side of the aisle, to formulate this into legislation.

It is being done without deliberation, Mr. Speaker. It is being done without hearings. That legislation as you have heard from the people who have spoken before I came to the floor, with glaring mistakes, huge errors, and who knows what else is wrong with it, that no one has caught yet, because we did not go through the appropriate deliberatory process of subcommittees hearings, full committee hearings and markups in both of the same.

So we have got some problems. And now today we say, 3 weeks into a brand-new Congress we are going to take 3 days and decide that we are going to amend the Constitution. The heck with James Madison, the heck with Thomas Jefferson, the heck with all of our Founding Fathers. With one-fourth of the Congress as brand new, again, 3 weeks into the new session, 3 days of deliberation, we are going to change 220 years of American jurisprudence, rewrite the Constitution.

It does not mean anything. That is like saying, Mr. Speaker, the Flag behind you does not mean anything.

The Constitution of this country is a document upon which not only our democracy is founded but many other governments have been founded because it works. And yet we are racing pell-mell to change that document, because it is politically expedient at this time for us to do so.

I have got a pretty good committee assignment. I am on the Committee on Commerce. My chairman on the Committee on Commerce, Mr. BLILEY, is someone I have a tremendous amount of respect for and really look forward to working with. JACK FIELDS is my chairman on the Telecommunications Subcommittee, a fellow I have enjoyed since I have been here. We have become good friends. We play basketball together. I really enjoy his company, and he has been very fair with me. The problem is, there are so many people on that side of the aisle who are good legislators, who come into markups, who come into deliberations, come onto the floor of this House and, like you, Mr. Speaker, they care about this institution.

But my fear is they are being overridden by someone up above them who decides solely upon himself who is going to be a chair and who is going to be a subcommittee chairman, whose legislation is going to come to the floor. So good Members who we have worked with for many, many years I fear are not going to be able to work with us. We have what I think is a quasi-dictatorship in the greatest legislative democracy in this entire world, and we are gong to be forced to have to deal with it.

The former chairman, I still have to refer to you like everyone else, as chairman, you talked about secret meetings. This goes into my Committee on Commerce where the other side of the aisle, the Republicans decided they are going to have secret meetings with those on telecommunications. They said this is because our people have to come up to snuff on these issues. What about everybody else? Democrats never did that, 40 years, never did that. Never went behind closed doors, with those people who were impacted

Wait a second. Who is behind the closed doors? Rupert Murdock, who incidentally, the Speaker has a little business deal going with for $4.5 million, until everybody started to kick and scream. All of a sudden it went down to a buck. And, ''I will take a commission on it.''

But I would want witnesses, Mr. Speaker, if I was in that meeting, I would want witnesses. I want somebody from the Democratic side to say, well, there was not any kind of shenanigans going on. We were being true and honest and forthright, and since we have a telecommunications bill, which is going to come up in which people are going to make or lose fortunes, since that is going to happen on the floor of this House, and I am going to be having dinner with the big people who run that business, including Mr. Rupert Murdoch and his $4.5 million book deal, I want everybody there so there is no questions. We walk out of that room and everybody knows what was said. There is no problem.

But no, we are locked out. The people of Pennsylvania were locked out because RON KLINK was not there. The people of the other States, and the rest of this country were locked out because their Representatives were not there, because they are Democrats.

That is not right. That is not correct, it is not the way this institution was run when the Democrats were in charge. It is not the way this institution has even been run before.

What makes the telecommunications issue particularly one that is a problem to me is we have talked on the other side about privatizing the Public Broadcasting System. My question is this, how many of the people sitting at that dinner may be interested in buying PBS. There is going to be some money to be made there.

I do not know if that was brought up. I have no idea, but I do care. I have no idea if it was brought up. I just have to raise that possibility because I was not in the room. I am a Democrat. I am not allowed to participate.

As a reporter for 24 years, I was never gagged. I had people threaten my life if I told stories about things that they had done from dirty politicians to murderers, rapists, drug dealers. Never was I told that I could not speak, never was I stopped from speaking until I came to the House of Representatives. And we were told that we only had 3 minutes, because we are Democrats.

□ 2200

Because the other side only wanted to talk for 5 minutes, we could only have 3 minutes on something that, as the gentleman from West Virginia [Mr. WISE] said, has dramatic importance on how this House operates. When you have got a train run by the Republicans going down the track at 120 miles an hour, and committees are talking about every kind of possible legislation, changing the Constitution, changing every other bill in which the Federal Government and local governments, and State governments interact with each other, and we are being told, ''Well we are going to change the rules. You can be either here where we are changing the Constitution or you can be over there where we may be changing the Constitution, but you cannot be both places at one time, and that is because it is the way we want it to be.''

Mr. Speaker, it is wrong. We are being gagged here, being railroaded, and so, too, are the American people, and so, too, is the Constitution of this great Nation.

Mr. MOAKLEY. Mr. Speaker, it seems strange that the balanced budget amendment came out under a closed rule where only 5 amendments were allowed, and some 25 were rejected.

When you look back at the Founding Fathers, when they put the bill of Rights through, the first constitutional amendment, it was a wide-open rule, and there have been many wide-open rules, and I do not see why this was not a wide-open rule.

The Republicans keep talking about openness and openness, and here you have graphic demonstrations of just the opposite.

I just want our Members to look behind the words, to see what is happening, not what they are saying, and I think we will find that there is a big difference between the rhetoric and the act.

At this time I yield to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. Mr. Speaker, and Mr. Chairman—or I should say the ranking member from Massachusetts, I would like to thank him for yielding to me.

Mr. Chairman, perhaps what I should do is start, given all that has been said so eloquently by my colleagues on the Democratic side of the aisle, by saying it is ironic and sad that perhaps our best course of action, to be able to engage in free and unfettered debate on the floor of the House, these days, is unfortunately through these special orders which is not really a part of the actual official activity of the House. It is after we have adjourned in the sense of the official business, but we do have a chance to place some remarks in the RECORD. Yet it comes at a time when we are not debating legislation, when almost no one is in the room at the hour of 10 p.m. at night so we can express to the American people exactly what is going on.

I would like to do something, because I think the gentleman from Pennsylvania [Mr. KLINK] did an extremely good job of expressing the emotions that are often felt by Members who represent close to a million people apiece, and expressing for the American people what it means to have a democracy.

So I would like to get into some details about what I have seen, and this is my second year in the Congress. I just finished 2 years in the first session.

I would like to just for the RECORD make some remarks about what I have seen procedurally occur here.

We should have known it was a bad omen when on the very first day of the session when we had a new majority come in and say, ''This is a time for openness, for change, for a new way of doing things, for independence in the process,'' that the first thing we do is debate the rules which will govern this House and to debate those rules, we did it under what is called a closed rule which does not allow free and open debate.

If I had an amendment, and I did, to the proposed rules that were being offered by the Republican majority on how to govern this House, I could not offer that amendment in this, the People's House. I could not, regardless of how good it was, how much merit it had, and how simple it might be, whether it could get a majority vote or not, up or down vote, fail or pass. It made no difference. I was not allowed as were none of my Democratic colleagues allowed, to offer any amendments, the first day of this new and better Congress.

Well, not 1 day had passed, not 24 hours had passed, when the majority again violated its own adopted rules, this time in the Committee on the Judiciary, and I want to mention something. This is the committee, the Committee on the Judiciary, which is supposed to deal with dispensing the laws and dealing with things like our Constitution, and for this committee, I believe there is a heightened responsibility in acting in compliance with the law and with rules.

Yet this committee on its first day of organization, the very first day that all the Members of the committee get together, the new members and the returning members alike came together on this very first day. What do we find? We get a notice form the chairman, the gentleman from Illinois [Mr. HYDE], of the committee, saying in a matter of 2 days we will be holding hearings in the Subcommittee on Constitutional Law on the balanced budget amendment. The minority members, the Democrats, were taken aback. That was the very first time we were given notice that there would be any hearing whatsoever on a balanced budget amendment, an amendment to the Constitution of the United States, an amendment which will radically change the way we do things, because it will be ingrained in the fabric of America through our Constitution, 2 days' notice.

Well, some of us asked the chairman to read the rules of the committee and of this House. Those rules provide that there must be 7 days' notice of any hearing, because it is a public hearing, and each and every Member of this House is entitled to have notice of that hearing, but more importantly, the public of the United States is entitled to have notice of this hearing, especially on a matter as important as a constitutional amendment.

We pointed out that rule that said that in order to reduce the amount of time required for notice from 7 days to something less there had to be good cause, and there had to be a vote by the committee, or a determination, I should say, by the committee to reduce the time to notice a hearing for good cause. So we asked the chairman, ''Mr. Chairman, you are invoking this clause that allows you to reduce the amount of time for good cause once it is determined by the committee that you can do so?'' And he said, ''Yes, I am. I believe,'' he said, ''There is good cause.'' We asked what the cause was, and, of course, it related to the Contract on America that the Republicans have been touting for the last several months.

Now, that does not, to me, seem to be good cause. We have 2 years in this Congress to proceed, and we should certainly deliberate a constitutional amendment.

When we asked him, ''OK, well, we will not debate you on the issue of good cause, because, as Republicans and as the majority, you can overrule us on what is good cause.'' So we then asked then, ''How do you get around the fact that the committee determines, the committee, not one individual, whether or not the person be chair of the committee, but that the committee under the rules is to determine when there is just cause to reduce the time frame for notice?'' The chairman did not have a very good answer, but he did say that his ruling remained, that he would reduce the amount of time, and that there would be a hearing.

I then inquired of the chairman how I could get a ruling or an interpretation of the chairman's ruling, because in essence, he was interpreting the word ''committee'' to mean ''chairman.'' So that at any time the committee had to take action, the chairman, one individual in a committee of some 30-odd people, the chairman by himself could make the decision for the entire committee.

He said, ''Take it to the parliamentarian. That is what I suggest you do.'' Well, I did.

That next day I wrote to the Parliamentarian, and I said, ''During the full Judiciary organizational meeting held on January 5 at which the committee's rules were adopted, a question was raised in relation to the language of the rules adopted. Chairman HYDE recommended that a written inquiry be made to your office,'' and this is addressed to the Parliamentarian. ''The

language of rule III(a),'' which is the rule in question here, ''states, 'The committee or any subcommittee shall make public announcement of the date, place, and subject matter of any hearing to be conducted by it on any measure or matter at least 1 week before the commencement of that hearing unless the committee or subcommittee before which such hearing is scheduled determines that there is good cause to begin such hearing at an earlier date in which event it shall make public announcement at the earliest possible date.' ''.

My letter continues, ''There was some question as to the meaning of the words 'committee' and 'subcommittee.' We would appreciate the guidance of the House Parliamentarian in defining the scope and meaning of the words 'committee' and 'subcommittee' in rule III(a) of the House Judiciary Committee rules.''

The response we received back from the House Parliamentarian made it very clear that Chairman HYDE had ruled improperly. He had acted in violation of the rules, and he had scheduled a hearing in violation of those rules.

The response of the Parliamentarian, and I will ask that this be admitted into the RECORD in a moment, said in part, ''I would interpret this rule to require a committee or subcommittee determination, as the case may be, as to when hearings should commence when that question is raised by a committee member in a timely manner to go as follows: In my experience, committees and subcommittees have often deferred to their chairmen for the purpose of establishing hearing dates. Where the question is raised in a proper manner, however, I would conclude that,'' and here it is, ''the committee or subcommittee as a collegial body must ratify the scheduling and calling of hearings.'' The committee, not the chairman.

□ 2210

So in 2 days we had two major violations of what the Republicans have been saying they would do. One was a violation of their own promises. Second was not only a violation of their promises, it was a violation of the rules that govern this House.

What galls me a bit more about this as I think about it a bit and as my gut tries to internalize it, is about 10 of the members on the committee are new. Seven of the new members are Republican members who talked about independence and openness and how this would be a new, fair Congress and things would change.

That is what they championed as they ran for election. What is the first thing they do? They vote lockstep, not even questioning the chairman's ruling; lockstep they vote with the chairman to reduce the time for the subcommittee hearing to be held, not questioning whatsoever the validity of the chairman's ruling.

Then we went to markup, which means consideration of the legislation itself with amendments. At that hearing we were told, ''Prepare your amendments, and you will have them heard.'' This is of, course, a hearing on a constitutional amendment. So naturally you would presume that we would have a chance to prepare amendments and offer them on something as significant a matter as a constitutional amendment.

What did we find? We started at about 9:30. The chairman had an amendment of his own. That took about 1 hour, 1 hour and 15 minutes. We took about a 1 hour and 15-minute lunch break. In between there we took about a 20-minute break at the request of one of the Republican members. After perhaps 5 hours of debate in committee, for the time in this Congress, on a matter that will affect every single American through the Constitution of the United States, the chairman said, ''I am closing now this hearing at 6 p.m.''

About 11 amendments from Democrats had been presented and disposed of by that time; about 20 amendments by Democrats still remained. We asked the chairman why he was closing down. He said we must close, we must close, we have to move on, we are rushed.

Six p.m., we are rushed; rushed because they had to move quickly so they could have the constitutional amendment bill heard here on the floor of the House. This is the first week of the session, within the first 7 days of the session.

Well, we pointed out to the chairman that it was 6 p.m., and, as we are here tonight, we are here late, there was no reason why we could not continue on because we had further amendments. I had one in particular that I will raise in a second.

Then we also pointed out to the chairman when we learned that floor consideration of the constitutional amendment would not be heard until this week of January 23, 1995, that was the first day of debate on the floor of this House on the balanced budget amendment; yet, on or about January 9 or 10 we are being told there was no more time available, no more days available for Democrats to have their remaining amendments heard.

Very disturbing, to say the least.

Now I had an amendment. I had a chance to present one of my amendments, but I was not allowed to present my second amendment. That second amendment to me was extremely important, and I think to the people in California extremely important, not to say that it would not be important for the entire Nation. But it was important to the people of California and important to the people of Los Angeles for one particular reason: We have experienced earthquakes, floods, fires; in many ways the area of Los Angeles has been devastated over the last 2 years.

We were at the time experiencing some major problems with floods. A lot of us, in fact, one of the members on the committee on the Republican side said he had to leave to go to his district, and that was one of the reasons the chairman gave they had to conclude the entire hearing. For one member. We still had a quorum, we had a lot of members, but he had to leave. I can understand why he had to leave. But that is no reason to halt the entire hearing.

We are being devastated in Los Angeles by the floods and all the rains. I had an amendment that would say the following: In the event where we have a balanced budget that requires us each year to balance our budget, in the event we were very fortunate in a given year that we had a small surplus, we were very good at estimating and we ended up with a surplus, rather than just not make use of that surplus and put it back into the treasury and lose it, hold onto a small amount and use it like a rainy day fund, the way most families do and the way most State Governments do. So that in the event the following year or maybe 2 years from then, if we got into a recession or we a major natural disaster affecting the Nation and causing a national emergency, if we had something like that happen, we would have a small reserve fund, a rainy day fund, to be able to pull some moneys out. So we would not always have to worry about raising taxes or cutting other programs, but we would have funds to make up for that emergency.

Well, my second amendment was important. I know it was important not only because it preserves the ability to help out in those bad years, but because sometimes in Government we have what is called a use it or lose it mentality. If a State agency knows it has $100 million to spend and they end up finding they spend $90 million and there is $10 million there at the end of the year, but if they know those $10 million goes back to the treasury and they do not get to use it, they say, ''Wait a minute. We could do a lot of things with this $10 million. And if we don't do it now, we can't do it later. So use it rather than lose it.''

So you get inefficient spending of money, and rather than promote that use it or lose it mentality, I said let us put some of that in a rainy day fund. I though that was a fairly reasonable amendment. I did not have a chance to present that in committee, and, by the way, I did not have a chance to present it on the floor of this House when we debated the balanced budget amendment because of the closed rule on this constitutional amendment for a balanced budget.

Let me, before I move on, include the two letters that I referred to into the RECORD at this point, the letter I sent to the parliamentarian and the parliamentarian's response.

The two letters referred to are as follows:

THE SPEAKER'S ROOMS
U.S. HOUSE OF REPRESENTATIVES
Washington, DC, January 10, 1995.

Hon. XAVIER BECERRA,
Hon. BARNEY FRANK,
U.S. House of Representatives
Washington, DC.

DEAR REPRESENTATIVES BECERRA AND FRANK: In your letter of January 6, 1994 you mention that the Committee on the Judiciary, at its organizational meeting held on January 5, adopted the following committee rule IIIa:

''The Committee or any subcommittee shall make public announcement of the date, place and subject matter of any hearing to be conducted by it on any measure or matter at least one week before the commencement of that hearing, unless the committee or subcommittee before which such hearing is scheduled determines that there is good cause to begin such hearing at an earlier date, in which event it shall make public announcement at the earliest possible date.''

As required by clause 2(a)(2) of Rule XI of the rules of the House, this committee rule is consistent with clause 2(g)(3) of Rule XI of the rules of the House. I would interpret this rule to require a committee or subcommittee determination, as the case may be, as to when hearings should commence, when that question is raised by a committee member in a timely manner. In my experience, committees and subcommittees have often deferred to their chairmen for the purpose of establishing hearing dates. Where the question is raised in a proper manner, however, I would conclude that the committee or subcommittee as a collegial body must ratify the call and scheduling of hearings. This is to be distinguished from the authority conferred in clause 2(c)(1) of Rule XI for chairmen of committees (and subcommittees) to call and convene additional meetings of their committees for the conduct of committee business.

Please let me know if I can be of further assistance.

Sincerely,

CHARLES W. JOHNSON.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 6, 1994.

Hon. CHARLIE JOHNSON,
House Parliamentarian

DEAR PARLIAMENTARIAN: During the full Judiciary organization meeting, held on January 5, at which the Committee's rules were adopted, a question was raised in relation to the language of the rules adopted. Chairman Hyde recommended that a written inquiry be made to your office.

The language of Rule III a., states: ''The Committee or any subcommittee shall make public announcement of the date, place and subject matter of any hearing to be conducted by it on any measure or matter at least one week before the commencement of that hearing, unless the Committee or subcommittee before which such hearing is scheduled determines that there is good cause to begin such hearing at an earlier date, in which event it shall make public announcement at the earliest possible date.''

There was some question as to the meaning of the words ''committee'' and ''subcommittee''.

We would appreciate the guidance of the House Parliamentarian in defining the scope and meaning of the words ''committee'' and ''subcommittee'' in Rule IIIa of the House Judiciary committee's rules.

Sincerely,

XAVIER BECERRA.
BARNEY FRANK.

Well, all of that being said, let me bring up one last thing. Guess what, tomorrow my committee, the Committee on the Judiciary, is going to hold another hearing to mark up legislation, again to consider legislation and to present amendments, this time on a crime bill.

What is the problem? Well, tomorrow we are going to mark up this legislation, we are going to take up amendments, and do you know when we got notice of this? When we got first wind of this legislation and any amendments, when we first set our eyes on this? About 3 hours ago. My staff lets me know that they just received a packet of amendments and the bill itself, and tomorrow we have to be prepared to debate that legislation, debate any amendments that the Republicans have proposed, and somehow, somehow, come up with our own amendments to that legislation that we are only now going to get to see.

We had no hearing in full committee.

Mr. Speaker, I will close only by saying that this is again nothing strange. We see it happening all the time. It is most disconcerting to see it coming from the Committee on the Judiciary.

Mr. Speaker, who loses? Obviously, it is not just us, it is the American people.

So I thank the gentleman from Massachusetts [Mr. MOAKLEY] for making this time available and thank the chairman for his latitude.

THOUGHTS ON THREE IMPORTANT ISSUES

The SPEAKER pro tempore (Mr. CAMP). Under the Speaker's announced policy of January 4, 1995, the gentleman from Wisconsin [Mr. BARRETT] is recognized for 60 minutes as the designee of the minority leader.

Mr. BARRETT of Wisconsin. I thank the Chair.

I want to congratulate the gentleman from Massachusetts [Mr. MOAKLEY], the ranking member of the Committee on Rules, for doing an excellent job tonight, and I would like to follow up on some of the comments that he and previous speakers have made, all of whom have done an excellent job of pointing out some of the problems that we encounter when we try to move pellmell through a legislative agenda that is basically set by focus groups.

In doing so tonight, I would like to discuss three issues, one of which is a relatively non-major issue but is one that highlights some of the problems that we face as we try to gain access, simply to have open votes on the floor of the House of Representatives.

The second issue is, I think an issue where I think again you see what the problems are of having Government by focus groups because we are so caught up in trying to get through this political document, the Contract With America.

The third issue I would like to talk about tonight is an issue actually contained in the Contract With America, but unfortunately appears to be the first part of the Contract With America that is going to be broken by the new leadership of this House.

The first issue I want to talk about is again what I consider not a major issue, but it highlights some of the problems we face as we try to gain access to the floor and vote on the floor, is relatively easy for people to understand, and that is the issue of frequent flyer miles.

□ 2220

Now, as everybody knows, Members of Congress are entitled to fly back and forth to their districts, and the taxpayers pay for those trips. Unfortunately what a lot of Americans do not know is that Members of Congress can use those frequent flyer miles that have been accrued at taxpayers' expense. Members of Congress, the House of Representatives, can use those to fly to Florida, Hawaii, France, anywhere in the world, and we have missed several important opportunities to change that seriously flawed policy.

Let me explain to my colleagues why I thought this was an easy topic and an easy issue to address and the frustration I have had in even getting a vote, even getting a vote on this floor of the people, to address this relatively minor item:

Last year, when we considered the Congressional Accountability Act, there was included in that legislation an amendment from the floor on a voice vote. No one objected. No one called claims of germaneness. No one argued against it on the merits. It was included in the bill, and that prohibited Members of the House of Representatives from using their frequent flyer miles for personal use.

Now that bill died, but a precedent was set. We knew that it was attached to that bill, and it was, in many ways, relevant to the Congressional Accountability Act.

Well, when we came back this year, I asked the Speaker, and I asked the Committee on Rules, to permit me to present this amendment to the floor in two places; one, in the rules that the House would consider on the first day of session; and, second, in the Congressional Accountability Act, again a very simple amendment. The amendment would say that Members of Congress could not use the frequent flyer miles paid for by the taxpayer, that those miles could not be used for personal use.

All I wanted was a vote. If the Members of the House of Representatives decided that they wanted to use these miles to fly to France, they could vote that way. But I was not given a vote. It was a closed rule when we considered the rules of the House. It was a closed rule when we considered the Congressional Accountability Act. I was told it would be ruled nongermane if we tried to include it in the motion to recommit, even though when it was brought up on the floor last year no one from

the then minority side raised the issue of germaneness.

But the story does not end there because, after the Congressional Accountability Act left the House of Representatives, it went to the Senate, and the Senators could see that this is a common sense issue that could be easily addressed. So Senator FORD put in an amendment that would prohibit Members of both Houses of Congress from using frequent flyer miles paid for by the taxpayer for personal use. Members of the Republican Party in that House raised issues of comity and said that we, those in the Senate, should not be setting the rules for the Members of the House of Representatives. The majority Members on a party line vote in the Senate agreed with that.

So, we created an even more bizarre situation. The U.S. Senate included in the Congressional Accountability Act language that prohibited U.S. Senators from using frequent flyer miles paid for by the taxpayers for personal use, and it sent the bill back to the House of Representatives, presumably to let the House of Representatives address the issue for this Chamber. It came back, and again I asked the leadership if we could address this issue either in an amendment on the floor, or through the motion to recommit, or through the instructions to resolve this issue. The leadership said no, we would not have a vote on the frequent flyer issue.

So, what is the end of the story? The end of the story is for the first time that I can discover in the history of this country we have a law pertaining to the standard of conduct for the Members of the U.S. Senate which is different than the standard of conduct for the Members of the House of the Representatives. For the first time in the Nation's history that I can discover the standard of conduct for Members of this House is lower than the standard of conduct for the Members of the U.S. Senate.

Now I consider that embarrassing, and I consider that disappointing. But it is somewhat ironic that after 40 years in the minority, 40 years of Siberia, the Republicans gain control of the House of Representatives, and in the very first bill that is passed under the Republican leadership in this House we set a standard of conduct in the House of Representatives that is lower than the standard of conduct in the U.S. Senate, and it is over an easy issue. It is an issue that I simply want to have a vote on, and I hope at some point we will get a vote on that issue.

So, that is the first issue I wanted to touch on tonight, Mr. Speaker. The second issue I want to tough on I think is an example of where, through focus group government, we are missing an important opportunity to address an issue that is of concern to many Americans, millions of Americans, in this country. We are in the last week of January. That means that millions of Americans throughout this country are getting there W–2 forms and their forms for their taxes so they know how much taxes they have to pay by April 15.

Now included in those millions of people who have to do their taxes by April 15 are probably 10 to 12 million people in this country who are self-employed. Like all others, they have to pay their taxes by April 15, but they are in a little different situation this year. They are in a little different situation because on December 31, 1993, their ability to deduct health care costs was ended. It expired December 31, 1993. It was believed that last year, when we were considering health care, that health care reform, that that would be resolved and addressed. But, as that issue fell apart in the closing days of Congress, it was not extended. So right now you have a situation where the people in this country who are self-employed have lost their 25 percent deduction for health insurance.

Now bear in mind that, if you work for a corporation, a hundred percent of the health care costs are deductible for the corporation. But if you are self-employed right now, you cannot deduct a penny of it. That is not an issue that the leadership in this House appears to care about at this time.

Now why should we care about it at this time? Well, it is obvious why we should care about it at this time. Because it is tax season. Millions of Americans throughout this country are going to be preparing their tax returns by April 15.

Now what I have been told is, ''Well, that's all right. We can always retroactively extend the deduction for self-employed people after we're done with the Contract With America, after we rush pellmell through this focus group created set of priorities.''

Now the reason I take issue with that is because self-employed people in this country do not have a lot of lobbyists in this city. They do not have powerful groups that are speaking for them. They are ma and pa stores. They are people who are struggling to pay their bills, and we are going to require them to file an amended tax return later in this year if they want to be able to deduct their health care premiums because we do not want to address that issue right now. It is not important to the majority in this House to have self-employed people being able to deduct their health care premiums for 1994.

Now who are the winners in this? Well, the winners are obvious. The winners are the accountants because they are going to be the ones that are going to be required to file the amended returns after April 15 when we decide that we are going to extend this health care deduction for self-employed people. But the 10 and 12 million people in this country who are depending on this and need it are being ignored.

Mr. Speaker, they should not be ignored. We should address this issue. We should address this issue long before April 15 because we are hurting a lot of working people in this country, and that is not something we should do.

Now the third issue that I want to talk about tonight, and the final issue, may surprise you a little. During the course of the campaign, like many Democrats, I criticized the Contract With America and many provisions in it because I felt that they would increase the size of our Nation's deficit.

□ 2030

But there was one issue in particular that I said publicly throughout my campaign that I agreed with. I am a strong supporter of the line-item veto. I think that the President of the United States should be able to take out pork barrel projects and tax breaks that have been garnered through backroom deals in the U.S. Capitol.

I thought that was good. I was actually happy that the Republicans' Contract With America included that. So I was excited as a member of the Government Reform Committee when I was told that the line-item veto bill would be coming to the committee I served on. But I was actually rather shocked when the bill came to my committee, and I was shocked because the bill only does half the job.

Let me explain why. As you are well aware, Mr. Speaker, there are two different sources for pork barrel spending and special projects in the House of Representatives. One is through the Committee on Appropriations, where Members of Congress can add special projects for their district or they can add things like mohair subsidies or helium subsidies. And then there is another place, a second place where profligate spending takes place, and that is through the revenue bills. That is where you see the tax lawyers and lobbyists get together and come up with some clever idea for accelerated depreciation, or some sort of type of special treatment for some taxpayers, that most taxpayers are not entitled to.

They are both serious problems, and in many ways the problem of having items hidden in revenue bills is more serious than the problem of having items hidden in appropriations bills, because as we all know over the next 5 years, the amount of discretionary spending we are going to be entitled to have that is going to be governed by the appropriations committees will shrink. Not so when you have time bombs hidden in revenue bills.

Well, you can imagine my shock when I looked at the line-item veto bill and saw the ability of the President of the United States to take out special tax breaks was severely limited. In fact, the bill that was introduced said that in order for the President to have the ability to use his line-item veto to take out special tax breaks, fewer than five people in this country would be affected by that. In other words, it could only be if it affected one, two, three, or four people in this county of 260 million.

So I scratched my head and thought that is not what I thought the Contract with America said. In fact, I recalled when we had the debate 2 years ago over expedited recision, the then minority leader, Mr. Michel, offered an amendment, and he offered an amendment which I have with us tonight, an expedited rescission amendment.

His amendment stated that the targeted tax benefit means any provision which has the practical effect of providing a benefit in the form of a differential treatment to a particular taxpayer or a limited class of taxpayers, whether or not such provision is limited by its terms to a particular taxpayer or a class of taxpayers. Such term does not include any benefit provided to a class of taxpayers distinguished on the basis of general demographic conditions such as income, number of dependents, or marital status.

Mr. Michel introduced that as an amendment to the expedited rescission bill 2 years ago. And on this very floor he gave a long discussion, talking about the need to control these special tax breaks, tax expenditures. Very briefly I wanted to quote what he said. He gave a long colloquy on the floor here, but I just want to talk about one paragraph in particular.

This is Mr. Michel, our former minority leader speaking here. Quite frankly, if you are for special interests, then vote against my amendment. If you are for a more complex Tax Code, then vote against my amendment. Now, if you believe that the President should not be held hostage to any special interest, then I say vote for my amendment today. It will make a better piece of legislation.

Well, that was presented on the House of Representatives, and a majority of the Members of this House agreed with Mr. Michel. A majority of the members on a bipartisan basis supported him in his valiant attempt to control tax expenditures and special tax breaks that are hidden in revenue bills.

But that is not the only place where we have discussed this issue. So it couldn't be just an accident that this provision was dropped out of the bill that we considered in the Government ReForms Committee earlier this week.

The second document I have before us is that wonderful booklet called the Contract With America. I had to actually go out and purchase it today because I didn't have my own copy and you get it for $10 if you want to do it. In here we talk about the line-item veto bill. This is the bold plan by Representative NEWT GINGRICH, DICK ARMEY, and the House Republicans to change the Nation.

And in here it states the Fiscal Responsibility Act gives the President the permanent legislative line-item veto. Under this procedure the President could strike any appropriation or targeted tax provision. Parenthetically, it states a provision that provides special treatment to a particular taxpayer or limited class of taxpayer on any bill.

So twice now we see the Republicans telling us that they want to control special tax breaks that are hidden in revenue bills, and they want to do it by giving the President the line-item veto. Again, I applaud them.

Well, it wasn't just in this narrative that we had this discussion, because the Republicans also prepared copies of bills that they would introduce in the 104th Congress to honor the Contract With America. In one of those bills, it is a joint resolution proposing a balanced budget amendment to the U.S. Constitution, and it includes language in here about giving the President the line-item veto. And lo and behold, in the section on targeted tax benefits, it includes language that is identical to the language that we saw both in 1993 when Mr. Michel presented the amendment, consistent with the document that was presented to us in the book, and one that I support fully.

Now, what happened? Was there some sort of oversight, where after three times prior to the introduction of the bill in the Committee on Government Operations there is a carefully constructed definition of targeted tax break? But when we get to the actual language of the bill that is before us now, it is very limited and has a very limited impact in a country with 260 million people?

No, I don't think it was an accident. I will tell you what I think is going on here. There is gold in them that there bills. There is gold in them there tax bills, those revenue bills. And the Republicans do not want to give the President of the United States the authority to take out those special tax provisions. They understand that what is going on here is that we have got limited appropriations and the amount is dropping. So tax lawyers and lobbyists in this town know it is not smart, it is not growth industry in this country, to go for quick appropriations. But there is a lot of smart people in this town, there is a lot of smart tax lawyers, a lot of smart lobbyists. And they know if they can get a special tax break tucked into one of those little revenue bills, and the President does not have the authority to veto that out, they are home free. And that is what the majority is interested in.

We have a beautiful discussion here today on balanced budget amendment. But in the same week, what we are doing in this House of Representatives is we are going to allow Members of the majority, who three times have publicly stated that they want to control targeted tax breaks, but now when the rubber meets the road, when the amendment is presented in committee earlier this week, it is defeated.

Now, what I found out was interesting when we defeated it in committee this week was Mr. CLINGER spoke against this amendment. And he said it was too broad. I said how can it be too broad? This is something that I took or was taken from Mr. Michel. This is something that was taken from the Contract With America. Now you are telling me it is too broad?

I went back and checked the RECORD 2 years ago. Two years ago Mr. CLINGER got on the floor of the House of Representatives and he talked about this exact same amendment. Let me tell you what he said. He said:

> I agree with the minority leader that it is important that the President be able to single out both excessive and unnecessary spending and special sweetheart tax provisions for an individual vote.
>
> Often such provisions are buried in large bills, and Members may not even be aware of each of these individual provisions when they vote on a nonmiscellaneous bill. The American people hear of these special tax giveaways only after they take effect, and they are outraged at the arrogance of Congress to give such special deals to special friends. A meaningful way to strike these provisions from omnibus tax bills is one way for the government to reclaim the respect of the American people.

□ 2240

That is what the chairman of the committee said 2 years ago. This week he argued against the identical language, when the rubber meets the road, when we have to decide whether we are going to keep those special tax breaks in these revenue bills or we are going to give the President the power to take them out.

There was a change that took place in the committee that I serve on. That change was instead of five Americans being affected, it had to affect fewer than 100 Americans. This is obviously a step in the right direction. but by tying to it a specific number, you are really not getting at the core of the problem because, as the speaker prior to me talked about tonight, he talked about telecommunications bills.

Well, there are many different telecommunications companies in this country. And if you have a situation with that industry, and I do not mean to single out the telecommunications industry, but any industry that meets behind closed doors with the leaders of this new majority party and is given a special tax break, my guess is that with 260 to 270 million people in this country, it is going to affect more than 100 people.

But the lesson we are learning here tonight and a lesson that I think Americans should be aware of is that when you have a contract and when you have a contract with America and you try to slip out a little provision, a provision that most people do not follow, let us just slip it out, that tells you something. That tells you that when you get an opportunity to slip something, you are going to slip something in. And that is the very thing that the Americans do not want to have happen. The Americans do not want special tax provisions slipped into tax revenue bills. They do not want to have special provisions slipped into any type of bill.

And I think that we should give the President the true line item veto, and we can do that next week, if the people who signed this Contract with America think for themselves, if they think about what they signed back over the summer, if the Members who voted for the Michel amendment think about what they voted for last session.

My fear is that is not what is going to happen. My fear is that the Members of the majority party are going to march lock step and they are going to march lock step behind their leadership who wants to have these special tax breaks tucked into revenue bills.

That is not what the American people want and that is not what I want.

RULES OF PROCEDURE FOR THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE FOR THE 104TH CONGRESS

Mr. COMBEST. Mr. Speaker, pursuant to clause 2(a) of House Rule XI, I submit herewith a copy of the Rules of Procedure adopted on January 10, 1995, by the Permanent Select Committee on Intelligence for the 104th Congress.

RULES OF PROCEDURE FOR THE HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

1. CONVENING OF MEETINGS

The regular meeting day of the Permanent Select Committee on Intelligence for the transaction of committee business shall be on the first Wednesday of each month, unless otherwise directed by the chairman.

In the case of any meeting of the committee, other than a regularly scheduled meeting, the clerk of the committee shall notify every member of the committee of the time and place of the meeting and shall give reasonable notice which, except in extraordinary circumstances, shall be at least 24 hours in advance of any meeting held in Washington, D.C., and at least 48 hours in the case of any meeting held outside Washington, D.C.

2. PREPARATIONS FOR COMMITTEE MEETINGS

Under direction of the chairman, designated committee staff members shall brief members of the committee at a time sufficiently prior to any committee or subcommittee meeting to assist the committee members in preparation for such meeting and to determine any matter which the committee members might wish considered during the meeting. Such briefing shall, at the request of a member, include a list of all pertinent papers and other materials that have been obtained by the committee that bear on matters to be considered at the meeting.

The staff director shall recommend to the chairman the testimony, papers, and other materials to be presented to the committee or subcommittee at any meeting. The determination whether such testimony, papers, and other materials shall be presented in open or executive session shall be made pursuant to the Rules of the House and these rules.

3. MEETING PROCEDURES

Meetings of the committee and its subcommittees shall be open to the public except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote in open session and with a majority present that the matters to be discussed or the testimony to be taken on such matters would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade or incriminate any person, or otherwise would violate any law or rule of the House.

Except for purposes of taking testimony or receiving evidence, for which purposes a quorum shall consist of two committee members, a quorum for the transaction of any other committee business shall consist of nine committee members. Decisions of the committee shall be by majority vote of the members present and voting.

Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter.

4. PROCEDURES RELATED TO THE TAKING OF TESTIMONY

Notice.—Reasonable notice shall be given to all witnesses appearing before the committee.

Oath or Affirmation.—Testimony of witnesses shall be given under oath or affirmation which may be administered by any member of the committee, except that the chairman of the committee or of any subcommittee shall not require an oath or affirmation where the chairman determines that it would not be appropriate under the circumstances.

Interrogation.—Committee or subcommittee interrogation shall be conducted by members of the committee and such committee staff as are authorized by the chairman or the presiding member.

Counsel for the Witness.—(A) Any witness may be accompanied by counsel. A witness who is unable to obtain counsel may inform the committee of such fact. If the witness informs the committee of this fact at least 24 hours prior to the witness' appearance before the committee, the committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain such counsel will not excuse the witness from appearing and testifying.

(B) Counsel shall conduct themselves in an ethical and professional manner. Failure to do so shall, upon a finding to that effect by a majority of the members of the committee, a majority being present, subject such counsel to disciplinary action which may include censure, removal, or a recommendation of contempt proceedings, except that the chairman of the committee or of a subcommittee may temporarily remove counsel during proceedings before the committee or subcommittee unless a majority of the members of the committee or subcommittee, a majority being present, vote to reverse the ruling of the chair.

(C) There shall be no direct or cross-examination by counsel. However, counsel may submit in writing any question counsel wishes propounded to a client or to any other witness and may, at the conclusion of such testimony, suggest the presentation of other evidence or the calling of other witnesses. The committee or subcommittee may use such questions and dispose of such suggestions as it deems appropriate.

Statements by Witnesses.—A witness may make a statement, which shall be brief and relevant, at the beginning and conclusion of the witness' testimony. Such statements shall not exceed a reasonable period of time as determined by the chairman, or other presiding member. Any witness desiring to make a prepared or written statement for the record of the proceedings shall file a copy with the clerk of the committee, and insofar as practicable and consistent with the notice given, shall do so at least 72 hours in advance of the witness' appearance before the committee.

Objections and Ruling.—Any objection raised by a witness or counsel shall be ruled upon by the chairman or other presiding member, and such ruling shall be the ruling of the committee unless a majority of the committee present overrules the ruling of the chair.

Transcripts.—A transcript shall be made of the testimony of each witness appearing before the committee or any subcommittee during a committee or subcommittee hearing.

Inspection and Correction.—All witnesses testifying before the committee or any subcommittee shall be given a reasonable opportunity to inspect the transcript of their testimony to determine whether such testimony was correctly transcribed. The witness may be accompanied by counsel. Any corrections the witness desires to make in the transcript shall be submitted in writing to the committee within 5 days from the date when the transcript was made available to the witness. Corrections shall be limited to grammar and minor editing, and may not be made to change the substance of the testimony. Any questions arising with respect to such corrections shall be decided by the chairman. Upon request, those parts of testimony given by a witness in executive session which are subsequently quoted or made part of a public record shall be made available to that witness at the witness' expense.

Requests to Testify.—The committee or any subcommittee will consider requests to testify on any matter or measure pending before the committee or subcommittee. A person who believes that testimony or other evidence presented at a public hearing, or any comment made by a committee member or a member of the committee staff may tend to affect adversely that person's reputation, may request to appear personally before the committee to testify on his or her own behalf, or may file a sworn statement of facts relevant to the testimony, evidence, or comment, or may submit to the chairman proposed questions in writing for the cross-examination of other witnesses. The committee shall take such actions as it deems appropriate.

Contempt Procedures.—No recommendation that a person be cited for contempt of Congress shall be forwarded to the House unless and until the committee has, upon notice to all its members, met and considered the alleged contempt, afforded the person an opportunity to state in writing or in person why he or she should not be held in contempt, and agreed, by majority vote of the committee to forward such recommendation to the House.

Release of Name of Witness.—At the request of any witness, the name of that witness scheduled to be heard by the committee shall not be released prior to, or after, the witness' appearance before the committee, unless otherwise authorized by the chairman.

Closing hearings.—A vote to close a committee or subcommittee hearing may not be taken by less than a majority of the committee or the subcommittee pursuant to clause 4 of House Rule XLVIII unless at least one member of the minority is present to vote upon a motion to close the hearing.

5. SUBCOMMITTEES

Creation of subcommittees shall be by majority vote of the committee. Subcommittees shall deal with such legislation and oversight of programs and policies as the committee may direct. The subcommittees shall be governed by the rules of the committee.

Except for purposes of taking testimony or receiving evidence, for which purposes a

quorum shall consist of two subcommittee members, a quorum for the transaction of any other subcommittee business shall consist of a majority of the subcommittee.

There are hereby established the following subcommittees:

(1) Human Intelligence, Analysis and Counterintelligence.

(2) Technical and Tactical Intelligence.

The chairman and ranking minority member of the full committee are authorized to sit as ex officio members of each subcommittee and to participate in the work of the subcommittee, except, when sitting as ex officio members, they shall not have a vote in the subcommittee [nor be counted for purposes of determining a quorum].

6. INVESTIGATIONS

No investigation shall be conducted by the committee unless approved by the full committee, a majority being present; provided, however, that an investigation may be initiated—

(1) at the direction of the chairman of the full committee, with notice to the ranking minority member of the full committee; or

(2) at the written request to the chairman of the full committee of at least five members of the committee, except that any investigation initiated under (1) or (2) must be brought to the attention of the full committee for approval at the next regular meeting of the full committee following initiation of the investigation. Authorized investigations may be conducted by members of the committee and/or by designated committee staff members.

7. SUBPOENAS

Unless otherwise determined by the committee, the chairman, upon consultation with the ranking minority member, or the committee shall authorize and issue subpoenas. Subpoenas for the attendance of witnesses or the production of memoranda, documents, records or any other material may be issued by the chairman, or any member of the committee designated by the chairman, and may be served by any person designated by the chairman or member issuing the subpoenas. Each subpoena shall have attached thereto a copy of these rules.

8. STAFF

For the purpose of these rules, committee staff means employees of the committee, consultants to the committee, employees of other Government agencies detailed to the committee, or any other person engaged by contract or otherwise to perform services for or at the request of the committee. In addition, the Speaker and minority leader each may designate a member of their leadership staff to assist them in their capacity as ex officio members, with the same access to committee meetings, hearings, briefings, and materials as if employees of the select committee, and subject to the same security clearance and confidentiality requirements as employees of the select committee under this rule.

The appointment of committee staff shall be by the chairman in consultation with the ranking minority member. After confirmation, the chairman shall certify committee staff appointments to the Clerk of the House in writing.

The committee staff works for the committee as a whole, under the supervision of the chairman of the committee. Except as otherwise provided by the committee, the duties of committee staff shall be performed and committee staff personnel affairs and day-to-day operations. including security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director.

The committee staff shall assist the minority as fully as the majority in all matters of committee business and in the preparation and filing of additional, separate and minority views, to the end that all points of view may be fully considered by the committee and the House.

The members of the committee staff shall not discuss either the classified substance or procedure of the work of the committee with any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial or otherwise, either during that person's tenure as a member of the committee staff or at any time thereafter except as directed by the committee in accordance with clause 7 of House Rule XLVIII and the provisions of these rules, or, in the event of the termination of the committee, in such a manner as may be determined by the House.

No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment, not to divulge any classified information which comes into such person's possession while a member of the committee staff or any classified information which comes into such person's possession by virtue of his or her position as a member of the committee staff to any person not a member of the committee or the committee staff, either while a member of the committee staff or at any time thereafter except as directed by the committee in accordance with clause 7 of House Rule XLVIII and the provisions of these rules, or in the event of the termination of the committee, in such manner as may be determined by the House.

No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment, to notify the committee, or, in the event of the committee's termination, the House, of any request for testimony, either while a member of the committee staff or at any time thereafter with respect to classified information which came into the staff member's possession by virtue of his or her position as a member of the committee staff. Such classified information shall not be disclosed in response to such requests except as directed by the committee in accordance with clause 7 of House Rule XLVIII and the provisions of these rules, or in the event of the termination of the committee, in such manner as may be determined by the House.

The committee shall immediately consider disciplinary action to be taken in case any member of the committee staff fails to conform to any of these rules. Such disciplinary action may include, but shall not be limited to, immediate dismissal from the committee staff.

9. RECEIPT OF CLASSIFIED MATERIAL

In the case of any information classified under established security procedures and submitted to the committee by the executive or legislative branch, the committee's acceptance of such information shall constitute a decision by the committee that it is executive session material and shall not be disclosed publicly or released unless the committee, by rollcall vote, determines, in a manner consistent with clause 7 of House Rule XLVIII, that it should be disclosed publicly or otherwise released. For purposes of receiving information from either the executive or legislative branch, the committee staff may accept information on behalf of the committee.

10. PROCEDURES RELATED TO CLASSIFIED OR SENSITIVE MATERIAL

(a) Committee staff offices shall operate under strict security precautions. At least one security officer shall be on duty at all times by the entrance to control entry. Before entering the office all persons shall identify themselves.

Sensitive or classified documents and material shall be segregated in a security storage area. They may be examined only at secure reading facilities. Copying, duplicating, or removal from the committee offices of such documents and other materials are prohibited except as is necessary for use in, or preparation for, interviews or committee meetings, including the taking of testimony in conformity with these rules.

Each member of the committee shall at all times have access to all papers and other material received from any source. The staff director shall be responsible for the maintenance, under appropriate security procedures, of a registry which will number and identify all classified papers and other classified materials in the possession of the committee and such registry shall be available to any member of the committee.

(b) Pursuant to clause (7)(c)(2) of House Rule XLVIII and to clause (2)(e)(2) and clause 2(g)(2) of House Rule XI, members who are not members of the committee shall be granted access to such transcripts, records, data, charts and files of the committee and be admitted on a nonparticipatory basis to hearings or briefings of the committee which involve classified material, on the basis of the following provisions:

(1) Members who desire to examine materials in the possession of the committee or to attend committee hearings or briefings on a nonparticipatory basis should notify the clerk of the committee in writing.

(2) Each such request by a member must be considered by the committee, a quorum being present, at the earliest practicable opportunity. The committee must determine by record vote whatever action is deems necessary in light of all the circumstances of each individual request. The committee shall take into account, in its deliberations, such considerations as the sensitivity of the information sought to the national defense or the confidential conduct of the foreign relations of the United States, the likelihood of its being directly or indirectly disclosed, the jurisdictional interest of the member making the request and such other concerns—constitutional or otherwise—as affect the public interest of the United States. Such actions as the committee may take include, but are not limited to: (i) approving the request, in whole or part; (ii) denying the request; (iii) providing in different form than requested information or material which is the subject of the request.

(3) In matters touching on such requests, the committee may, in its discretion, consult the Director of Central Intelligence and such other officials as it may deem necessary.

(4) In the event that the member making the request in question does no accede to the determination or any part thereof of the committee as regards the request, that member should notify the committee in writing of the grounds for such disagreement. The committee shall subsequently consider the matter and decide, by record vote, what further action or recommendation, if any, it will take.

(c) Pursuant to Section 501 of the National Security Act of 1947 (50 U.S.C. 413) and to clauses 3(a) and 7(c)(2) of House Rule XLVIII, the committee shall call to the attention of the House or to any other appropriate committee or committees of the House any matter requiring the attention of the House or such other committee or committees of the House on the basis of the following provisions:

(1) At the request of any member of the committee, the committee shall meet at the earliest practicable opportunity to consider

a suggestion that the committee call to the attention of the House or any other committee or committees of the House executive session material.

(2) In determining whether any matter requires the attention of the House or any other committee or committees of the House, the committee shall consider, among such other matters it deems appropriate—

(A) the effect of the matter in question upon the national defense or the foreign relations of the United States;

(B) whether the matter in question involves sensitive intelligence sources and methods;

(C) whether the matter in question otherwise raises serious questions about the national interest; and

(D) whether the matter in question affects matters within the jurisdiction of another committee or committees of the House.

(3) In examining the considerations described in paragraph (2), the committee may seek the opinion of members of the committee appointed from standing committees of the House with jurisdiction over the matter in question or to submission from such other committees. Further, the committee may seek the advice in its deliberations of any executive branch official.

(4) If the committee, with a quorum present, by record vote decides that a matter requires the attention of the House or a committee or committees of the House which the committee deems appropriate, it shall make arrangements to notify the House or committee promptly.

(5) In bringing a matter to the attention of another committee or committees of the House, the committee, with due regard for the protection of intelligence sources and methods, shall take all necessary steps to safeguard materials or information relating to the matter in question.

(6) The method of communicating matter to other committees of the House shall insure that information or material designated by the committee is promptly made available to the chairman and ranking minority member of such other committees.

(7) The committee, may bring a matter to the attention of the House when it considers the matter in question so grave that it requires the attention of all members of the House, if time is of the essence, or for any other reason which the committee finds compelling. In such case, the committee shall consider whether to request an immediate secret session of the House (with time equally divided between the majority and the minority) or to publicly disclose the matter in question pursuant to clause 7 of House Rule XLVIII.

(d) Whenever the select committee makes classified material available to any other committee of the House or to any member of the House not a member of the committee, the clerk of the committee shall be notified. The clerk shall at that time provide a copy of the applicable portions of these rules and of House Rule XLVIII and other pertinent Rules of the House to such members or such committee and insure that the conditions contained therein under which the classified materials provided are clearly presented to the recipient. The clerk of the committee shall also maintain a written record identifying the particular information transmitted, the reasons agreed upon by the committee for approving such transmission and the committee or members of the House receiving such information. The staff director of the committee is further empowered to provide for such additional measures as he or she deems necessary in providing material which the committee has determined to make available to a member of the House or a committee of the House.

(e) Access to classified information supplied to the committee shall be limited to those committee staff members with appropriate security clearance and a need-to-know, as determined by the committee, and under the committee's direction, the staff director.

No member of the committee or of the committee staff shall disclose, in whole or in part or by way of summary, to any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial or otherwise, any testimony given before the committee in executive session, or the contents of any classified papers or other classified materials or other classified information received by the committee except as authorized by the committee in a manner consistent with clause 7 of House Rule XLVIII and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the House.

Before the committee makes any decision regarding a request for access to any testimony, papers or other materials in its possession or a proposal to bring any matter to the attention of the House or a committee or committees of the House, committee members shall have a reasonable opportunity to examine all pertinent testimony, papers, and other materials that have been obtained by the committee.

(f) Before any member of the committee or the committee staff may have access to classified information the following oath shall be executed:

''I do solemnly swear (or affirm) that I will not disclose any classified information received in the course of my service on the House Permanent Select Committee on Intelligence, except when authorized to do so by the committee or the House of Representatives.''

Copies of the executed oath shall be retained in the files of the committee.

11. LEGISLATIVE CALENDAR

The clerk of the committee shall maintain a printed calendar for the information of each committee member showing the measures introduced and referred to the committee and the status of such measures—and such other matters as the committee determines shall be included. The calendar shall be revised from time to time to show pertinent changes. A copy of each such revision shall be furnished to each member of the committee.

Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

12. COMMITTEE TRAVEL

No member of the committee or committee staff shall travel on committee business unless specifically authorized by the chairman. Requests for authorization of such travel shall state the purpose and extent of the trip. A full report shall be filed with the committee when travel is completed.

When the chairman approves the foreign travel of a member of the committee staff not accompanying a member of the committee, all members of the committee are to be advised, prior to the commencement of such travel of its extent, nature and purpose. The report referred to in the previous paragraph shall be furnished to all members of the committee and shall not be otherwise disseminated without the express authorization of the committee pursuant to the rules of the committee.

13. BROADCASTING COMMITTEE MEETINGS

Whenever any hearing or meeting conducted by the committee or any subcommittee is open to the public, a majority of the committee or subcommittee, as the case may be, may permit that hearing or meeting to be covered, in whole or in part, by television broadcasts, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions and in accordance with the spirit of the purposes enumerated in clause 3 of Rule XI of the Rules of the House.

14. COMMITTEE RECORDS TRANSFERRED TO THE NATIONAL ARCHIVES

The records of the committee at the National Archives and Records Administration shall be made available for public use in accordance with rule XXXVI of the Rules of the House of Representatives. The chairman shall notify the ranking minority member of any decision, pursuant to clause 3(b)(3) or clause 4(b) of the rule, to withhold a record otherwise available, and the matter shall be presented to the committee for a determination on the written request of any member of the committee.

15. CHANGES IN RULES

These rules may be modified, amended, or repealed by the committee, provided that a notice in writing of the proposed change has been give to each member at least 48 hours prior to the meeting at which action thereon is to be taken.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BISHOP (at the request of Mr. GEPHARDT) for today on account of personal business.

Mr. RUSH (at the request of Mr. GEPHARDT) for today on account of a personal family emergency.

Mr. FIELDS of Louisiana (at the request of Mr. GEPHARDT) on January 25 and 26 on account of personal business.

SPECIAL ORDERS GRANTED

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

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

Mr. OWENS, for 5 minutes today.

Mrs. LINCOLN, for 5 minutes today.

Ms. KAPTUR, for 5 minutes today.

Mrs. THURMAN, for 5 minutes today.

Mr. REED, for 5 minutes today.

Mr. BALDACCI, for 5 minutes today.

Miss COLLINS of Michigan, for 5 minutes today.

Mr. TUCKER, for 5 minutes today.

Mr. GENE GREEN of Texas, for 5 minutes today.

Mr. BENTSEN, for 5 minutes today.

Ms. JACKSON-LEE, for 5 minutes today.

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

Mr. KNOLLENBERG, for 5 minutes on January 31.

Mr. FOX of Pennsylvania, for 5 minutes on January 31.

Mr. EHLERS, for 5 minutes each day on January 30 and 31.

EXTENSION OF REMARKS

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

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

Mr. SANDERS.
Mr. BONIOR.
Ms. JACKSON-LEE.
Mr. MENENDEZ in two instances.
Mr. SCHUMER.
Mr. MARKEY.
Ms. RIVERS.
Mr. JACOBS.
Mr. OBERSTAR in three instances.
Ms. HARMAN.
Mr. DEFAZIO.
Mr. MANTON.
Mr. UNDERWOOD.

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

Mr. DICKEY.
Mr. FIELDS of Texas.
Mr. GUNDERSON.
Mr. PACKARD.
Mr. DAVIS.
Mr. GILMAN.
Mr. EMERSON.
Mr. RAMSTAD.
Mrs. JOHNSON of Connecticut.
Mr. KING.
Mr. GOODLATTE.
Mr. KIM.
Mr. THOMAS.
Mr. LATOURETTE.

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

Mr. CARDIN.
Mr. CHAPMAN.
Mr. HALL of Texas in three instances.
Mr. ENGEL.
Mr. KILDEE.
Mr. FRELINGHUYSEN.
Mr. PAYNE of New Jersey.
Ms. FURSE.
Mr. PALLONE.
Mr. GILLMOR.
Mr. TEJEDA.

ADJOURNMENT

Mr. BARRETT of Wisconsin. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 44 minutes p.m.) the House adjourned until tomorrow, Friday, January 27, 1995, at 10 a.m.

EXPENDITURE REPORT CONCERNING OFFICIAL FOREIGN TRAVEL

Report of a House committee concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of 1994 in connection with official foreign travel, pursuant to Public Law 95–384, is as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1994

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Anita Brown	10/25	10/29	Poland		940.00						940.00
	10/29	11/1	England		499.00						499.00
Commercial airfare							1,469.00				1,469.00
Lynn Gallagher	10/25	10/29	Poland		940.00						940.00
	10/29	11/1	England		499.00						499.00
Commercial airfare							1,469.00				1,469.00
Hon. E de la Garza	11/30	12/2	Mexico		479.00						479.00
Commercial airfare							1,023.00				1,023.00
Committee total					3,357.00		3,961.00				7,318.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA,
Chairman, Jan. 5, 1995.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

220. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed lease of defense articles to Jordan (Transmittal No. 9–95), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARDIN:

H.R. 691. A bill to amend the Internal Revenue Code of 1986 to restore the 25 percent deduction for the health insurance costs of self-employed individuals for 1994 and to provide an 80 percent deduction for such costs beginning in 1995; to the Committee on Ways and Means.

By Mr. CHAPMAN (for himself, Mrs. LINCOLN, Mr. MANTON, Mr. FAZIO of California, Mr. FROST, Mr. CLYBURN, Mr. WILSON, Mr. SKEEN, Mr. ROGERS, Mr. EVANS, and Mr. HEFNER):

H.R. 692. A bill to amend the Federal Water Pollution Control Act to provide additional assistance to rural and disadvantaged communities under the State Water Pollution Control Revolving Loan Fund Program, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. HALL of Texas:

H.R. 693. A bill relating to the valuation of stock received by certain employees in connection with the performance of services as employees; to the Committee on Ways and Means.

By Mr. HANSEN:

H.R. 694. A bill entitled the ''Minor Boundary Adjustments and Miscellaneous Park Amendments Act of 1995''; to the Committee on Resources.

By Mr. ARCHER (for himself and Mr. SAM JOHNSON of Texas):

H.R. 695. A bill to amend section 3626 of title 18, United States Code, to provide certain additional rules with respect to litigation regarding prison conditions; to the Committee on the Judiciary.

By Mr. BARTLETT of Maryland (for himself, Mr. CRANE, Mr. STUMP, Mr. BURTON of Indiana, Mr. EWING, Mr. HANCOCK, Mr. HOKE, Mr. GILCHREST, and Mr. UPTON):

H.R. 696. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for the health insurance costs of self-employed individuals for taxable years beginning in 1994; to the Committee on Ways and Means.

By Mr. THOMAS (for himself, Mr. ARCHER, Mr. CRANE, Mr. SHAW, Mrs. JOHNSON of Connecticut, Mr. BUNNING of Kentucky, Mr. HOUGHTON, Mr. HERGER, Mr. MCCRERY, Mr. HANCOCK, Mr. CAMP, Mr. RAMSTAD, Mr. ZIMMER, Mr. NUSSLE, Mr. SAM JOHNSON, Ms. DUNN of Washington, Mr. COLLINS of Georgia, Mr. PORTMAN, Mr. ENGLISH of Pennsylvania, Mr. ENSIGN, and Mr. CHRISTENSEN):

H.R. 697. A bill to amend the Internal Revenue Code of 1986 to restore, for taxable years beginning in 1994, the deduction for the health insurance costs of self-employed individuals; to the Committee on Ways and Means.

By Mr. BARTLETT of Maryland (for himself, Mr. CHAPMAN, and Mr. STOCKMAN):

H.R. 698. A bill to repeal the prohibitions relating to semiautomatic assault weapons and large capacity ammunition feeding devices; to the Committee on the Judiciary.

By Mr. DOOLEY:

H.R. 699. A bill to amend the Mineral Leasing Act to provide for a royalty payment for heavy crude oil produced from the public lands which is based on the degree of API gravity, and for other purposes; to the Committee on Resources.

By Mr. ZELIFF (for himself and Mr. ANDREWS):

H.R. 700. A bill to provide for the automatic downward adjustment in the discretionary spending limits for fiscal year 1995 set forth in the Congressional Budget Act of 1974, and to reduce obligation limits equal to the amount of rescissions and changes contained in this act; to the Committee on the Budget, and in addition to the Committee on Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EMERSON:

H.R. 701. A bill to authorize the Secretary of Agriculture to convey lands to the city of Rolla, MO; to the Committee on Agriculture.

By Mr. FILNER:

H.R. 702. A bill to require that any amount of cost savings under a defense contract realized by the Federal Government as a result of the consolidation of contractors that causes the elimination of jobs in a community be used for job retraining and job creation activities in the community; to the Committee on National Security, and in addition to the Committee on Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. FURSE (for herself, Mr. KLUG, Mr. FRANK of Massachusetts, Mr. BARRETT of Wisconsin, Mr. MINGE, Ms. PELOSI, Mr. OWENS, Ms. VELÁZQUEZ, Mr. DEFAZIO, Ms. WOOLSEY, Mr. MEEHAN, Mr. PALLONE, and Mrs. SCHROEDER):

H.R. 703. A bill to terminate the C–17 aircraft program after fiscal year 1995 and provide for a program to meet the remaining strategic airlift requirements of the Department of Defense with nondevelopmental aircraft; to the Committee on National Security.

By Mr. GALLEGLY:

H.R. 704. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize donation of surplus Federal law enforcement canines to their handlers; to the Committee on Government Reform and Oversight.

H.R. 705. A bill to amend the Immigration and Nationality Act to limit citizenship at birth, merely by virtue of birth in the United States, to persons with citizen or legal resident mothers; to the Committee on the Judiciary.

By Mr. GUTIERREZ:

H.R. 706. A bill to amend the Metropolitan Washington Airports Act of 1986 authorizing the Secretary of Transportation to ensure that the American public is fully and properly informed about the perquisites and privileges afforded to Members of Congress who use parking facilities through the Metropolitan Airports Authority; to the Committee on Transportation and Infrastructure.

By Mr. HEFLEY (for himself, Mr. SCHAEFER, Mr. HUNTER, Mr. HANCOCK, Mr. EMERSON, Mr. NEUMANN, Mr. TAYLOR of North Carolina, Mr. SKEEN, Mr. WICKER, Mr. SAXTON, Mr. METCALF, Mr. ROBERTS, Mr. BURR, Mr. PACKARD, Mr. HUTCHINSON, and Mr. CHRISTENSEN):

H.R. 707. A bill to amend the Occupational Safety and Health Act of 1970; to the Committee on Economic and Educational Opportunities.

By Mrs. JOHNSON of Connecticut (for herself, Mrs. KENNELLY, Ms. DUNN of Washington, Mrs. MEYERS of Kansas, Mr. MCCRERY, Mrs. CLAYTON, Mr. BARTLETT of Maryland, Ms. MOLINARI, and Mr. GIBBONS):

H.R. 708. A bill to amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction; to the Committee on Ways and Means.

By Mrs. MALONEY (for herself, Mr. MCDERMOTT, Mr. STUDDS, Mr. SCHUMER, Mr. EVANS, Mr. MILLER of California, and Mr. DEUTSCH):

H.R. 709. A bill to amend part E of title IV of the Social Security Act to require States to have laws that would permit a parent who is chronically ill or near death to name a standby guardian for a minor child without surrendering parental rights; to the Committee on Ways and Means.

By Mr. MENENDEZ (for himself, Mrs. MEEK of Florida, Mr. HILLIARD, Mr. FROST, Ms. WOOLSEY, Mr. SERRANO, Mr. DELLUMS, and Mr. HASTINGS of Florida):

H.R. 710. A bill to provide grants for demonstration projects to coordinate the administration of services to needy families with children; to the Committee on Economic and Educational Opportunities.

By Mr. OXLEY (for himself, Ms. PRYCE, Mr. KING, Mr. HANCOCK, Mr. WALSH, Mr. CANADY, Mr. SMITH of Texas, Mr. FORBES, Mr. ZIMMER, Mr. FOX, Mr. FRANK of Massachusetts, Mr. MOORHEAD, Mrs. MEYERS of Kansas, Mr. STUMP, Mr. GEKAS, Mr. DORNAN, Mr. LATHAM, Mr. MCDADE, Mr. PETERSON of Minnesota, Mr. SHAW, Mr. SHAYS, Mr. FIELDS of Texas, Mr. BARTON of Texas, Mr. BREWSTER, Mr. ISTOOK, Mr. BLUTE, Mr. SHUSTER, Mr. LIGHTFOOT, Mr. KNOLLENBERG, Mr. SERRANO, Mr. CUNNINGHAM, Mr. CHRISTENSEN, Mr. GORDON, Mr. LIVINGSTON, and Mr. BACHUS):

H.R. 711. A bill to provide for restitution of victims of crimes, and for other purposes; to the Committee on the Judiciary.

By Ms. ROS-LEHTINEN (for herself, Mr. RICHARDSON, and Mr. DIAZ-BALART):

H.R. 712. A bill to provide for adjustment of status of certain Nicaraguans; to the Committee on the Judiciary.

By Ms. SLAUGHTER:

H.R. 713. A bill to provide protection from sexual predators; to the Committee on the Judiciary.

By Mr. WELLER:

H.R. 714. A bill to establish the Midewin National Tallgrass Prairie in the State of Illinois, and for other purposes; to the Committee on Agriculture, and in addition, to the Committees on National Security, Commerce, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska (for himself, Mr. SAXTON, and Mr. STUDDS):

H.R. 715. A bill to amend the Central Bering Sea Fisheries Enforcement Act of 1992 to prohibit fishing in the Central Sea of Okhotsk by vessels and nationals of the United States; to the Committee on Resources.

H.R. 716. A bill to amend the Fishermen's Protective Act; to the Committee on Resources.

By Mr. GALLEGLY:

H.J. Res. 64. Joint resolution proposing an amendment to the Constitution of the United States to restrict the requirement of citizenship at birth by virtue of birth in the United States to persons with citizen or legal resident mothers; to the Committee on the Judiciary.

By Mr. THORNTON:

H.J. Res. 65. Joint resolution proposing an amendment to the Constitution of the United States to limit the terms of Representatives and Senators, to provide for a 4-year term for Representatives, and to provide for campaign contribution limitations with respect to elections for Federal office; to the Committee on the Judiciary.

By Mr. BROWN of Ohio (for himself, Mr. BORSKI, Mr. DOYLE, Mr. MCHALE, Mr. ENGEL, Ms. DELAURO, Mr. HINCHEY, Mr. BECERRA, Mr. MCDERMOTT, and Mrs. LOWEY):

H. Res. 45. Resolution to express the sense of the House regarding calculation of the Consumer Price Index; to the Committee on Economic and Educational Opportunities.

The bill numbers H.R. 683 through 689, appearing on page H692 of the RECORD of January 25, 1995, should have reflected the following bill titles, which correspond to the bills as printed:

By Mr. WILSON:

H.R. 683. A bill to provide a minimum for payments with respect to counties in the State of Texas from receipts from national forests; to the Committee on Agriculture.

H.R. 684. A bill to prohibit exports of unprocessed timber and wood chips to any country that does not provide reciprocal access to its markets for finished wood products and paper produced in the United States; to the Committee on International Relations.

H.R. 685. A bill to amend title 28, United States Code, to provide for the use of volunteers for Federal Bureau of Investigation tours and at the Bureau's training facilities, and for other purposes; to the Committee on the Judiciary.

H.R. 686. A bill to designate the maintenance facility and future visitor center at the Big Thicket National Preserve as the ''Ralph W. Yarborough Center''; to the Committee on Resources.

H.R. 687. A bill to authorize the Secretary of Agriculture to convey certain lands in the Sam Houston National Forest in the State of Texas to the current occupant of the lands, the Gulf Coast Trades Center; to the Committee on Resources.

H.R. 688. A bill to extend Federal restrictions on the export of unprocessed timber to timber harvested in the State of Texas; to the Committee on Agriculture, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 689. A bill to require the Secretary of Agriculture to take action to control the infestation of southern pine beetles currently ravaging wilderness areas in the State of Texas; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KENNEDY of Rhode Island:

H.R. 717. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for each of the vessels *Shamrock V* and *Endeavour*; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. SALMON.
H.R. 24: Mr. HOLDEN.
H.R. 26: Mr. HINCHEY and Mr. BACHUS.
H.R. 70: Mr. POMBO.
H.R. 76: Mr. SOLOMON, Mr. CARDIN, and Mr. BRYANT of Tennessee.
H.R. 77: Mr. GENE GREEN of Texas.
H.R. 94: Mr. SOLOMON, Mr. LIVINGSTON, and Mr. PAXON.
H.R. 95: Mr. HASTINGS of Florida, Mr. GENE GREEN of Texas, Mrs. LOWEY, Mr. HEFLEY, Mr. DOYLE, Mr. HINCHEY, and Mr. MENENDEZ.
H.R. 103: Mr. TAYLOR of Mississippi and Mr. GENE GREEN of Texas.
H.R. 104: Mr. DAVIS.
H.R. 106: Mr. JOHNSTON of Florida.
H.R. 109: Mr. BONO, Mr. DEFAZIO, Mr. HAYES, Ms. LOFGREN, Mr. KINGSTON, and Mr. GENE GREEN of Texas.
H.R. 110: Mr. SAXTON and Mr. MCHALE.
H.R. 122: Mr. BONO, Mr. PETE GEREN of Texas, Mr. FOX, Mr. FROST, and Mr. GENE GREEN of Texas.
H.R. 216: Mrs. SEASTRAND.
H.R. 218: Mr. SHUSTER, Mr. YOUNG of Alaska, and Mrs. SEASTRAND.
H.R. 230: Mr. SOLOMON.
H.R. 246: Mr. CUNNINGHAM, Mr. MCKEON, Mr. COX, and Mr. CHRISTENSEN.
H.R. 259: Mr. CHRISTENSEN.
H.R. 263: Mr. SHAYS.
H.R. 264: Mr. SHAYS.
H.R. 303: Mr. EVANS and Mr. GENE GREEN of Texas.
H.R. 305: Mr. GENE GREEN of Texas, Mrs. THURMAN, Ms. WOOLSEY, Mr. YATES, Mr. DEUTSCH, Mr. STARK, Mr. HINCHEY, Mr. HORN, Mr. SOLOMON, and Mr. SCHIFF.
H.R. 310: Mr. SCHIFF and Mr. LIVINGSTON.
H.R. 313: Mr. SCHIFF and Mr. LIVINGSTON.
H.R. 326: Mr. ARMEY.
H.R. 328: Mr. BAKER of Louisiana, Mr. ARMEY, and Mr. HERGER.
H.R. 353: Mr. JACOBS.
H.R. 354: Mr. SMITH of New Jersey and Mrs. JOHNSON of Connecticut.
H.R. 359: Mr. SKEEN, Mr. KANJORSKI, Mr. EVANS, Mr. HINCHEY, and Mr. FLANAGAN.
H.R. 370: Mr. PICKETT, Mr. BAKER of Louisiana, Mr. EWING, Mr. ARCHER, Mr. KASICH, Mr. KNOLLENBERG, Mrs. SMITH of Washington, Mr. MCCOLLUM, Mr. GEKAS, Mr. STENHOLM, Mr. EHLERS, Mr. FAWELL, and Mrs. SEASTRAND.
H.R. 372: Mr. SENSENBRENNER and Mr. COBLE.
H.R. 373: Mr. ZELIFF, Mr. SENSENBRENNER, Mr. COBLE, and Mr. SOLOMON.
H.R. 375: Mr. SENSENBRENNER and Mr. COBLE.
H.R. 450: Mr. MCKEON, Mr. KINGSTON, Mr. LAUGHLIN, Mr. BURR, Mr. SALMON, Mr. CONDIT, Mrs. CHENOWETH, Mr. BASS, and Mr. CREMEANS.
H.R. 463: Mr. EVANS and Mr. VENTO.
H.R. 468: Mr. FOX.
H.R. 469: Mr. STEARNS and Mr. LIVINGSTON.
H.R. 473: Mr. STOCKMAN.
H.R. 474: Mr. STOCKMAN.
H.R. 475: Mr. STOCKMAN.
H.R. 476: Mr. STOCKMAN.
H.R. 477: Mr. STOCKMAN.
H.R. 478: Mr. STOCKMAN.
H.R. 479: Mr. STOCKMAN.
H.R. 480: Mr. STOCKMAN and Mr. SAM JOHNSON of Texas.
H.R. 485: Mr. SOLOMON, Mr. BAKER of California, and Mr. GALLEGLY.
H.R. 489: Mr. COOLEY, Mr. SENSENBRENNER, and Mr. SOLOMON.
H.R. 490: Mr. COOLEY, Mr. HUNTER, and Mr. SOLOMON.
H.R. 493: Mr. GENE GREEN of Texas and Mr. RANGEL.
H.R. 495: Mr. CASTLE.
H.R. 555: Mr. MARTINEZ.
H.R. 579: Mr. CHRYSLER and Mr. CHABOT.
H.R. 582: Mr. ROHRABACHER.
H.R. 588: Mr. ACKERMAN and Mr. HINCHEY.
H.R. 599: Mr. HASTINGS of Washington and Ms. DUNN of Washington.
H.R. 663: Mr. MCKEON, Mr. MCHALE, Mr. HANCOCK, and Mr. GALLEGLY.
H.J. Res. 32: Mr. BURTON of Indiana.
H.J. Res. 49: Mr. BORSKI, Mr. SCHUMER, and Mr. CLYBURN.
H. Con. Res. 7: Mr. SHAYS.
H. Con. Res. 12: Mr. GUNDERSON and Mr. MANTON.
H. Res. 15: Mr. SANFORD, Mr. TAYLOR of Mississippi, and Mr. JACOBS.
H. Res. 24: Mr. TAYLOR of North Carolina and Mr. MILLER of Florida.
H. Res. 25: Mr. RADANOVICH, Mr. CALVERT, Mr. ROHRABACHER, Mr. LEWIS of California, Mr. HUNTER, Ms. DANNER, Mr. CUNNINGHAM, Mr. DORNAN, Mr. HERGER, Mr. POMBO, Mr. STUMP, and Mr. COOLEY.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5

OFFERED BY: MR. RIGGS

AMENDMENT NO. 169: At the end of section 101 (Page 5, after line 14), add the following:

(e) PRIORITY TO MANDATES THAT ARE SUBJECT OF JUDICIAL PROCEEDINGS.—In carrying out this section, the Advisory Commission shall give the highest priority to immediately investigating, reviewing, and making recommendations regarding unfunded Federal mandates that are the subject of judicial proceedings between the United States and a State, local, or tribal government.

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PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, FIRST SESSION

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Senate

(Legislative day of Tuesday, January 10, 1995)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Therefore shall a man leave his father and his mother, and shall cleave unto his wife: and they shall be one flesh.—Genesis 2:24.

Father in Heaven, we pray this morning for our families. Thou didst begin human history with marriage and the family, and history makes it clear that no civilization can survive the disintegration of the family.

Forgive our negligence as husbands and wives and parents. Teach us to be subject to one another out of reverence for Christ as Thy word exhorts. Help husbands to love their wives as Christ loved the church and laid down His life for her.

Forgive us when we fail to be models for our children, when our actions contradict our words, and they wonder in their confusion whether to believe what we say or what we do. Forgive us for frustrating them by demanding of them conduct which we fail to demonstrate. Help us to love our children even when they do not conform to our hopes for them.

Remind us that when we are too busy for our families, we are too busy.

Protect our families from the many destructive forces which are peculiar to this Federal city and common among those who bear the responsibilities of national leadership.

We pray this in the name of Him whose life was the very incarnation of selfless love. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

UNFUNDED MANDATE REFORM ACT

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 1, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1) to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local, and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal mandates on State, local, and tribal governments without adequate funding, in a manner that may displace other essential governmental priorities; and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Levin amendment No. 172, to provide that title II, Regulatory Accountability and Reform, shall apply only after January 1, 1996.

Levin amendment No. 174, to provide that if a committee makes certain determinations, a point of order will not lie.

Levin amendment No. 175, to provide for Senate hearings on title I, and to sunset title I in the year 2002.

Levin amendment No. 176, to clarify the scope of the declaration that a mandate is ineffective.

Graham amendment No. 184, to provide a budget point of order if a bill, resolution, or amendment reduces or eliminates funding for duties that are the constitutional responsibility of the Federal Government.

Murray amendment No. 188, to require time limitations for Congressional Budget Office estimates.

Graham amendment No. 189, to change the effective date.

Harkin amendment No. 190, to express the sense of the Senate regarding the exclusion of Social Security from calculations required under a balanced budget amendment to the Constitution.

Bingaman amendment No. 194, to establish an application to provisions relating to or administrated by independent regulatory agencies.

Glenn amendment No. 195, to end the practice of unfunded Federal mandates on States and local governments and to ensure the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations.

Kempthorne amendment No. 196 (to Amendment No. 190), to express the sense of the Senate that any legislation required to implement a balanced budget amendment to the U.S. Constitution shall specifically prevent Social Security benefits from being reduced or Social Security taxes from being increased to meet the balanced budget requirement.

Glenn amendment No. 197, to have the point of order lie at only two stages: (1) against the bill or joint resolution, as amended, just before final passage, and (2) against the bill or joint resolution as recommended by conference, if different from the bill or joint resolution as passed by the Senate.

Lautenberg amendment No. 199, to exclude from the application of the act, provisions limiting known human (Group A) carcinogens defined by the Environmental Protection Agency.

Byrd amendment No. 200, to provide a reporting and review procedure for agencies that receive insufficient funding to carry out a Federal mandate.

Boxer amendment No. 201, to provide for unreimbursed costs to States due to the imposition of enforceable duties on the States regarding illegal immigrants or the Federal Government's failure to fully enforce immigration laws.

A unanimous-consent agreement was reached providing for the consideration of amendment No. 201 on Thursday, January 26.

Boxer amendment No. 203, to provide for the deterrence of child pornography, child abuse, and child labor laws.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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Wellstone amendment No. 204, to define the term ''direct savings'' as it relates to Federal mandates.

Wellstone amendment No. 205, to provide that no point of order shall be raised where the appropriation of funds to the Congressional Budget Office, in the estimation of the Senate Committee on the Budget, is insufficient to allow the Director to reasonably carry out his responsibilities under this act.

Grassley amendment No. 208, to require an affirmative vote of three-fifths of the Members to waive the requirement of a published statement on the direct costs of Federal mandates.

Kempthorne amendment No. 209, to provide an exemption for legislation that reauthorizes appropriations and does not cause a net increase in direct costs of mandates to States, local, and tribal governments.

Kempthorne amendment No. 210, to make technical corrections.

Kempthorne (for Dole) amendment No. 211, to make technical corrections.

Glenn amendment No. 212, to clarify the baseline for determining the direct costs of reauthorized or revised mandates, and to clarify that laws and regulations that establish an enforceable duty may be considered mandates.

Byrd modified amendment No. 213, to provide a reporting and review procedure for agencies that receive insufficient funding to carry out a Federal mandate.

Gramm amendment No. 215, to require that each conference report that includes any Federal mandate, be accompanied by a report by the Director of the Congressional Budget Office on the cost of the Federal mandate.

Gramm amendment No. 216, to require an affirmative vote of three-fifths of the Members to waive the requirement of a published statement on the direct costs of Federal mandates.

Byrd modified amendment No. 217, to exclude the application of a Federal intergovernmental mandate point of order to employer-related legislation.

Levin amendment No. 218, in the nature of a substitute.

Levin amendment No. 219, to establish that estimates required on Federal intergovernmental mandates shall be for no more than 10 years beyond the effective date of the mandate.

Brown amendment No. 220, to express the sense of the Senate that the appropriate committees should review the implementation of the act.

Brown-Hatch amendment No. 221, to limit the restriction on judicial review.

Roth amendment No. 222, to establish the effective date of January 1, 1996, of title I, and make it apply to measures reported, amendments and motions offered, and conference reports.

AMENDMENT NO. 201

The PRESIDENT pro tempore. The pending question is the Boxer amendment numbered 201.

Mrs. BOXER addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from California.

AMENDMENT NO. 223 TO AMENDMENT NO. 201

(Purpose: To require development of a plan to reimburse State, local, and tribal governments for the costs associated with illegal immigrants and to authorize expenditure of such sums as are necessary to fulfill the reimbursement plan)

Mrs. BOXER. Mr. President, I send a second-degree amendment to the desk and I ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 223 to amendment No. 201.

Mr. KEMPTHORNE. Mr. President, I suggest the absence of a quorum.

Mrs. BOXER. Mr. President, parliamentary inquiry.

The PRESIDENT pro tempore. The amendment has not been read. A motion is not in order at this time.

The clerk will read the amendment.

The assistant legislative clerk read as follows:

In the amendment strike all after ''(e) IMMIGRATION'' and insert the following:

REPORT.—Not later than 3 months after the date of enactment of this act, the Advisory Commission shall develop a plan for reimbursing State, local, and tribal governments for costs associated with providing services to illegal immigrants based on the best available cost and revenue estimates, including—

(1) education;

(2) incarceration; and

(3) health care.

(f) The appropriate Federal agencies shall be authorized to expend such sums as are necessary to fulfill the plan for reimbursement described in section 302(e).

Mr. KEMPTHORNE addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Mr. KEMPTHORNE assumed the chair.)

CHANGE THE INCOME TAX LAW

Mr. DOMENICI. Mr. President, while the Senate is trying to work out some other matters pertinent to the bill and to the amendment that is pending, Senator NUNN and I are on the floor and we want to talk for a few minutes, each of us, about the need to abolish the income tax law of this land and substitute a brandnew one for it that will be much simpler and that will lead our country into the 21st century with the right kind of policies promulgated by the Tax Code.

We also want to do this because we believe simplification is absolutely imperative. The Tax Code of the United States in terms of its complexity, the cost to society, the cost to business, the frustration to citizens, the anger toward the Internal Revenue Service is truly a disgrace. We have to make it simple and make it work.

Let me just give a couple of examples. Take the simple notion of a personal exemption that everyone has to deal with. I quote section 151(A):

An exemption of the exemption amount for the taxpayer; and an additional exemption of the exemption amount for the spouse of the taxpayer if a joint return is not made by the taxpayer and his spouse, and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income, and is not the dependent of another taxpayer.

It goes on to define a ''child'' and a ''student.'' The code tells us that the exemption amount is disallowed in the case of certain dependents. There are provisions on the phaseout of the exemptions. In addition, a taxpayer would have to wade through definitions of ''applicable percentage'' and ''threshold amount'' and how this threshold is coordinated with other provisions, and the adjustments for inflation both pre- and post-1991 because they are done differently.

Anyone who tried to read the Internal Revenue Code would agree that it is complicated beyond belief. And I am describing an easy, short, and basic provision.

I ask unanimous consent that the full text of section 151 appear in the RECORD so that Senators can read for themselves this law of the land and decide if it is intelligible or if it is gibberish.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INCOME TAX—PERSONAL EXEMPTIONS

Sec. 153. Cross references.

[Sec. 151]

SEC. 151. ALLOWANCE OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.

[Sec. 151(a)]

(a) ALLOWANCE OF DEDUCTIONS.—In the case of an individual, the exemptions provided by this section shall be allowed as deductions in computing taxable income.

[Sec. 151(b)]

(b) TAXPAYER AND SPOUSE.—An exemption of the exemption amount for the taxpayer, and an additional exemption of the exemption amount for the spouse of the taxpayer if a joint return is not made by the taxpayer and his spouse, and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

[Sec. 151(c)]

(c) ADDITIONAL EXEMPTION FOR DEPENDENTS.—

(1) IN GENERAL.—An exemption of the exemption amount for each dependent (as defined in section 152)—

(A) whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than the exemption amount, or

(B) who is a child of the taxpayer and who (i) has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins, or (ii) is a student who has not attained the age of 24 at the close of such calendar year.

(2) EXEMPTION DENIED IN CASE OF CERTAIN MARRIED DEPENDENTS.—No exemption shall be allowed under this subsection for any dependent who has made a joint return with his spouse under section 6013 for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

(3) CHILD DEFINED.—For purposes of paragraph (1)(B), the term ''child'' means an individual who (within the meaning of section 152) is a son, stepson, stepdaughter of the taxpayer.

(4) STUDENT DEFINED.—For purposes of paragraph (1)(B)(ii), the term ''student'' means an individual who during each of 5 calendar months during the calendar year in which the taxable year of the taxpayer begins—

(A) is a full-time student at an educational organization described in section 170(b)(1)(A)(ii); or

(B) is pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational organization described in section 170(b)(1)(A)(ii) or of a State or political subdivision of a State.

(5) CERTAIN INCOME OF HANDICAPPED DEPENDENTS NOT TAKEN INTO ACCOUNT.—

(A) IN GENERAL.—For purposes of paragraph (1)(A), the gross income of an individual who is permanently and totally disabled shall not include income attributable to services performed by the individual at a sheltered workshop if—

(i) the availability of medical care at such workshop is the principal reason for this presence there, and

(ii) the income arises solely from activities at such workshop which are incident to such medical care.

(B) SHELTERED WORKSHOP DEFINED.—For purposes of subparagraph (A), the term ''sheltered workshop'' means a school—

(i) which provides special instruction or training designed to alleviate the disability of the individual, and

(ii) which is operated by—

(I) an organization described in section 501(c)(3) and exempt from tax under section 501(a), or

(II) a State, a possession of the United States, any political subdivision of any of the foregoing, the United States, or the District of Columbia.

(C) PERMANENT AND TOTAL DISABILITY DEFINED.—An individual shall be treated as permanently and totally disabled for purposes of this paragraph if such individual would be so treated under paragraph (3) of section 22(e).

AMENDMENTS

P.L. 100–647, §6010(a):

Act Sec. 6010(a) amended Code Sec. 151(c)(1)(B)(ii) by inserting ''who has not attained the age of 24 at the close of such calendar year'' before the period.

The above amendment applies to tax years beginning after December 31, 1988.

[Sec. 151(d)]

(d) EXEMPTION AMOUNT.—For purposes of this section—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the term ''exemption amount'' means $2,000.

(2) EXEMPTION AMOUNT DISALLOWED IN CASE OF CERTAIN DEPENDENTS.—In the case of an individual with respect to whom a deduction under this section is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual's taxable year begins, the exemption amount applicable to such individual for such individual's taxable year shall be zero.

(3) PHASEOUT.—

(A) IN GENERAL.—In the case of any taxpayer whose adjusted gross income for the taxable year exceeds the threshold amount, the exemption amount shall be reduced by the applicable percentage.

(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the term ''applicable percentage'' means 2 percentage points for each $2,500 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds the threshold amount. In the case of a married individual filing a separate return, the preceding sentence shall be applied by substituting ''$1,250'' for ''$2,500''. In no event shall the applicable percentage exceed 100 percent.

(C) THRESHOLD AMOUNT.—For purposes of this paragraph, the term ''threshold amount'' means—

(i) $150,000 in the case of a joint of a [sic] return or a surviving spouse (as defined in section 2(a)),

(ii) $125,000 in the case of a head of a household (as defined in section 2(b)),

(iii) $100,000 in the case of an individual who is not married and who is not a surviving spouse or head of a household, and

(iv) $75,000 in the case of a married individual filing a separate return.

For purposes of this paragraph, marital status shall be determined under section 7703.

(D) COORDINATION WITH OTHER PROVISIONS.—The provisions of this paragraph shall not apply for purposes of determining whether a deduction under this section with respect to any individual is allowable to another taxpayer for any taxable year.

(4) INFLATION ADJUSTMENTS.—

(A) ADJUSTMENT TO BASIC AMOUNT OF EXEMPTION.—In the case of any taxable year beginning in a calendar year after 1989, the dollar amount contained in paragraph (1) shall be increased by an amount equal to—

(i) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting ''calendar year 1988'' for ''calendar year 1992'' in subparagraph (B) thereof.

(B) ADJUSTMENT TO THRESHOLD AMOUNTS FOR YEARS AFTER 1991.—In the case of any taxable year beginning in a calendar year after 1991, each dollar amount contained in paragraph (3)(C) shall be increased by an amount equal to—

(i) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting ''calendar year 1990'' for ''calendar year 1992'' in subparagraph (B) thereof.

AMENDMENTS

P.L. 103–66, §13201(b)(3)(G):

Act Sec. 13201(b)(3)(G) amended Code Sec. 151(d)(4)(A)(ii) and (B)(ii) by striking ''1989'' and inserting ''1992''.

The above amendment applies to tax years beginning after December 31, 1992.

P.L. 103–66, §13205:

Act Sec. 13205 amended Code Sec. 151(d)(3) by striking subparagraph (E). Prior to being stricken, Code Sec. 151(d)(3)(E) read as follows:

(E) TERMINATION.—This paragraph shall not apply to any taxable-year beginning after December 31, 1996.

The above amendment is effective on the date of enactment of this Act.

P.L. 102–318, §511:

Act Sec. 511 amended Code Sec. 151(d)(3)(E) by striking ''December 31, 1995'' and inserting ''December 31, 1996''.

The above amendment is effective July 3, 1992.

P.L. 101–508, §11101(d)(1)(F):

Act Sec. 11101(d)(1)(F) amended Code Sec. 151(d)(3)(B) by striking ''1987'' and inserting ''1989''.

P.L. 101–508, §11104(a):

Act Sec. 11104(a) amended Code Sec. 151(d) to read as above. Prior to amendment, Code Sec. 151(d)(as amended by Act Sec. 11101(d)(1)(F)) read as follows:

(d) EXEMPTION AMOUNT.—For purposes of this section—

(1) IN GENERAL.—Except as provided in paragraph (2), the term ''exemption amount'' means—

(A) $1,900 for taxable years beginning during 1987,

(B) $1,950 for taxable years beginning during 1988, and

(C) $2,000 for taxable years beginning after December 31, 1988.

(2) EXEMPTION AMOUNT DISALLOWED IN THE CASE OF CERTAIN DEPENDENTS.—In the case of an individual with respect to whom a deduction under this section is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual's taxable year begins, the exemption amount applicable to such individual for such individual's taxable year shall be zero.

(3) INFLATION ADJUSTMENT FOR YEARS AFTER 1989.—In the case of any taxable year beginning in a calendar year after 1989, the dollar amount contained in paragraph (1)(C) shall be increased by an amount equal to—

(A) such dollar amount, multiplied by

(B) the cost-of-living adjustment determined under section 1(f)(3), for the calendar year in which the taxable year begins, by substituting ''calendar year 1988'' for ''calendar year 1989'' in subparagraph (B) thereof.

The above amendments apply to tax years beginning December 31, 1990.

P.L. 99–514, §103(a):

Act Sec. 103(a) amended Code Sec. 151(f) to read as above. Prior to amendment Code Sec. 151(f) read as follows:

(f) EXEMPTION AMOUNT.—For purposes of this section, the term ''exemption amount'' means, with respect to any taxable year, $1,000 increased by an amount equal to $1,000 multiplied by the cost-of-living adjustment (as defined in section 1(f)(3)) for the calendar year in which the taxable year begins. If the amount determined under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10 (or if such amount is a multiple of $5, such amount shall be increased to the next highest multiple of $10).

P.L. 99–514, §103(b):

Act Sec. 103(b) amended Code Sec. 151 by striking out subsections (c) and (d) and redesignating subsections (e) and (f) as subsections (c) and (d), respectively. Prior to amendment, Code Sec. 151(c) and (d) read as follows:

(c) Additional Exemption for Taxpayer or Spouse Aged 65 or More—

(1) For Taxpayer.—An additional exemption of the exemption amount for the taxpayer if he has attained the age of 65 before the close of his taxable year.

(2) For Spouse.—An additional exemption of the exemption amount for the spouse of the taxpayer if a joint return is not made by the taxpayer and his spouse, and if the spouse has attained the age of 65 before the close of such taxable year, and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(d) Additional Exemption for Blindness of Taxpayer or Spouse.—

(1) For Taxpayer.—An additional exemption of the exemption amount for the taxpayer if he is blind at the close of his taxable year.

(2) For Spouse.—An additional exemption of the exemption amount for the spouse of the taxpayer if a separate return is made by the taxpayer, and if the spouse is blind and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer. For purposes of this paragraph, the determination of whether the spouse is blind shall be made as of the close of the taxable year of the taxpayer, except that if the

spouse dies during such taxable year such determination shall be made as of the time of such death.

(3) Blindness Defined.—For purposes of this subsection, an individual is blind only if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

The above amendments apply to tax years beginning after December 31, 1986.

P.L. 99–514, §1847(b)(3):

Act Sec. 1847(b)(3) amended Code Sec. 151(e)(5)(C) by striking out ''section 37(e)'' and inserting in lieu thereof ''section 22(e)''.

The above amendment is effective as if included in the provision of P.L. 98–369 to which such amendment relates.

P.L. 98–369, §426(a):

Act Sec. 426(a) amended Sec. 151(e) by adding at the end thereof a new paragraph (5) to read as above.

The above amendment applies to tax years beginning after December 31, 1984.

P.L. 97–34, §104(c)(1), (2):

Amended Code Sec. 151 by striking out ''$1,000'' each place it appeared and inserting in lieu thereof ''the exemption amount'' and by adding at the end thereof new subsection (f), effective for taxable years beginning after December 31, 1984.

P.L. 95–600, §102(a):

Amended Code Sec. 151 by striking out ''$750'' each place it appeared and inserting in lieu thereof ''$1000'', effective for taxable years beginning after December 31, 1978.

Mr. DOMENICI. This simple section has more than 14 jump sites which refer readers to other sections of the code for additional information. With all of its complexities, the current Internal Revenue Code still fails to collect $127 billion each year in taxes that are owed.

Capital costs, which everybody is beginning to understand, is the lifeblood of an economy now and in the 21st century. How much can we get capital for? What do we have to pay for it? That cost is one-third more than it should be if we had an efficient Tax Code. That means every time a business borrows money to grow, they pay about one-third more for that capital because of this Tax Code than if we had one that promoted savings and investment.

Since we started talking about abolishing the current Income Tax Code and replacing it with an unlimited savings allowance tax to be known as the USA tax, we have heard from hundreds of people who have told us about their experiences with this current code.

I have a small business advocacy group in New Mexico. Every time we meet, the agenda is dominated by complaints about the Internal Revenue Service and the Internal Revenue Code, and the top Federal Government problem that they face is constantly fighting with the IRS over this Tax Code.

It is not just small business. One of America's crown jewels as far as high-technology companies is concerned told me they have three IRS auditors who are assigned full-time to reviewing the company's taxes. As of 1994, and the IRS auditors were still reviewing 1987 returns.

Another company with worldwide operations told me they rent time on a supercomputer to calculate some of the foreign tax credit provisions.

Tax Code complexity costs America about $50 billion annually in compliance costs.

I have concluded, and I am joined by my distinguished friend from Georgia, Senator NUNN, that the Federal Tax Code is un-American in spirit, wrong in principle because it levies a double tax on dividends and taxes savings, and it discourages risk-taking and entrepreneurship and the creation of jobs. It is hostile to savings and investment, and tilted in the opposite direction. It encourages corporate management to neglect long-term investment in favor of focusing on short-term profits.

Now, we do not want to tell businesses what to do. We want to create a code that encourages them to do the things that are best for our future.

The way a country taxes its people deeply influences its potential for future growth.

Our current code penalizes savings by taxing income when it is earned and then taxing interest and dividends that are generated by the initial investment. When an activity is penalized in the code, it influences behavior. Taxpayers do less of those disfavored activities, and the current code is doing a good job of discouraging savings. Americans are only saving about 2.8 percent of the gross domestic product.

The lack of savings leads to a shortage of investment, which in turn leads to insufficient growth, stagnating incomes, and a loss of high-wage jobs.

Acknowledgment of this is rampant. Congressional Budget Director Robert Reischauer spoke to this recently. I ask the quote be made part of the RECORD.

There being no objection, the quote was ordered to be printed in the RECORD, as follows:

* * * the best way for the nation to prepare for [the] future * * * is to save and invest more now. Greater investment, the main engine of growth, would enlarge the future economic pie * * *. Investment in turn, fundamentally depends on the available pool of saving, whether private (personal and corporate) or government (federal, state and local) * * *.

Mr. DOMENICI. The administration testified before Ways and Means the deplorable state of savings in the United States.

We believe that the savings rate is too low to sustain a sufficient level of private investment into the next century. Without adequate investment, the continued healthy growth of the economy is at risk.

Our prototype tax is a quest for the best tax system we can develop, one that should vastly expand the pool of savings and achieve significant simplicity in that bargain. We estimate that of the 700 Internal Revenue Code sections, over 75 percent would be eliminated.

Here is the Tax Code in very small print. We need a magnifying glass to read it. For a tax lawyer, there are 21 volumes of this code; 21 volumes, annotated—that is interpretations—and case law on this code, which, I repeat, I do not believe anybody who is the least bit nearsighted could even read this. They would have to have a magnifying glass, it is that tiny.

Our tax, the prototype we are developing, is a single tax in two parts, a tax on individuals and a tax on business. The individual tier of the USA tax system has two characteristics: first of all, it is progressive, a goal achieved through a combination of graduated rates, exemptions, and personal deductions; and a family living allowance for lower income individuals, the earned-income tax credit. The family living allowance recognizes that every family's budget includes necessities and the Federal Government should not tax that portion of a family's monthly expenses.

The net new savings deduction is an important feature of this system. For those would want to expand IRA's, this is the ultimate expansion. It will give all Americans, including those of modest income, an opportunity to have more control over how their income is taxed each year. As a consequence, it empowers taxpayers to have some say in how large their tax bill will be. The net savings deduction combines the best tax policy of the individual IRA accounts and the capital gains differential.

The IRA debate usually focuses on back end verus front ended; sophisticated saver verus unsophisticated; whether the benefit should be limited to people without other pensions or not; whether funds could be withdrawn for three worthy purposes—first time home buying, college education, or catastrophic medical expenses, or five worthy purposes adding long-term unemployment or caring for an incapacitated parent; and whether IRA's add to the savings pool or merely divert assets from existing nontax preferred accounts.

The net new savings deduction in the tax system Senator NUNN and I are proposing avoids all of these arguments. First, it recognizes that savings and investing is good for the economy and that people shouldn't be called upon to pay taxes on income that they are dedicating to the savings pool.

It puts no time constraints on the savings or investment so that individuals can move from investment to investment without tax consequences as long as they continue to save and invest the proceeds from the preceding investment. In this respect the net new savings deduction is not only an expanded, universal IRA, it is a new, and improved capital gains mechanism which allows taxpayers a series of investments and rollovers without incurring tax liability.

Instead of a capital gains rate of 7, 14, or 28 percent, the net new savings

deduction works like a zero rate on capital gains as long as the proceeds are reinvested.

We avoid the debate about whether IRA's add to the savings pool or merely divert assets from existing nontax preferred accounts because the deduction only applies when an individual has, at the end of the year more saving than he or she had at the beginning of the year. Mere portfolio shuffling without a net addition to saving does not result in a deduction.

These are but a few of the features of our new tax system. We will be introducing legislation which will provide far more detail in the next few weeks.

Now, I will yield shortly, because I want my friend, Senator NUNN, to explain in more detail how this is going to work. Let me just suggest that the deduction for personal savings—that is, deferring income if a person saves—parallels business expense deductions for capital investment. The former allows the individual to defer tax on that portion of income that is saved and ultimately converted into capital. The latter allows a business to recover capital before paying taxes.

The net new savings deduction maximizes choice and flexibility. It encourages people to save for whatever purpose they deem worthwhile, not some Government-concocted list.

Hopefully, my friend, the Senator from Georgia, will elucidate on the corporate tax side. But let me give you the main characteristics:

It has a flat tax on all businesses including corporations, partnerships, sole proprietorships, and other forms of business organization. The base is very broad so that the rate can be quite low.

It includes an unlimited deduction for capital investment—unrestricted expensing. The expensing deduction allows a business to recover capital before being taxed.

The Contract With America recognizes the sound tax policy behind expensing. It proposes to increase the current limit from $17,500 to $25,000. When the National Federation of Independent Business [NFIB] testified before the Ways and Means Committee, they proposed increasing the annual expensing limit to $100,000 because it is the best tax policy tool to encourage investment.

Our proposal provides unlimited expensing. Small firms favor expensing for several reasons: It is simple, it helps cash flow and it encourages capital formation. Expensing allows businesses to escape the complexity associated with calculating and tracking the depreciation schedules for every piece of equipment. Expensing is good for all businesses, but it is particularly attractive to small businesses because it helps them with the day-to-day cash flow problems that they face. It allows them to deduct more up front—putting resources back in the hands of the entrepreneur faster instead of keeping it in the hands of the Federal Government.

Expensing helps firms who need working capital as well as the entrepreneur who wants to expand his business through the purchase of an important piece of productivity enhancing equipment. Finally, expensing is good for the economy. If businesses are allowed to write off their investments in the year they are purchased businesses are much more likely to make such investments, thereby increasing jobs and economic growth.

As we started to design the Unlimited Savings Allowance Tax Act [USA] we made certain general assumptions:

Raise as much revenue as the current code; corporations and businesses would continue to shoulder the same share of the total revenue burden as under current law.

Retain current code progressivity so that high-income earners in the top 20 percent, as a group would pay no more, and no less in taxes. The bottom 20 percent of the taxpayers would see no change, as a group in their share of the tax burden. The same would be true of each 20 percent or quintile.

Improve competitiveness of our exports by designing the system to meet international trade rules. This border adjustability allows a country's exports to leave the producing country without including a tax burden in its export price. Border adjustability is enjoyed by many of our competitors, yet unless we sack the Federal income tax, this advantage will not be available to our exporting companies.

Provide unlimited expensing for businesses making capital investments and an unlimited deduction for personal saving.

Senator NUNN and I cochaired the Strengthening of America Commission. This Commission was established by Center for Strategic and International Studies [CSIS]. The purpose of the commission was to develop policies to put our fiscal house in order. One of the major recommendations was to abolish the current income tax system and to replace it with the tax system we have been talking about today. That bipartisan Commission deserves a lot of recognition for their work on this project.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Georgia.

Mr. NUNN. Mr. President, I join my friend from New Mexico, Senator DOMENICI, to discuss the proposal that he has briefly described. I certainly join him completely in his analysis of the current Tax Code. In my view, it is broken and it cannot be fixed. We have to replace it. That is what the Nunn-Domenici proposal is all about and one that we will be introducing sometime during the month of February. It is in the drafting stage now. It will require review.

We certainly will be introducing it in the spirit of welcoming both debate, constructive suggestions, and even constructive criticism, because we believe it is going to be a major change in the way America taxes itself and the way America saves money and the way America invests money.

I believe it is going to have a tremendous effect on the American economy over a period of time if it is enacted and implemented, and we hope it will be.

Mr. President, in the coming days, many proposals to change different components of the Tax Code are likely to come before the Senate—initiatives to expand IRA's, to which the Senator from New Mexico referred; accelerate depreciation of business investments; provide differential tax treatment for gains on capital investment; and other proposals.

What drives these and similar proposals is the important truth that the current Tax Code penalizes the efforts of individuals and businesses to save and invest more of their current income to pay for future obligations and to ensure future prosperity.

My colleague from New Mexico and I believe we must raise the national level of savings. If someone does not agree with that, then they will not favor this change. If they do agree with it, then I think there is a tremendous challenge here to make the changes that we are talking about.

Higher levels of savings lead to higher levels of investment. Higher levels of investment lead to higher productivity. It is only through higher productivity that we can improve our Nation's economy and its capacity to create more and better jobs for our people and ultimately a higher standard of living for our people. So that is the chain on which we have to focus. Savings in this country will eventually pay off in terms of the standard of living of the American people.

Senator DOMENICI and I do not think, however, that incremental changes will be equal to the large task before us. Our fear is that incremental changes, however well-intentioned, will complicate an already Byzantine Tax Code without yielding the new savings and investments that all of us seek. There is a better way.

In a few weeks, we will introduce a comprehensive proposal to replace the individual and corporate income tax with an alternative that will accomplish everything the piecemeal reform attempts tried to accomplish and much, much more. We believe this sort of fundamental reform is essential, and we also believe it is within the capacity of the Congress to enact.

After careful consideration, Senator DOMENICI and I agree that if we are serious about our Nation's future, we must scrap the current tax system and put in its place a system that works. What do we mean by a system that works? We mean a system that encourages savings and investment. We mean a system that is perceived to be fair by the American people. We mean a system that is understandable. We mean a system that wrings fewer dollars, less

forms, less paperwork, less complication, less litigation, and less sweat from our citizens and businesses in trying to comply with it.

We mean a system attuned to international competitive realities, and I will speak more on that in a moment. We mean a system that is fiscally responsible. There is no point in creating a new Tax Code that increases private sector components of national savings while squandering the public sector component of savings by allowing our deficit to balloon.

We call our new tax system the USA tax system, or the Unlimited Savings Allowance Tax System. It is a single integrated tax in two basic parts: a low flat tax on all businesses and a progressive tax on individual incomes. These two parts flow together. It is important that people not separate them in their own mind because if they do, they will not grasp the significance of the whole concept.

This proposal allows an unlimited deduction at the business level for capital investment and, most important, it permits all citizens an unlimited deduction for the amount of their annual incomes that they save and invest. The USA tax system directly and systemically addresses our saving and investment problem.

To the individual, the USA tax system says, ''If you choose to defer some of your current consumption in favor of savings income for your future and the future of your children, the Tax Code will not penalize you for doing so.''

And to the business enterprise, whether very small or very large, manufacturing, service, or agriculture, the USA tax system says, ''If you choose to invest your profits in a new machine or a new process that will help you grow and put more people to work, the Tax Code will help make this feasible.'' The USA tax system, by its very nature, would align the way we tax with our common desire to provide our people with a better future, a better tomorrow.

Let me turn briefly to a description of how both the individual side and the business side would work and mesh together. Under the USA tax system, individual income tax would be defined much the same as it is today. But—and here is the crucial difference—taxpayers would have the right to subtract the amount they saved and invested from what they earned during the year before they pay their tax. The balance would be subject to tax.

Let me make it clear that the USA individual tax defines savings as ''net new savings.'' There will be no deduction for a mere portfolio shifting. Taxpayers only receive credit for net additions to their savings. At the same time, however, the USA individual tax places no limit on the amount of an individual's net new savings that he or she may deduct from gross income. Nor must that savings be limited to a specific use, such as retirement.

Ultimately, the unlimited savings allowance is about giving taxpayers greater freedom and responsibility, the freedom to save as much as they want and the responsibility to save for whatever is important to them.

Along with a savings allowance, the USA individual tax includes a few other deductions, only a few because for every deduction we add, marginal tax rates must increase in order to raise the same amount of revenue.

The most important deduction is a generous family living allowance already referred to by my friend from New Mexico. It is similar to but much larger than the current standard deduction. By providing a family living allowance, we ensure that working Americans on the low end of the economic ladder are not taxed on essential spending for food, shelter, and the other necessities of life.

The USA individual tax retains the current deduction for home mortgage interest and for contributions to charity. It also allows a deduction for tuition expenses, for postsecondary education, whether college, trade or vocational school, or remedial education.

This innovation recognizes the importance of investment in our young people and really, for that matter, in adults who want to have continuing education as a key component of our future prosperity. Our prosperity depends not only on financial capital but also on human capital, and this proposal recognizes that essential fact.

It parallels the deduction of the USA business tax allowance for investments in physical capital. Once the taxpayer has calculated his or her gross income and subtracted the allowable deductions, the remainder is subject to tax.

Let me make it clear, our USA individual tax proposal will have graduated rates. On the individual side, we are proposing a progressive system, not a flat tax. I do not believe it is necessary, nor desirable, to abandon fairness in order to fashion a simpler, more efficient, growth-oriented Tax Code. There will be those who want to move toward a flat tax. Our system is not incompatible with that, but I believe myself that we should retain the current progressive system based on the amount of income that a person takes in, less the savings that they make.

I think everyone should recognize, however, marginal rates, higher rates at the margin, will not have anything like the same effect they have today because these will be marginal rates after deferring the tax by deducting saving and investment, a totally different psychology, and I hope people stop and think about that as they weigh the question of flat versus progressive taxation.

Under the USA individual tax, lower income working Americans are allowed a tax credit for their portion of the payroll tax. The USA individual tax also retains the earned income tax credit.

Mr. President, the most regressive part of our current Tax Code and one of the things that happened, most regrettably, in the 1980's, is that low- and medium-income people basically had a much higher percent of their money going into overall taxation, because while the income tax came down where they would be taxed at lower rates, the FICA tax, the self-employment tax, and the tax on a checkoff on employees went up and went up very significantly.

There are many thousands, perhaps millions, of Americans who pay more in the FICA tax than they do in income tax. So what we are doing in this proposal—and this is a strong element of fairness to those of modest incomes—is we are giving those people a credit back against taxes for the employee portion of Social Security. We also are giving a credit back to the businesses—and I will mention that in a moment—for their portion. This ensures fair treatment for people of modest means.

The payroll tax credit mitigates that tax's harsh regressivity while preserving the financial foundation of the Social Security system. We do not in any way affect the amount of money going into the Social Security system, and I think people who are concerned about that should recognize the same amount of money will go in from employees and employers.

The simplicity gains of the USA individual tax are obvious. The administrative apparatus to collect the tax is already in place. We do not have to have a new administrative apparatus which would be required under anything like a VAT.

From the perspective of both the taxpayer and tax collector, adjusting to this new tax will be both feasible and, I believe, understandable.

At the same time, from the perspective of the philosophy of taxation, the change portended by the USA individual tax could not be more profound. Profound change is what we call for.

First, our tax proposal would rid the system of the current crippling double taxation of savers. Under the present Tax Code, savers are taxed once on the income saved and again on the returns to those savings. This is the fundamental, inescapable reason why the Tax Code today is antisaving. The USA individual tax would tax every dollar of income once and only once.

Just as important, under the USA individual tax, each dollar is taxed when it is removed from the society's savings pool, not before. I think people have to understand that savings goes to the benefit of all Americans, not just the person saving. That savings pool is where we get our capital for business, for investment, for automobile loans, for home loans. So the more that savings pool increases, the better off we all are, and that is an important part of this philosophy.

Based on the history of the world, not just the United States, it is my view we will always have taxes to pay

as long as we have civilization, but is it not better to tax people when they take out of society's common savings and investment pot rather than when they put money into this pot? That, again, is the philosophy of what we are talking about.

The USA individual tax, by deferring the tax on saved income, does just that.

When Senator DOMENICI and I introduce our USA tax proposal—and hopefully that will be, certainly it will be, in the month of February—we will specify an individual rate structure designed to collect the same amount of money raised by the current personal income tax. Correspondingly, the USA business tax, which I will describe in a moment, will raise the same amount of money as the current business income tax produces. There is no shell game here. We are not trying to shift the tax burden from business to the individual or from the rich to the poor or vice versa. We are not looking for that elusive fellow behind the tree that the Senator from Louisiana, Senator Long, used to talk about with such great humor and with such great specificity to the point being made in the debate that was taking place then and continues to take place, always looking for someone else to tax.

In the final analysis, everybody pays taxes. That is not going to change. We are not offering a tax cut or tax increase. We are proposing a change in the way our democracy raises revenue.

With that in mind, let me describe the second component of our new tax proposal, the USA business tax.

Under the USA business tax, all businesses, corporate and noncorporate, would be taxed the same. Firms would deduct expenses from gross sales to determine gross profits as they do today. From those profits, they would also be permitted to deduct the full cost of all investments in new plant and equipment in the year the funds are expended.

These investments work for all of us—not just the company investing but the people who have jobs, the people who buy the products, and the people who basically invest in the business.

The balance would be taxed at a low and flat rate. We now estimate this rate to be approximately 10 percent. That is not absolutely precise, but when people are looking at this business tax and the fundamental changes made in it, they need to understand we are not talking about the same rate structure as today. We are talking about a dramatically lower rate, but we are applying it to all businesses, not simply corporations.

Beyond allowing an immediate deduction for investments in future growth, the USA business tax would be border adjustable. That is enormously important. Products made in America and exported would not be taxed. I repeat that, because it is fundamental and it is important. Products made in America and exported would not be taxed. However, when a company, foreign or American owned, manufactures abroad and sells into the U.S. market, the company is, through the operations of a new import levy, taxed essentially the same as if the factory were located in the United States. Products coming in will be taxed the same as products sold in America.

Moreover, the USA business tax applies only to business income generated in the United States. Profits earned by American companies overseas would not be included in the new tax base, while the profits of subsidiaries of foreign corporations located in America would be.

In other words, this is a territorial tax. It eliminates enormous complexity. It encourages exports, and it levels the playing field in terms of businesses in this country competing with businesses all over the world.

By rebating the tax on American exports and by making U.S. subsidiaries of foreign companies pay their fair share of tax, the United States would with the USA Tax Code in one stroke attune our Tax Code to world competitive realities.

To enjoy the benefits of the export rebate, under current international trade agreements, we have to include wages in the business tax base. Many will be concerned about that. But there are two important things to remember. First, our business tax rate will be quite low—10 percent or, hopefully, even less—after we go through transition. Second, under our proposal, businesses would receive a credit for the employer share of the payroll tax against their taxes owed to the amount of $7.65, again a very important concept.

The combination of the low, flat rate and the payroll tax credit means that inclusion of wages in the gross tax base will for most businesses result in a comparatively small amount of tax. And do not forget, under the USA business tax, unlike the current code, firms would have the advantage of a tax rebate on their exports and, more fundamentally, the opportunity to expense the capital investment necessary to raise productivity and create better and higher paying jobs.

While I have described the USA business and individual tax apart from one another, it is essential to regard them as comprising a single tax levied at two places: at the level of the firm where the wealth is created and at the level of the individual where the wealth is received. The key to the USA tax system and what makes it work is the fundamental principle of the saving deduction for the individual taxpayer.

The deduction for individual saving permits a new perspective toward designing the business tax. Because individual saving is exempt under our proposal, it eliminates enormous complexities in the Tax Code. There is no reason to be concerned under our proposal about people sheltering their savings in corporations. This drives a huge portion of the complexity of the Tax Code. We do not need elaborate rules to force businesses to distribute sheltered savings.

In an economy with a gross domestic product of over $6 trillion, taxation will never be a completely simple affair. But because the USA tax system eliminates the need for rules against sheltering and because it is based on cash rather than accrual accounting, it promises real advances in simplicity and clarity.

On the day of its enactment, as the Senator from New Mexico has already stated, whole volumes of the Tax Code complications would fall away into welcome oblivion. The tax shelter industry would shrink and compliance costs would plummet. There would be no more fights over capital gains. All income would be treated alike. The wage earner that earns $40,000 a year would have his income treated the same as someone who has $40,000 in capital gains.

The key is what they would do with it. The capital gains debate would be over. If it is reinvested, then the taxation on it would be deferred. If it is not reinvested, if it is consumed, then ordinary tax rates would apply. And that would be the same for the factory worker as for the investor who sits at home with stock investments or bond investments or other kinds of investments.

There would be no more fights over capital gains, investment tax credits, accelerated depreciation, individual retirement accounts, and other targeted incentives for saving. The USA tax system eliminates these issues because it offers a blanket deduction for personal saving and business investment.

Mr. President, Senator DOMENICI and I want to simplify the Tax Code and make sure it serves the long-term national interest by encouraging growth and a higher standard of living. There is a direct connection between savings and real income for our people. We need more thrift not for thrift's sake but because our willingness to save and invest today means more jobs and greater wealth tomorrow—more ability to consume tomorrow. Our parents saved to provide us with our current prosperity; we owe the next generation no less.

A good way to begin is to understand that the current tax system is broken and, in my opinion, it cannot be fixed. In a very real way, it has abetted our irresponsible tendency to live beyond our means. Our current Tax Code, I believe, must be abolished and replaced.

We must begin anew. The USA tax system provides a way to eliminate the cynical complexities, the special subsidies, the crippling biases present in the current code. By accomplishing real reform of the tax system, this Congress can take a giant step toward securing our future.

Mr. President, I thank the patience of the others on the floor, Senator

KEMPTHORNE and others, and I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

UNFUNDED MANDATE REFORM ACT

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that time prior to a motion to table the Boxer amendment, No. 201, be limited to 30 minutes equally divided in the usual form and that following the conclusion or yielding back of time the majority manager or his designee be recognized to make a motion to table the Boxer amendment, No. 201.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I am very pleased to be able to offer this amendment. I wanted to clarify the reason why I second-degreed my own amendment.

Late last night we presented our second-degree—actually we wanted to modify our initial amendment and we were told there would be no unanimous-consent agreement to the modification. The modification is very important. I will get into that. But I wanted to make sure the manager of the bill understood that I was not meaning to surprise him, I just was acting because I was not able to modify my amendment.

I also want to say to the manager—actually to both managers —that they are doing a terrific job of moving this bill along. I think we are in fact making good progress. I think the American people understand better what it is we are doing.

This is the first day I have spoken on this bill when I did not have my charts behind me that show what I call an incredible bureaucracy that is growing up as a result of S. 1, which is very much changed from the initial unfunded mandates bill that I supported last year. Yesterday I was very heartened to see that 44 Members of this U.S. Senate voted to add as an exception to that bureaucracy, any law that deals with our most vulnerable populations—namely our children under 5, our pregnant women, and our frail elderly. We do not want to have this U.S. Senate—or at least I hope we do not want to have it tied up in knots when it comes to dealing with those populations.

I was rather surprised to see the Republicans again vote in lockstep against that amendment which is a commonsense amendment. I am happy we did get one Republican to cross that line, Senator SPECTER. I thank him for that show of independence.

I have, after this amendment, another amendment dealing with an exception to the bill as it relates to child pornography, child sexual abuse, and child labor laws. We will be debating that, hopefully, later in the day.

Let me talk a little bit about this amendment. When we talk about unfunded mandates, I think it fair to say that in California the mother of all unfunded mandates is the unreimbursed costs from illegal immigration. Why do I say that? It is because California gets almost one-half the number of illegal immigrants coming into the country. We put the number of illegal immigrants in our State at about 1.7 million people. The children go to schools; it costs the taxpayers money. People get sick; and it costs the taxpayers money. Illegal immigrants are incarcerated; and it costs the taxpayers money. Simply, in this amendment we are saying: Pay attention to this unfunded mandate that is really wreaking havoc on our State.

The people in our State voted for prop 187, a very controversial, a very controversial measure. They voted for it because, I believe, they wanted to send a message to this U.S. Senate, to this Congress, and to our President: Help us. This is not fair. Although we are doing more to control the border we are not doing enough and we are continuing to have to deal with this issue.

So, what I simply do in this amendment is ask that not later than 3 months after the date of enactment, the Advisory Commission shall develop a plan for reimbursing States, local and tribal governments for the costs associated with providing services to illegal immigrants based on the best available cost and revenue estimates.

Let me underscore that. Illegal immigrants do pay taxes in many cases and those are revenues. But the GAO report that I asked for shows us very clearly there is a very large net cost to my State of California of approximately $1.4 billion. So we asked this Advisory Commission to look at the costs to educate, incarcerate, and to provide medical care for these illegal immigrants. And then we say that the Advisory Commission come in with a plan for reimbursement; and that the appropriate Federal agencies shall be authorized to expend such sums that are necessary to fulfill the plan for reimbursement described in this section.

So it is not just talk. It is action. It is not just process. It says this is a real unfunded mandate. This is the opportunity on S. 1 to address it and let us move forward.

Mr. President, I retain the remainder of my time.

I ask how much time I do have left? May I ask through the Chair, how much time I have left?

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from California has 10 minutes remaining.

Mrs. BOXER. I will reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, let me first of all express to the Senator from California my understanding of the procedure from last night. There was a misunderstanding about the acceptance of the substitute language. There was certainly no intent to deny the opportunity to present this language.

I also want to say I agree very much with the spirit in which the Senator offers this amendment. My State of Arizona suffers relatively from the same kind of expenses that are imposed on States like California and other border States that have experienced a tremendous increase in illegal immigration—over the last several months in particular, but certainly over the last few years. In fact, it is estimated in the State of Arizona the cost of incarcerating illegal felons in our prisons is in the neighborhood of $100 million.

This year, just in the first few weeks of this year, the Tucson sector has experienced record high apprehensions of illegal immigrants coming across the border, part of which is due to the additional agents put in California and Texas and therefore illegal immigration appears to be funneling through Arizona. So my State is certainly experiencing this problem.

I have been trying to work with the Attorney General to have an allocation of more agents for the Arizona border to prevent this problem and the attendant expenses. So I certainly understand the problem and associate myself with the remarks of the Senator from California about the need to begin this reimbursement process.

Under the crime bill, of course, last year $1 billion was authorized for reimbursement for incarceration of illegal aliens. The first tranche of that money has come to the States, but it is not enough. Where I disagree with the Senator from California, and why I will be moving to table the amendment, has to do with the fact that this amendment is not well drawn and is in the wrong place. It has no business on the unfunded mandates legislation. And second, it is not really necessary.

The Immigration Reform Act of 1990 establishes a commission to study precisely the costs that are involved here, the costs associated with providing services to illegal immigrants. As a matter of fact, it calls for a report. Because the Appropriations Committee last year felt that this was so important, it appropriated an additional $400,000 beyond the request in order to expedite this report.

As a matter of fact, let me read from the report language from the appropriations committee. The committee says:

> The Committee is supportive of the Commission on Immigration Reform's mandate and the request for funds as submitted. In reviewing the broad range of issues to be examined by the Commission, however, the Committee is particularly concerned about the quality of the data currently available on the costs and benefits of immigrants, especially unauthorized immigrants, and the vast range of estimates on this topic.

Then the committee concludes:

> To that end, the Committee has included $400,000 above the request to enable the Commission to join with the National Academy

of Sciences in a collaborative effort to address these methodological issues and provide a higher level of credibility to immigration cost data.

It is my belief that when this information is available it will be imperative for the Federal Government to then establish a plan for reimbursement of States for the expenses attendant to the Government's failure to control the border. But that is different from an unfunded mandates.

I would like I to take us back to the bill. The presiding officer authored this bill, and understands full well that it is designed to deal with the problem of unfunded Federal mandates and the costs associated with the illegal immigration are not unfunded mandates.

They are, rather, costs associated with the failure of the Federal Government to perform an obligation which we all recognize it has to perform. But it is not an unfunded mandate.

This amendment of the Senator from California amounts to—in fact, it is an authorization, an open-ended authorization—from the Federal Government to pay for the benefits which are undefined and which are unidentified in terms of scope. As a matter of fact, the amendment of the Senator from California contains no criteria for determining what would be eligible for requirements and what would not. This bill is a pure, open-ended authorization.

I suggested to the Senator from California yesterday that we perhaps include in the Commission that was established under the 1990 act in that Commission's mandate, a requirement for presentation of options for the reimbursement of the States, an actual plan for reimbursement, but the Senator from California wanted to go beyond that and actually create an authorization in this bill. That is something which cannot do, and we are not prepared to do it. Among other things, it puts the cart before the horse. I think we have to first determine how much reimbursement is necessary and to whom.

Otherwise, as I said, it is open ended without and without limitation and, very importantly, it is without criteria.

Under the bill which was introduced by you, Mr. President, there is a very important component which precedes the action by the Congress on a determination of whether to make a reimbursement to a State or not. That is a CBO estimate of the costs involved. Obviously, we want to understand what the potential costs are before we simply sign, basically, a blank check and we want to establish the criteria. Under this amendment of the Senator from California, there are no criteria. It is simply an open-ended authorization without any indication of what would qualify or not.

One question that I would like to ask is, are these reimbursements only for programs that are mandates by the Federal Government? In other words, unfunded mandates. If that is the case, it will cover very little because most Federal laws deny benefits to illegal aliens. Would it apply to something such as a court-determined benefit?

There is a court case that says we cannot deny educational benefits to illegal aliens. So perhaps that would be covered. Would any program offered by the States but not mandated by the Federal Government be violated here? That would violate the legislation that the Senator seeks to amend. The spirit of this legislation is that if the Federal Government requires a State or a local government or a tribal government to expend money, then the Federal Government ought to reimburse the local government for the expense. That I support. That is why I am a strong supporter of this legislation. But where a State voluntarily does something on its own, it is not the Federal Government's obligation to reimburse for those expenses.

The Senator from California will rightly argue that part of the problem here is that because the Federal Government has failed in its obligation to control the borders. The States have little leeway in providing benefits to those illegal immigrants. And that may be true in certain cases. I think we have to understand in which cases we believe it to be true before we commit the Federal resources to reimburse the States. Otherwise, we get into the situation of the States literally deciding to do whatever they want to do, and the Federal Government has no control over the situation. We would have to reimburse them whether we it is an obligation. We have to reimburse them whether we believe it is an obligation, whether it is appropriate or not. So the amendment is simply too broadly drafted. It is an open-ended authorization and clearly would bind us in ways that we do not want to be bound at this time.

Finally, Mr. President, as I said, these expenses are almost never unfunded mandates. They are expenses for a failure to perform. That is the reason why this entire amendment really has no place in this unfunded mandates legislation.

I will strongly support the Senator from California in her efforts to get the Federal Government to reimburse the States and local governments for expenses attendant to the problem of illegal immigration. I want to do that. But obviously this legislation is not the place to do it. And it is not appropriate either for us to create an open-ended authorization.

So those are the reason, at the conclusion of this debate, I will be moving to table the amendment of the Senator from California.

Mr. President, I would like to reserve the remainder of my time.

Mrs. BOXER. President, I yield myself 5 minutes.

I want to thank the Senator for his very thoughtful words today. I am glad he likes the spirit of my legislation. I would prefer he endorse the amendment. But I think he understands as I do that this is a huge problem, and I think one of the reasons people get so frustrated is because when we are facing a situation in my home State of California and in the Senators State, that is clearly an unfunded mandate. And I will explain why it is an unfunded mandate, and then we have Senators get up and say this does not belong in the bill. This does not belong in the bill. The fact is the State of California has to spend more than $1 billion a year for a couple of reasons. One is that the provision of the emergency medical services is a direct Federal mandate. In the Omnibus Budget Reconciliation Act of 1986 the Federal Government is telling the States you have to provide emergency medical services. So for someone to say that there is no basis for that in the law—that individual simply has not read that act.

Let me tell you what that means to my State: $395 million a year. That is not small change. And then I will say to my friend that there was a legal case in the Supreme Court which said very clearly there is a legal mandate in our Constitution that requires the State to educate undocumented children. Let me tell you that cost to the people of my State: $1.6 billion a year. The Senator says it is not much money. There are no mandates. I just gave you two of the mandates. How about the third one which I discussed—incarceration. Do you know what that cost is to my State for incarceration of illegal immigrants? It is $360 million a year. Do you know what they have reimbursed my State? It is $33 million.

So I have now shown you and given you the references for where our States have no choice but to provide these services, and they are getting very little back. Yes, there is revenue that comes in. But it does not nearly match. It does not nearly match what these costs are.

My colleague from Arizona says he is very satisfied with Washington's response. He said in the Appropriations Committee they know this is a problem. They are working on it. Why does not he check with Governor Wilson who filed a lawsuit against the Federal Government? He should also know about the amicus brief that is going to be filed tomorrow on the California reimbursement lawsuit. So our Governor thinks it is one of the biggest issues facing the State. He is a Republican. I agree with him in terms of the unreimbursed sums. I am shocked to hear a Senator from a State that has the problem agree with me in spirit but oppose my legislation, which would in essence say we know enough to know these are unreimbursed costs; let us get with it.

The Commission he talks about was not set up to make a plan for reimbursement. This bill says we know enough. How long are we going to wait?

So, Mr. President, I hope we will have support for this amendment. We

can use words and say it is not relevant. But when the Federal Government says you must provide certain services and because of its failure to control the borders, those services are going out of control, to me it would be highly, in a sense, hypocritical not to include this section in this bill.

I will retain the remainder of my time.

Mr. KYL. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER (Mr. ROTH). The Senator has 7 minutes.

Mr. KYL. Thank you. Mr. President, I would like to yield myself 5 minutes of time.

I want to make my position perfectly clear on this, because I think it was, to some extent, misrepresented by the Senator from California.

I never said, for example, that this is not much money; quite the contrary. My State of Arizona has been severely impacted by the problem of illegal immigration and has had to bear significant costs as a result. I do not doubt for a moment that the cost estimates suggested by the Senator from California represent an approximation of what the State of California has had to bear. If you add to that the costs of other border States, I know they are significant. I want it clearly understood that I have never said this is not much money or that it should not be reimbursed. In fact, I said quite the opposite, that we do need to reimburse States.

I said at the beginning of my remarks that in Arizona, the Governor estimates the expense for incarceration of illegal aliens to be about $100 million a year, about a third of what California apparently estimates. The Senator from California points out the fact that California's Governor is a Republican. The Governor of Arizona is also a Republican, and they both want to see the Federal Government reimburse the States for the expenses of illegal immigration. I do not doubt their estimates.

I am sure the Senator from California is aware of the fact that there are widening disparate numbers involved here, and that it is very difficult to correctly identify what each State would be entitled to in terms of reimbursement.

The crime bill passed last year authorized $1 billion for reauthorization for incarceration. So to the extent that the Senator from California identifies incarcerating illegal aliens as a problem for which we need immediate authorization, that authorization already exists. My State received already just under $1 million, not nearly enough. The State of California has not received nearly enough, but those reimbursements are beginning. So her amendment is not necessary to begin the process for reimbursement for incarcerating illegal aliens.

The second area is education. I brought up a Supreme Court ruling which says that a State must educate its children. We understand that to be an obligation. What we do not know is what the criteria for determining the appropriate level of expenses are and, therefore, what the burden of the Federal Government would be in reimbursing States for those incurred expenses. I agree with the Senator from California that the States should be reimbursed, but we have to understand what costs we should be reimbursing and not sign a blank check authorization, as the Senator's amendment would be.

The third area that the Senator mentioned was emergency medical services, and as far as I know, the Senator is correct in that regard. That would be an additional expense, but I do not know of anybody who knows how much that is. That is why we established a Commission in 1990 to determine the correct amount. And as the Appropriations Committee said last year, because of the widely divergent views on how much money is involved here, it is important for us to identify those amounts first, and then I hope we will authorize and appropriate the necessary funds for that.

Beyond those three things, the Senator from California has not identified any additional mandates. I think my original point is valid, and that is that much of what we would seek to be reimbursed here, and what I would seek to have reimbursed, is not a mandate from the Federal Government, which is what is covered in our legislation here, but rather costs associated with the failure of the Federal Government to perform its duties. In my view, that is just as important to be reimbursed from the Federal Government to the States as the cost of an unfunded mandate. I took the floor a week ago and made precisely that point. So the Senator from California and I are in agreement on that.

But I also made the point that this bill on unfunded mandates is not the place to put that requirement. It certainly is not the place to put an open-ended authorization.

That is why I conclude with this point: The Senator from California says, well, you cannot just agree with the intent or with the spirit; you have to agree with the method. That has never been the case in this body, or in the United States of America, or anywhere else. We can agree that something needs to be done and still have a disagreement as to precisely how to do it. That is the nature of our agreement here.

What we are saying on this side is that this piece of legislation, which deals with unfunded mandates and has a CBO estimate of the costs that the Federal Government would be required to reimburse, is not the place to put an open-ended authorization without any such ability to estimate costs, without any criteria for determining what the obligation of the Federal Government would be. That is why, as I said, I will soon move to table the amendment of the Senator from California.

Mrs. BOXER. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. KYL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, there will be a little bit of delay getting everybody here.

Mr. President, I ask unanimous consent that the Senator from California be able to use the last 6 minutes of her allotted time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Thank you very much.

I think we can conclude this debate, but I would like to respond to my friend from Arizona. And he is my friend and I know he is going to work on this issue in the months and years ahead because we are, being border States, having a lot of problems and a lot of difficulties handling, frankly, what is the failure of the Federal Government under many administrations to control the borders and because of that we see that States have these incredible costs which I have named essentially unfunded mandates.

My friend from Arizona does not see it that way. He thinks it is wrong to put this amendment on this bill. He thinks it is not relevant. I think it is completely relevant, Mr. President, because when I talk with my Governor what I hear over and over again, is we want to be reimbursed for these costs. And these costs are in direct relation not only to the Federal Government's failure to control borders, but laws, such as the Omnibus Budget Reconciliation Act which forces us—and, by the way, I agree—to provide emergency medical services to people. We are humans. But it is a cost, and it is unreimbursed.

And because of our Constitution of the United States of America—which Senator BYRD carries around with him, and I have decided to do that as well; I think it is a good idea—the States are providing education to children who are not here legally, and that is a very large expense.

Now, in response to the Senator's point that we need more information on the cost, let me advise him—and I will share with him a report that I got back from the General Accounting Office in November, just a few months ago. They took the best available estimates of revenues and costs and said they could come up fairly comfortably with an appropriate number. So we do not need to stall this thing. This is the

appropriate mechanism. This bill is the appropriate mechanism to handle this situation.

The Senator says I have put in here, I forget his exact words, an open-ended, I believe he said, an open-ended authorization. Well, anyone who knows things around here knows that there are many authorizations here, but they have to go to the Appropriations Committee.

So to say that this is uncontrollable, open-ended, nobody has control, is simply not true. The appropriators will decide. And nothing in my amendment changes that at all, nor would I want to change it.

What we say is that this Advisory Commission shall come back—we put a timeframe on it—they will come back, and they will tell us what these costs are and, believe me, they have a lot of information already at hand, because the GAO report is merely the latest report that deals very clearly with this matter.

The Senator says it is not clear what I am talking about. If he reads my amendment he will see what I am talking about—education, incarceration, and health care. Now there may be some other things, but those are the main things and I have identified them. This is not an open-ended amendment at all.

So I think for us not to deal with this huge unfunded mandate, that goes to the States because of the Federal Government's failure to control its borders, that comes about because of laws and Supreme Court decisions, makes this bill rather irrelevant in many ways. It is like saying you are going to have a Clean Air Act and you deal with everything but the quality of the air.

This is one of the largest unfunded mandates to my State. And I would have a very hard time explaining to the people of my State why this Congress could not go along with this.

I think it is a very reasonable plan—a commission comes back within 3 months. They take all the data and then immediately we can begin to seek appropriations.

Now my colleague says, ''Well, this is unnecessary because we are already getting reimbursed for incarceration.''

I praised the Clinton administration, the first administration that requested funding for this program, but let me tell you, we still need more money. The funding is still so far off the mark—as the Senator himself said, they got $1 million for $100 million spent. We got about $33 million so far for $360 million spent. We need to have the reimbursement plan which is called for to come forward within a time certain.

And I have to just say, Mr. President, my deep concern about the way these amendments are being treated. I have been around here long enough to know that when one party marches lockstep on amendments that they have supported in the past such as this—and I can point to amendments that my colleagues have supported in the past—and suddenly they are not going to support this, it is because they have another agenda. And the agenda is the 100 days contract—''This is what we said. Let us not put anything else on. Keep the green eyeshades on. Keep your eye on the 100 days. Don't do anything in this bill.''

Listen, I had friends of mine on the other side of the aisle essentially tell me that they were very sad they could not support some of my amendments.

So there is another agenda going on here, Mr. President. And that is all right. But I wish that we would just put it out in the open and say, ''We are going to vote lockstep against all amendments. We want to make sure that Speaker Gingrich gets his 100-day contract, because if we add these amendments we are going to slow the process down, we are going to have to go to conference and the like.''

Well, America has other things on its agenda other than this Contract With America. Thank goodness we took some time out to pass the resolution against clinic violence. Thank goodness we took some time out to pass a resolution on the earthquake in Japan. Thank goodness we took some time out to express the Senate's view on the tragic terrorist bombing in Israel.

But, my goodness, let us not have such a narrow view of this bill that we ignore something so fundamental as the costs of illegal immigration to our States.

So, Mr. President, that concludes my argument. I want to again thank the managers for their consideration of this amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mrs. BOXER. I hope that when a motion is made to table, Senators will vote against that motion.

I yield the floor.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I look forward to joining the Senator from California in developing appropriate legislation to reimburse States for costs associated with illegal immigration at the appropriate time, but we should not have in this bill such amendment as proposed by the Senator from California.

Therefore, at this time, I move to table the amendment of the Senator from California and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona [Mr. Kyl] to table the amendment of the Senator from California [Mrs. BOXER].

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

I also announce that the Senator from Wyoming [Mr. SIMPSON] is absent due to a death in family.

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote ''yea.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 58, nays 40, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—58

Abraham	Glenn	McConnell
Ashcroft	Gorton	Murkowski
Baucus	Grams	Nickles
Bennett	Grassley	Nunn
Bond	Gregg	Packwood
Brown	Hatch	Pressler
Burns	Hatfield	Rockefeller
Byrd	Heflin	Roth
Chafee	Inhofe	Santorum
Coats	Jeffords	Shelby
Cochran	Kassebaum	Smith
Cohen	Kempthorne	Snowe
Coverdell	Kerrey	Specter
Craig	Kohl	Stevens
D'Amato	Kyl	Thomas
DeWine	Lieberman	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Faircloth	Mack	
Frist	McCain	

NAYS—40

Akaka	Feingold	Levin
Biden	Feinstein	Mikulski
Bingaman	Ford	Moseley-Braun
Boxer	Graham	Moynihan
Bradley	Gramm	Murray
Breaux	Harkin	Pell
Bryan	Hollings	Pryor
Bumpers	Hutchison	Reid
Campbell	Inouye	Robb
Conrad	Johnston	Sarbanes
Daschle	Kennedy	Simon
Dodd	Kerry	Wellstone
Dorgan	Lautenberg	
Exon	Leahy	

NOT VOTING—2

Helms	Simpson

So the motion to lay on the table the amendment (No. 201) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 199

The PRESIDING OFFICER. The question now is on agreeing to the motion to table amendment No. 199 offered by the Senator from New Jersey [Mr. LAUTENBERG]. The yeas and nays are ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Wyoming [Mr. SIMPSON] is absent due to a death in family.

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote ''yea.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 63, nays 36, as follows:

[Rollcall Vote No. 48 Leg.]

YEAS—63

Abraham	Ford	Lugar
Ashcroft	Frist	Mack
Baucus	Glenn	McCain
Bennett	Gorton	McConnell
Bingaman	Graham	Murkowski
Bond	Gramm	Nickles
Brown	Grams	Nunn
Burns	Grassley	Packwood
Chafee	Gregg	Pressler
Coats	Hatch	Robb
Cochran	Hatfield	Roth
Cohen	Heflin	Santorum
Coverdell	Helms	Shelby
Craig	Hutchison	Smith
D'Amato	Inhofe	Snowe
Daschle	Jeffords	Specter
DeWine	Johnston	Stevens
Dole	Kassebaum	Thomas
Domenici	Kempthorne	Thompson
Exon	Kyl	Thurmond
Faircloth	Lott	Warner

NAYS—36

Akaka	Feingold	Lieberman
Biden	Feinstein	Mikulski
Boxer	Harkin	Moseley-Braun
Bradley	Hollings	Moynihan
Breaux	Inouye	Murray
Bryan	Kennedy	Pell
Bumpers	Kerrey	Pryor
Byrd	Kerry	Reid
Campbell	Kohl	Rockefeller
Conrad	Lautenberg	Sarbanes
Dodd	Leahy	Simon
Dorgan	Levin	Wellstone

NOT VOTING—1

Simpson

So the motion to table the amendment (No. 199) was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 213, AS FURTHER MODIFIED

Mr. BYRD. Mr. President, I ask unanimous consent to further modify my amendment numbered 213.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD. I send the modification to the desk.

The amendment (No. 213), as further modified, is as follows:

On page 23, strike line 18 through line 21 on page 24 and insert the following:

''(III)(aa) provides that if for any fiscal year the responsible Federal agency determines that there are insufficient appropriations to provide for the estimated direct costs of the mandate, the Federal agency shall (not later than 30 days after the beginning of the fiscal year) notify the appropriate authorizing committees of Congress of the determination and submit either—

''(1) a statement that the agency has determined, based on a reestimate of the direct costs of a mandate, after consultation with State, local, and tribal governments, that the amount appropriated is sufficient to pay for the direct costs of the mandate; or

''(2) legislative recommendations for either implementing a less costly mandate or making the mandate ineffective for the fiscal year;

''(bb) provides expedited procedures for the consideration of the statement or legislative recommendations referred to in item (aa) by Congress not later than 30 days after the statement or recommendations are submitted to Congress; and

''(cc) provides that the mandate shall—

''(1) in the case of a statement referred to in item (aa)(1), cease to be effective 60 days after the statement is submitted unless Congress has approved the agency's determination by joint resolution during the 60 day period;

''(2) cease to be effective 60 days after the date the legislative recommendations of the responsible Federal agency are submitted to Congress under item (aa)(2) unless Congress provides otherwise by law; or

''(3) in the case of a mandate that has not yet taken effect, continue not to be effective unless Congress provides otherwise by law.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I will be very brief.

We have had discussion here on the floor regarding various issues of unfunded mandates. Also a couple of people have talked regarding some of our nutrition issues in America, and how things should be made better and different. I would just like to remind all Senators, from whatever State they come from, that the various feeding programs in this country affect their States a great deal. I would also remind Senators that when we look at our feeding programs, whether it is food stamps, women, infants, and children, supplemental feeding, over 80 percent of the recipients of our food programs are families with children. Our nutrition programs are children-oriented programs. We have to look at our school lunch program as one of the great successes of this country.

Right after World War II, President Harry Truman asked why so many people who were drafted into that war arrived malnourished, with all kinds of diseases. And they found out the obvious reason: Most of them were malnourished. Most of them had not had adequate nutrition. Many of them had failed in school because of their lack of being able to feed themselves. And from that, as a matter of national security, we started our school lunch program, one of the most successful feeding programs in this or any other country.

The Contract With America speaks of turning this all back to the States but leaves out one little part. It does not put the money in to send it back to the States. If we want to speak about unfunded mandates, the Contract With America would be a pretty big unfunded mandate to our States and how they are going to feed our people.

Mr. President, before we rush headlong into thinking that we can pass these bumper-sticker slogan policies, ask ourselves who is affected by it? Eighty percent of these changes are going to affect families with children, the hungry children of America. We are the wealthiest most powerful nation on Earth and yet even though we spend hundreds of millions of dollars to store surplus food, hundreds of millions of dollars to convince people not to plant food, we have millions of young people, children and others who are going without food, who are hungry in our streets, in our cities and towns of America.

So everything does not have to be done in 1 week, or 2 weeks, or 3 weeks, especially if it undoes those things that we have done over the years.

So I worry very much about what is going to happen. We want welfare reform. We should not throw elderly homebound citizens off the Meals on Wheels Program, and yet that is part of the so-called welfare reform program in the Contract With America. If we are going to have welfare reform, does that mean to end the school lunch program, WIC, and child care food programs? Let us ask ourselves just what we are doing. Let us take the time to fix those programs that need fixing. If there are ways to improve the feeding programs, then let's do it. If people are defrauding these programs then send them to jail. But also let us not say while we are doing this, children put your hunger on hold. We should not be throwing millions of pregnant women, infants, and children out of the WIC Program under the guise of welfare reform.

I have heard from the elderly, from parents, from school teachers, and from day care providers around the Nation. I have heard from senior citizens who get Meals on Wheels, school lunch advocates, and from many Vermonters. They are worried and feel betrayed.

They want welfare reform; they want able-bodied adults to work. So do I, and so does every Member of this Chamber, but welfare reform should not include throwing elderly homebound citizens off the Meals on Wheels Program. A Wall Street Journal article paints a devastating picture of the need to strengthen the Meals on Wheels Program, not eliminate it.

The article talks about John Fisher, an 86-year-old retired Detroit truck driver who has been on a waiting list, along with thousands of other Detroit residents, for free delivery of hot meals. Widowed last year, Mr. Fisher cannot cook because arthritis makes it difficult for him to stand long, even to boil soup.

The article talks about Carlos Castillo, 71, who applied for meals last February, writing on his application: ''Please help me. I just got out of the hospital. Please, I need the meals now and every day * * *.''

Mr. Castillo died in September, before his turn came up on the waiting list. Over his handwriting, the application now has two words: ''Cancel. Deceased.''

Welfare reform should not mean an end to the Child-Care Food Program. This program feeds low-income children so that their parents can work. Welfare reform should not throw half of America's children off the school lunch program and permit schools to just serve whatever they want for lunch.

The American Food Service Association has called the Contract With

America bill, H.R. 4, the greatest threat to the School Lunch Program in the history of its existence. They predict that if passed, 40,000 schools would drop out of the School Lunch Program and 10 million children would be without a hot lunch. Welfare reform should not throw millions of pregnant women, infants, and children off the WIC Program.

The WIC Program saves up to $4 in medical costs for every Federal dollar invested in pregnant women, but the Contract With America does just that—it has a hidden agenda.

This hidden agenda includes ending the Meals on Wheels Program for elderly homebound Americans. This hidden agenda includes ending the School Lunch Program for millions of children. This hidden agenda includes ending the Child Care Food Program for day care homes. This hidden agenda includes cutting the WIC Program for pregnant women and infants.

I was very surprised that the fine print in the contract singled out WIC, Meals on Wheels, Senior Meals Programs, and school lunches for the worst treatment. When you read the fine print you realize that the contract With America does not provide a penny in block grants to States. It allows for authorizations that would be fought for every year. Governors think that the contract will give them a block grant with a 5-percent cut built in. The problem is that the contract itself gives them nothing. Even if fully funded, the Contract With America will increase malnutrition among children and the elderly. This Contract With America bill is antichild, antifamily, and it is false advertising.

Last week the USDA issued a report detailing the affects of this Contract With America bill, assuming full funding, which is very unlikely. In my home State of Vermont, even assuming the full amount is appropriated, the contract will reduce nutrition assistance by over $10 million in 1996 alone. Behind that automatic cut are faces of the elderly no longer receiving hot meals, children receiving a hot school lunch. Working parents should be able to leave their children in day care and know that they will get a good meal.

Nutrition funding nationwide will be cut by almost $31 billion over the next 5 years. And once again this is assuming that the full amount of a nutrition block grant is funding, this is a big assumption. As bad as this is, I am worried that the USDA report issued last week greatly understates the harm that will be caused by the Contract With America. The report in many respects assumes that the block grants will be fully funded. I believe that in a couple years, they will be only funded at a fraction of the full amount authorized.

America's Governors will be stunned when they read the fine print and realize they have to come to Washington each year and plead for money. States will be forced to reduce the number of people served, cut benefits or somehow make up for the loss with State funds. The effect would be even worse during a recession. Under current law, programs such as school lunch, food stamps, and the Child Care Food Program, automatically give States more money to respond to increased needs during periods of higher unemployment. According to the USDA report, if that bill had been in effect over the last five years, the block grant in 1994 would have been over $12 billion less than the food assistance actually provided—a reduction of about one-third.

They are proposing a massive Federal experiment on America's children, and on America. If it does not work and funding is not provided, millions of children, the elderly, and pregnant women will go hungry. Medical and education costs will skyrocket as more and more children are born disabled, and more and more children become handicapped in their efforts to learn. Before we have a wholesale dismantling of every major nutrition program under the guise of welfare reform, we ought to take a look at how this will effect hungry children and the elderly.

This is not welfare reform. Do not be fooled by this bill. It implies that States will get block grants to fund food assistance programs. But as I said earlier, not one penny is provided to States or communities by the bill—separate legislation would have to pass each year to provide funding. Let us not forget what happened in early 1981—hasty cuts were made in child nutrition programs. Those programs were cut by 28 percent. The cuts resulted in 3 million fewer children receiving school lunches.

I am pleased that this part of the Contract With America has no Senate counterpart. However, the House plans to mark up this bill in the next 2 weeks. I fear that this bill could pass the House very quickly. It will be left to the Senate to make sure that children and the elderly do not get hurt under the guise of welfare reform. Probably when most people think about food stamps that have an image of food stamp fraud and food stamp trafficking. Yes, food stamps are exchanged for cash.

This must be stopped. Last year I introduced legislation to eliminate all food stamp coupons, and switch instead to electronic benefit transfer cards. This will eliminate food stamp coupon trafficking. The Office of Technology Assessment found that over 80 percent of food stamp fraud and diversions of benefits could be reduced by EBT. We have to keep in mind that over 89 percent of food stamp benefits go to families with children, the elderly, or the disabled. Food stamps help children and the elderly. Those engaged in fraud should be put in jail but America's children and elderly should not be punished.

I stand ready to work with responsible members of both parties to fight food stamp abuse, encourage work, to cut costs, but I will not sacrifice the nutrition of America's children and the elderly for legislation by bumper sticker.

Mr. President, I ask unanimous consent that the Wall Street Journal article I referenced, along with a table showing proposed USDA food assistance cuts, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 8, 1994]

FRAYED LIFELINE: HUNGER AMONG ELDERLY SURGES; MEAL PROGRAMS JUST CAN'T KEEP UP

(By Michael J. McCarthy)

DETROIT.—For four months, John Fisher has waited in nutritional limbo.

The 86-year-old retired truck driver has been on a waiting list, along with a thousand other elderly Detroit residents, for free hot meals delivered weekdays. Widowed last year, Mr. Fisher can't cook because arthritis makes it difficult for him to stand long, even to boil soup.

His monthly $541 Social Security check barely covers rent, utilities and other basics. With the nearest grocery store more than a mile away from his tidy downtown apartment, Mr. Fisher, who suffers also from diabetes and glaucoma, treks three blocks with his cane to Theodore's Family Dining and buys the cheapest entree: the $3.50 fish and chips. He eats half, and carries the rest home. ''It's a long, painful walk,'' he says.

Carlos Castillo, 71, applied for the meals in February, writing on his application: ''Please help me. I just got out of the hospital. Please, I need the meals now and every day. Thank you. I will appreciate it.'' He died in September before his turn came up on the waiting list. Over his handwriting, the application now has two words: ''Cancel. Deceased.''

More than two decades after the creation of a federal law aimed at providing free meals to anyone over 60, several million older Americans are going hungry—and their numbers are growing steadily. Federal food programs can't keep up with the nation's rapidly graying population. ''For the first time, we have growing waiting lists,'' says Fernado Torres-Gil, assistant secretary for aging at the U.S. Department of Health and Human Services. ''The level of malnutrition and real hunger is only increasing.''

This wasn't always the case. In the 1970s, public concern about the plight of the elderly poor mobilized what until then had been only a pilot program: The federal Meals on Wheels movement, in which local communities began providing government-subsidized, home-delivered meals. Demand surged. By last year 827,000 elderly had such meals delivered, and another 2.5 million received subsidized lunches at senior centers.

But interest in the issue has slipped over the past decade as the national spotlight shifted to the expanding ranks of affluent retirees, a silver-haired generation healthier and more prosperous than their earlier counterparts. As a result, elderly-nutrition programs have been eclipsed by broader issues like health-care reform and preserving Social Security amid federal deficit slashing.

The Urban Institute, sensing the emergence of a huge but hidden problem, conducted a nationwide study a year ago of elderly hunger. The institute, a private, nonprofit social and economics policy-research group based in Washington, estimated after the study that as many as 4.9 million elderly people—about 16% of the population aged 60 and older—are either hungry or malnourished to some degree, often because they are

poor or too infirm to shop or cook. Further, it found that at least two-thirds of needy older people aren't being reached by federal food-assistance projects, including food stamps. The institute partly faulted systemic claws: Aging groups hadn't traditionally focused on hunger, while hunger advocates hadn't targeted the elderly.

Meanwhile, funds for federal nutrition programs haven't kept pace with either the rising cost of food or the surging tide of older people. Increases in funding trailed the inflation rate throughout the 1980s, and in the 1990s program budgets have risen only marginally.

In contrast, the elderly population swelled by more than 20% in the 1980s alone.

Concerned, HHS began in the fall of 1993 a two-year, $2.4 million study to evaluate the federal meals program, to quantify such things as how many people are on waiting lists nationwide. Awaiting results, Mr. Torres-Gil says his agency has enlisted the Agriculture Department to help craft plans to feed more older people, adding, ''The problem has gotten bigger than the both of us.''

And it is certain to worsen. Some nine million people 65 or older live alone, putting them at increased risk for poor nutrition, and their numbers are expected to grow to 11 million within a decade, according to HHS figures.

Given current funding levels and an aging population, David Turner, a social worker in Salt Lake City, echoes a sentiment heard at many nutrition sites: ''We don't have a prayer.''

Already, the view from the trenches is dismal. The people on lengthy waiting lists in many cities usually represent only a fraction of those who really need meals. In Detroit, for example, 2,200 elderly people get home-delivered meals. But last Thanksgiving and Christmas, when seasonal sentiments sparked private donations, Detroit was able to deliver holiday meals to 4,500 elderly shut-ins.

Unable to feed that total daily, Paul Bridgewater, Detroit's aging-department director, says, ''We're nowhere near meeting demand.''

The meals programs in Detroit, like those in other cities, are funded substantially by federal funds, which HHS splits up among the states based on the relative size of their population 60 or older. Each state then subdivides the pot according to the needs, with preference given to the poor.

Each local aging agency can determine how it can best stretch its money: Some prepare meals in-house, some pay a caterer; a few hire drivers, although most use volunteers. Some hire and some contract out social workers who can screen and assess the needs of older people. Some deliver two meals a day, many only one.

The Detroit aging agency, for example, contracts out meal preparation and relies almost exclusively on 300 volunteers, who use their own cars for deliveries. Most take meals to 25 people on weekdays, driving 20 miles a day on average.

In Michigan, federals funds for meal projects, $13.8 million last year, are down 3% from 1988 levels. During the same period, with the aid of special allocations, state funding increased 19%. The net result for Detroit is that it currently has an elderly-nutrition budget of $3.3 million—13% less than in 1983. Back then, Detroit served 6,000 older people. Today it can feed only 4,800 a day, primarily because of the higher cost of food.

In New York state, 2,500 older people are on waiting lists for home-delivered meals. About 62,000 people are on the program, but state surveys suggest as many as 10,000 more actually need them. Says Ed Kramer, an aging-department official for the state: ''There are a lot of hidden elderly, particularly in urban areas and high-rises, who are literally starving to death.''

The mismatch of funds and need comes amid trailblazing research on growing old. Conditions once considered the unavoidable ravages of aging—from cataracts to mental lethargy to slow-healing wounds—may really stem from poor diets, deficits of vitamins and other nutrients, researchers say.

Geriatric specialists recently coined the term ''anorexia of aging.'' It isn't like anorexia nervosa, in which people develop an aversion to food or an obsession with weight. The poor appetite and debilitating weight loss of the elderly have a range of causes: depression, dementia, denture problems and eating alone. Poverty is often a factor, but one national survey found that more than one in five older Americans, regardless of income, routinely skips at least one meal a day. And poor nutrition raises the risk of a fall, which is for many a prelude to costly medical care.

That something as basic as nutrition could be a problem in a country of vast resources illustrates how older individuals, their families and government agencies have been caught unprepared by the combination of increased life expectancy and frailty. Some advocates of the elderly say long-term solutions will have to be more creative, perhaps offering tax incentives so more family members can buy and prepare meals for older relatives.

But for now the main weapon against hunger remains the federal nutrition programs. Funded under the Older Americans Act, passed in 1965 when Lyndon Johnson was president, the congregate-dining and home-delivery projects allow anyone over age 60 to apply for free meals, regardless of income. Many of those who use the program donate something, but more than half of the participants nationally are poor.

Because the elderly-nutrition program is not an entitlement—as opposed to, say, Social Security—Congress has discretion to approve whatever funds it decides will meet the need. ''This is one of the places Congress can fine-tune funding when they must pay for entitlement programs,'' says Jean L. Lloyd, nutrition officer at the HHS's administration on aging.

Last year saw a small funding increase for the meal projects, but Congress in September left the budget for the current fiscal year flat, at nearly $470 million. Along with another $150 million from the Agriculture Department, which reimburses states for some food costs, the financing has to stretch far and wide.

Even if the 3.2 million people who receive meals in congregate dinning rooms or through home delivery got only one meal per day, the government funding works out to about 53 cents a day per person. Concluded a 1992 Government Accounting Office report on the elderly poor: ''Funding for nutrition services cannot possibly provide comprehensive food assistance to the entire eligible population.''

For many years, the meals projects could count on potent advocates such as Rep. Claude Pepper, the legislative champion of the elderly who died in 1989. Even a lobbying group as powerful as the American Association of Retired Persons, based in Washington, says that in recent years the best it has been able to do is stave off ''devastating cutbacks,'' says Jo Reed, senior coordinator for consumer issues.

The National Association of Meal Programs, an Alexandria, Va., trade group composed of providers of congregate and home-delivered meals, lobbies for increased funding, but says it has not been very successful either. Noting that her group's constituents are often frail or isolated, Margaret Ingraham, legislative representative, says, ''We just don't have the political clout.''

The result is that the meals projects, much like the elderly they serve, have become severely strapped. In Chicago, the city had to pump $700,000 in community-development block grants earlier this year to eliminate a waiting list of 650 people for delivered meals. In Baton Rouge, La., the aging office, citing budget problems, began soliciting donations from meal recipients last year, prompting some poor people to drop from the program. In Salt Lake City, channeling money to the meal program has meant taking it away from another service—creating yet another waiting list—in which workers help frail elderly people with grooming, laundry and cooking in their homes.

Sometimes the people reached by the overwhelmed food programs still must battle hunger. The Friendly Neighborhood Center, a congregate dining room in Salt Lake City, serves only one meal a day. Among the dozens who file in for the weekday lunch are the sickly thin women some call the ''stick ladies.'' Seated at folding tables around a big bingo board, the women sometimes secretly slip lunch portions into their purses. ''They're trying to stretch one meal into two or three,'' says one program manager.

Central Florida's Osceola County, where nearly a quarter of the population is 60 or older, offers a glimpse of what the rest of the country faces. In the past year, the Osceola County aging department has had to jump hardle after hurdle just to keep from axing any of the 400 people, averaging 87 years of age, who rely on it for cooked and delivered meals.

With federal funds flat in 1993 at $76,763, the agency persuaded several area restaurants to donate $50,000 in food. That helped, but the department still couldn't meet its goal of eliminating its waiting list of about 50 people. So, the agency found a dirt-cheap caterer to take over meal-preparation: the Osceola County Jail.

Using prisoners to fill food boxes for the elderly, and with the warden not charging for labor, the county cut expenses by more than half, to 58 cents a meal from $1.78. It wasn't a smooth transition, though. One of the first days, the meals rolled outside the barbed-wire fences two hours late because an inmate, threatening suicide, had grabbed a knife in the jail's kitchen.

Hoping to wipe out the waiting list soon, Beverly Houghland, the aging council's executive director, says, ''The hardest thing you'll ever have to do is tell someone that you can't give them meals.''

Yet it happens daily all over the country. In Detroit, when meal recipients go into the hospital and have deliveries stopped, they sometimes can't get them restarted once they return home. Someone on a waiting list has been given their spot in the program. Says one frustrated case manager, Frances Taylor, ''It's like deciding who is going to get in the lifeboat and who has to stay in the water.''

Detroit's aging department does set some priorities. Last month, for instance, the agency rushed meals out to one couple after discovering how the 87-year-old husband and his wife, 83, were getting to the grocery store. The husband, who was nearly blind, steered their car—instructed by his wife, who was too frail to drive but could watch the road from the passenger side.

Higher food costs last year forced Orlando, Fla., to abandon a two-decade-old practice of serving hot dinners. Now the city offers cold breakfasts, with cheaper fare like sweet rolls or cereal, to the roughly 600 older people it serves, for a saving of about 40 cents a meal, or $50,000 annually. (By law, each meal,

breakfast or otherwise, must have at least one-third of a day's recommended dietary allowances.)

Even with the cheaper menu, Orlando still must depend on an all-volunteer force, which can make deliveries chaotic. One day this summer, Nanette Klemens, Orlando's Meals on Wheels director, had to deliver food to 10 older people left waiting after a volunteer's car broke down. Some days, as many as 30 routes go unserved, because volunteers are sick, late or noshows. Volunteers must use their own cars and absorb gasoline costs—even though some cruise the city's poorest streets and are sometimes approached for drugs. Occasionally a route is missed altogether.

But for many elderly recipients in Orlando, the daily food package is a delicate lifeline. One particular stop is so disturbing that the aging office tries to forewarn new volunteers. A meal deliverer's knock at the screen door one day is answered by a slight-framed woman creeping on her knees. She reaches up, clutches her two meal cartons, and crawls back inside the apartment.

A stroke years ago left Marjorie Norris, 84, unable to stand, and moving in and out of her wheelchair is painful, so she doesn't use it. Hobbling about on her knees, she can't stretch up to the range of her white stove, neglected so long that cobwebs cover the burners. Asked if she can cook, she quickly replies, ''Oh, yes. I make my own coffee.''

Orlando estimates that it only reaches about 25% of the elderly who need meals delivered. Says Donna Stiteler, former president of Orlando's elderly agency, ''How the rest are making it, we have no idea.''

TABLE 3.—EFFECT OF THE PERSONAL RESPONSIBILITY ACT ON USDA FOOD ASSISTANCE PROGRAMS BY STATE IN FISCAL YEAR 1996

[Dollars in millions]

State	Level of food assistance		Difference	
	Current	Proposed	Total	Percent
Alabama	$818	$713	−$105	−13
Alaska	97	84	−13	−13
Arizona	663	554	−109	−16
Arkansas	422	403	−19	−4
California	4,170	4,820	650	16
Colorado	412	417	5	1
Connecticut	297	248	−49	−17
Delaware	92	58	−34	−37
District of Columbia	137	85	−52	−38
Florida	2,194	1,804	−389	−18
Georgia	1,209	934	−275	−23
Hawaii	215	198	−17	−8
Idaho	127	176	49	−38
Illinois	1,741	1,483	−258	−15
Indiana	713	691	−22	−3
Iowa	297	266	−31	−11
Kansas	307	270	−37	−12
Kentucky	740	582	−157	−21
Louisiana	1,141	765	−375	−33
Maine	188	167	−21	−11
Maryland	576	404	−172	−30
Massachusetts	608	577	−32	−5
Michigan	1,390	1,109	−281	−20
Minnesota	508	490	−18	−4
Mississippi	730	603	−127	−17
Missouri	310	754	−56	−7
Montana	111	140	29	26
Nebraska	187	175	−12	−6
New Hampshire	89	94	5	5
New Jersey	836	704	−132	−16
New Mexico	361	321	−40	−11
Nevada	145	150	5	3
New York	3,101	2,661	−440	−14
North Carolina	930	849	−81	−9
North Dakota	86	76	−9	−11
Ohio	1,768	1,287	−481	−27
Oklahoma	528	475	−53	−10
Oregon	410	346	−64	−16
Pennsylvania	1,617	1,465	−152	−9
Rhode Island	128	101	−27	−21
South Carolina	602	546	−56	−9
South Dakota	99	95	−4	−4
Tennessee	983	743	−241	−24
Texas	3,819	2,665	−1,154	−30
Utah	234	277	43	18
Vermont	76	66	−10	−13
Virginia	783	597	−185	−24
Washington	660	444	−216	−33
West Virginia	405	309	−96	−24
Wisconsin	467	442	−25	−5
Wyoming	57	57	(1)	1
Total	40,764	35,600	−5,164	−13

[1] Equals less than $1 million.

Notes.—Individual calls may not sum to totals because of rounding.

Total includes the Commonwealth of Puerto Rico, other territories and outlying areas, and Indian Tribal Organizations.

This table assumes that Congress appropriates the full amount authorized for fiscal year 1996.

Mr. KEMPTHORNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

AMENDMENT NO. 172, AS MODIFIED

Mr. LEVIN. Mr. President, I ask unanimous consent that we return to the consideration of amendment No. 172. I also ask unanimous consent that I be able to modify the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LEVIN. I thank the Chair.

I send a modified amendment to the desk.

The PRESIDING OFFICER. Without objection, the amendment is modified.

The amendment, as modified, is as follows:

On page 38, after line 25, insert the following:

SEC. 205. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 60 days after enactment.

Mr. LEVIN. Mr. President, this bill has a number of titles. In title I, the bill has an effective date of January 1, 1996, but title II does not have an effective date. And that is a problem which has arisen, which is that we have a very important title in this bill with not a specific effective date. Title III has an effective date of 60 days after enactment.

When we discovered this, we had some discussions as to what the most appropriate date would be for title II.

We have worked out an agreement, that the effective date for title II will be 60 days after enactment of the bill. That is what this modified amendment provides. I believe that it will be supported by both the managers. I yield the floor.

Mr. KEMPTHORNE. Mr. President, the Senator from Michigan is correct. We are prepared to accept this amendment. We want to thank the Senator from Michigan and also the Senator from Oklahoma, Senator NICKLES, for working this out.

Mr. GLENN. Mr. President, we are glad to accept on this side. This started out as a contentious issue. They kept at this and did a great job of working this out. Both sides agree on this. We are glad to accept it on this side.

Mr. LEVIN. I thank the managers and add my thanks to Senator NICKLES. I yield the floor.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment, as modified.

So the amendment (No. 172), as modified, was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. KEMPTHORNE. I move to lay that motion on the table.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Was leaders' time reserved?

The PRESIDING OFFICER. Yes.

BASEBALL STRIKE

Mr. DOLE. Mr. President, today is day 168 of the baseball strike, a strike that prematurely ended one of the most exciting seasons in recent memory and prevented World Series play, for the first time in 90 years.

Of course, the real victims of the strike are not the owners or the players, but the fans—the millions of Americans who have loyally supported their home teams, rooted on their favorite players, and filled up the bleachers in ballparks across America.

Like most Americans, I have little interest in learning about salary caps or baseball media markets. Nor have I kept abreast of the offers and counter-offers that have been floated across the bargaining table, only to end up in the rejection file.

Like most Americans, my interests lie elsewhere; not with the economics of baseball, but with the game of baseball—a game that I grew up with as a child and as a young man, and a game I continue to cherish today.

Of course, the baseball strike is not an issue of national security; without baseball, our shores will remain safe from foreign invasion. No American lives are at risk.

But what is at risk is the integrity of one of our great national institutions. Spring training in March. Opening day in April. July's all-star game. The August division races. The September playoffs. And the World Series in October. When baseball is disrupted, so too is the rythym of American life.

Mr. President, I have had the opportunity to discuss the strike with Bill

Usery, a former Secretary of Labor and the mediator appointed by President Clinton. Mr. Usery has indicated to me that this dispute ought to be resolved where it started—at the bargaining table. I agree. And that is why today I am publicly offering the use of my own office and its conference room as the forum for the next round of negotiations.

Over the years, many, many legislative compromises have been crafted in room S–230 of the Capitol, one of the most historic settings in all of Washington. Some of the toughest, most stubborn, legislative knots have been untangled in these offices. And perhaps, just perhaps, some of the compromise magic can wear off on the baseball negotiators. We will lock the doors, and we will supply plenty of pencils and writing pads. We have good computer software, and you can count on an unlimited supply of black coffee, too.

Mr. President, I have no doubt that the baseball strike could be resolved in a matter of days—perhaps hours—if only there was the will to do so. We do not need legislation. We do not need Congress. But what we do need is some good old-fashioned, brass-knuckled bargaining; bargaining that is real, that is tough, that gets the job done.

With that said, let me just add this cautionary note: If the players and owners are unable to find common ground—and find it soon so that the 1995 baseball season can begin on time in April—then we will have to find some way to empower those who are the most important element in the baseball equation: the fans themselves, because no one—player, owner, manager, stockholder—has the right to tarnish what truly belongs to the American people: the game of baseball, America's pastime.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask to speak as if in morning business for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE STATE OF THE FORCES

Mr. THURMOND. Mr. President, Tuesday night President Clinton gave his annual address on the State of the Union. As was expected, he gave his administration a passing grade on its 2-year report card. It is not my intention to challenge that passing grade on every issue—the American people made their views about the administration's performance clear enough in the November election. However, I do feel obliged to point out that the last 2 years have produced serious shortfalls in our national defense capabilities, and these shortfalls are growing worse. Today I want to speak briefly about the state of the forces. I want to outline the priorities which I feel the 104th Congress must emphasize to restore the combat readiness of the services, and to revitalize our overall defense preparedness.

By now it is no secret that the Armed Forces are experiencing severe deficiencies in combat readiness. Some of these deficiencies were recently conceded by the Secretary of Defense himself. Last week the Armed Services Committee held a hearing on the condition of the services, and heard about other shortfalls and problems looming on the horizon.

For example, we have learned in recent weeks that 3 of the Army's 12 combat divisions were at the next to lowest level of readiness. Lack of funds has deprived units of fuel, ammunition, and maintenance; and mission training has suffered as a result. Marine and Navy aviation squadrons have had to cut back flying time for lack of funds. Funding shortfalls prevented the Army from meeting its 1994 requirements for trained helicopter pilots. Longer-than normal deployments are causing hardship for service members and their families, causing morale, recruiting, and retention to suffer as a result.

The Clinton administration has conceded that the defense budget is chronically underfunded. In early December the President said he would ask for an additional $25 billion over his planned defense budget requests for the next 6 years. However, this increase will be applied primarily to the out years, and is unlikely to reverse the downward trend in preparedness.

In addition to cutting defense spending too deeply and too rapidly, the administration has committed the Nation to expanded peacekeeping and nontraditional missions. This deeper involvement with peace operations has caused many of the shortfalls in training and maintenance funds. Operations in Somalia, Rwanda, Haiti, and the Caribbean have been enormously costly, both in terms of funds, and in stress on servicemembers and families because of the extended deployments. We are now expecting a request from the administration for a $2.6 billion supplemental appropriation to pay the huge, unexpected bill for these peacekeeping and humanitarian operations. We must not allow our growing involvement in such operations, which in my view provide little or no national security benefit, to undermine readiness.

In this session of the 104th Congress, the Senate Armed Services Committee will be working on several priorities.

The first, which undergirds everything else, is to make sure that sufficient funds are available for national defense. Money is the lifeblood of national defense. Without adequate funds we cannot pay our personnel, nor procure the weapons needed to perform their mission, nor buy the fuel and spare parts to train and to operate. None of the subsequent priorities I will outline can be met without an adequate defense budget.

Everyone realizes that we are facing an immense Federal deficit and a rising tide of debt which threaten us as surely as any foreign enemy. In this budget environment, we must keep Government spending down. Consequently, I do not advocate major increases in defense spending over the present level. My proposal is to compensate for inflation and to fund defense for fiscal year 1996 at the same level in real dollars as in fiscal year 1995. This means we must must increase the defense budget by approximately $12 billion over the administration's budget request for fiscal year 1996. Budget authority for fiscal year 1996 would then be approximately $270 billion.

Once adequate funds are provided, our first priority must be to restore unit readiness, revitalize our overall defense capabilities, and guarantee our status as the world's leading military power—not out of pride and arrogance, but to ensure that potential aggressors will not challenge us or our interests. The ancient Romans said, ''If you want peace, be prepared for war.'' In other words, preparedness is the best deterrence.

We must immediately restore funds to operations and maintenance accounts, since shortfalls in those accounts is the main source of today's readiness problems. But we cannot neglect future readiness. Future readiness includes modernization, which means that research, development, and procurement accounts must be supported. We must buy the right weapons and equipment, and in sufficient quantity, so that our forces will be as able to fight and win in the next decade as they were in the last. We must maintain adequate stocks of spare parts, fuel, and munitions. We must retain an adequate, safe, and reliable nuclear deterrent. We must reevaluate our increasing involvement in peacekeeping and nontraditional missions.

I am also deeply concerned that current defense spending will not pay for the force structure in the Bottom-Up Review. Yet the Bottom-Up Review force may not be adequate for the future. In the absence of a coherent national security strategy, who can say? We must formulate a sound strategy so that we can properly match military means, missions, and methods.

The next priority is the well-being of military personnel and their families. Every American should be grateful to the men and women who wear the uniform, and who undergo the sacrifice of long separations, and sometimes wounds and death, for the Nation's interests. We owe service members adequate compensation. Above all, they must be able to take care of their families so they can have peace of minds

when deployed for long periods far away. Despite the pressure on the budget, I will support reasonable pay raises for military personnel, increased funding for family housing, and other quality of life requirements.

In terms of specific programs, a top priority will be to reenergize the ballistic missile defense effort. Our forces and allies abroad face a serious and increasing threat from the spread of ballistic missiles, some possibly armed in the future with weapons of mass destruction. Someday soon the United States homeland could face renewed ballistic missile threats from hostile Third World regimes, or from the return to power of militant Russian hard-liners.

Though our emphasis must be to correct immediate and near-term readiness problems, we also have to keep a sharp eye on the future. Historically most military disasters have come from failure to anticipate. We must avoid becoming complacent because we won the cold war, and because we triumphed so dramatically in Desert Storm. We must remain alert and capable of responding to threats we have not yet envisioned.

In the past, war was primarily conflict between nation-states, the continuation of politics by other means. But the collapse of the Soviet Union has unleashed demons kept contained during the superpower confrontation of the last 45 years. Today we are entering an Age of Chaos. Wars now rage between tribal, ethnic, and religious groups, between the remnants of old empires and new forces of nationalism. We must learn to adapt to this Age of Chaos, and be able to prevail in new kinds of conflict which are uncertain and ambiguous. We will need new concepts of warfighting, new ways of organizing, and new capabilities. Just as the crossbow, the catapult, and the horse cavalry became obsolete, so in time the weapons we regard today as essential may become obsolete.

During the cold war, we and our adversaries concentrated on perfecting weapons of mass destruction. Perhaps now the time has come to build and perfect weapons of mass protection. Missile defense is an important first step in that direction.

Though new states, new technologies, and new challenges will arise, human nature will remain largely the same. The same injustices, the same greed, the same lust for conquest that breed conflict will continue to plague us. We must not let the dizzy pace of change in the world obscure the permanence of danger, nor undermine our commitment to the freedom and security of the United States. We must recommit ourselves to the defense safety of the greatest Nation the world has ever known.

I am committed to this great task—the primary responsibility which the American people have sent us here to perform. I ask my colleagues to stand with me when the time comes to vote for modest but real increases in defense spending, and to make sure the state of the forces is always the highest state of combat readiness.

I thank the Chair, and yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COVERDELL). Without objection, it is so ordered.

AMENDMENT NO. 194

Mr. BINGAMAN. Mr. President, I would like to call up amendment 194 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment is pending.

Mr. BINGAMAN. Mr. President, this is an amendment that I believe would improve Senate bill 1. Let me just alert my colleagues that this is something I have spoken to the managers of the bill about, and they are going to consider the amendment and decide probably in the next few hours is there any version of it that would be acceptable. But I would like to present it now and at least make the points that I think justify its adoption.

This is an amendment that would improve S. 1 by clarifying that Congress will maintain and retain its present authority to consider legislation regarding or administered by independent regulatory agencies.

Mr. President, S. 1, as it now stands, does not apply to the actions of these independent regulatory agencies. We take the definition out of title 44 of the United States Code. It is my understanding, however, that Congress, in considering matters regarding these agencies or administered by these agencies, would, under the legislation as it now stands, apply the provisions of S. 1; that is, points of order could be raised against Congress considering legislation in areas where we are not imposing any similar obligation on independent agencies. To me, that is illogical. It does not make sense for us to do that.

I believe that Congress should retain to itself at least the same authority that it is retaining to independent regulatory agencies to act in certain of these areas. I am concerned that the legislation, as it now stands, puts Congress in the position of having less power than these very agencies that we have established.

As the bill was reported, for example, a point of order could prevent us from legislating policies that enforce safety standards for the disposal of nuclear waste. That has been discussed by myself and Senator MURRAY from Washington State in previous amendments. But a point of order could be raised unless we were fully able to fund any increased costs to other levels of government in cases where the legislation would result in over $50 million in additional costs.

The Nuclear Regulatory Commission, however, would have the authority through rulemaking to go ahead and impose those requirements even if they exceeded the $50 million amount.

Likewise, it is conceivable that Congress could not act, through legislation, on policies of the Federal Communications Commission or the Federal Energy Regulatory Commission, Securities Exchange Commission, or any other independent regulatory agency. Again, we would be putting in place a procedural roadblock to action by Congress, where we would not have any similar procedural roadblock to the same action being taken by the independent regulatory agency.

Some of my colleagues may think that the chances of this happening are unlikely. I do believe that the chance is real, and there are various examples I could cite with the Securities Exchange Commission, who, on November 17 of last year published a final rule to deter fraud in municipal securities. The published rule indicates that the changed regulations may require some municipal security issuers to provide additional information and could result in costs to municipalities. The rules, as first proposed, certainly would have increased costs, although the final rule was changed in an attempt to reduce the costs.

In a similar action the Federal Energy Regulatory Commission announced in December of this last year in the Federal Register a change in policy that will allow FERC to review individual hydropower licenses. Some are, in fact, municipal licenses. Again, it is not known whether the costs would exceed $50 million. But it is clear that if they did, FERC would have the authority to make the change, while Congress itself would not be able to, absent waiving the point of order that is provided in this legislation.

Let me make one other point before I conclude, Mr. President. The amendment that I have called up here and offered to the Senate, amendment No. 194, still leaves in place the requirement for the various cost estimates, still leaves in place the requirement to go to CBO and determine what the expected cost would be of any legislative action. And that requirement would be on Congress, even though by the language of the bill itself, it is not on the independent regulatory agencies.

All I am saying is that we should go as far as to require the cost estimates of ourselves before we act. We should not go so far as to provide for the raising of a point of order against us considering legislation—against the Senate or the Congress considering legislation in these important areas, when the very agencies that are involved are not themselves restricted from doing by rule or regulation what we might consider doing by legislation.

It seems to me to be an eminently logical amendment. It is one that I hope we can work out with the managers of the bill, and I urge my colleagues to support this. I urge the managers to support it either in the form in which it has been offered or in some similar form.

With that, I yield the floor.

Mr. KEMPTHORNE. Mr. President, I have discussed this with the Senator from New Mexico, and I understand what he is trying to accomplish. I respect what he is trying to accomplish. I could not agree to the language in the amendment in its present form. But as I have indicated to the Senator from New Mexico, I am willing to see if there is some way we could reach some agreement, some modification of that language that might allow us to support this. I cannot give any assurance that that would be the final result, but I am very willing to see if we cannot resolve this.

I yield the floor.

Mr. BINGAMAN. Mr. President, I appreciate that statement by the Senator from Idaho. I look forward to working with him and the Senator from Ohio to see if we can come up with language that is acceptable which accomplishes the result intended.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEWINE. Mr. President, I rise today to offer my strong support for Senate bill 1, the Unfunded Mandate Reform Act of 1995.

Let me first begin by congratulating the floor managers of the bill. They have done great work, Senator KEMPTHORNE and my distinguished colleague from Ohio, Senator GLENN. They have led the fight for this legislation not just in this Congress but in the previous Congress, as well. When the final vote for passage occurs, which it will, they will deserve a great deal of the credit for the fine work they have done for sending this bill on to the President.

It is appropriate, I think, Mr. President, that this should be the first major item of business before the Senate. Two years ago, talk about unfunded mandates made people's eyes glaze over. Really, as late as last year, there were at least 166 bills in the Senate that would have increased and imposed new mandates on State and local governments. Now, in this Congress, this legislation to slow the unfunded mandates is Senate bill 1.

What happened? What happened was that local elected officials throughout this country, the hard-working men and women who are closest to the real problems of their communities, finally got sick and tired of being treated as mere clerks for the Federal Government. Mayors are tired of it. Governors are tired of it. County commissioners are tired of it, as well.

We have been listening now, for days, as Senators have piled example on top of example to demonstrate that unfunded mandates are, in fact, a bad thing. Frankly, Mr. President, I do not think I need to cover that ground again. It is pretty clear that intrusive Federal mandates are a costly burden on States and local communities.

Indeed, we in Ohio have taken the lead in bringing this issue to America's attention. In August 1993, Ohio Governor George Voinovich and I issued this landmark report which has become an important resource in the debate over legislation known as Senate bill 1. This study is called ''The Need for a New Federalism: Federal Mandates and Their Impact on the State of Ohio.''

Another entirely valuable study was issued by Columbus Mayor Greg Lashutka in May 1991. It is called ''Environmental Legislation: The Increasing Costs of Regulatory Compliance to the City of Columbus.''

Both of these have been a valuable resource. Mayor Lashutka is now the first vice president of the National League of Cities and the vice chair of the Unfunded Mandates Caucus of the U.S. Conference of Mayors. He has been a major resource for the debate we have had over the last few weeks.

Mr. President, in the course of compiling these studies, we discovered some very sobering things. We discovered that unfunded Federal mandates will cost Ohio more than $1.74 billion between 1992 and 1995. We discovered something even worse. We found that the Federal mandates were robbing communities of the money and the flexibility that they need to cope with local problems. Every dollar, every dollar in local spending that is controlled by a Federal mandate, is a dollar taken away from some genuine community need and concern.

Let me give you an example. In Richland County, OH, $3 out of every $4 in the county budget represents mandated cost; 75 percent of the budget is already spent before the county commissioners meet every year for the first time. That leaves one quarter of the county budget to pay for services actually decided on by the local elected officials in Richland County. Visit county after county or city after city or town after town, as I did last year. We all hear the same story. That is what unfunded mandates do to communities all over America. They take decisionmaking away from those closest to the people and give it to the Federal Government.

An example: The Federal Government gives Ohio schools only about 7 percent of those local schools' total operating budget. Yet, that same Federal Government imposes over 50 percent of the paperwork that that local school has to comply with. In Ohio, we cannot afford to spend our money on paperwork.

Mr. President, we need to be spending our money in this country on our children. Education is just one example of how the Federal Government is forcing Ohio to waste tax dollars. Let me give you another example. Congress passed a highway bill, a highway bill which mandated that States had to use scrap tires in highway pavement. It sounds good. It would seem to make sense.

Here is the impact on Ohio: Ohio would have to spend $50 million a year to comply with this mandate. From my perspective as a former local county-elected official, I can say that the loss of $50 million is really not the worst consequence of that mandate. Mr. President, the worst consequence of that mandate is the lost lives in the State of Ohio. Because every single dollar—in this case, $50 million—that is spent for this Federal mandate in a nonproductive way is a dollar that could have been spent on straightening roads, or replacing traffic lights, or building new railroad crossings. That is $50 million that could be used to make our roads safer.

Earlier this month, Governor George Voinovich said it well. He declared, with that $50 million, ''Ohio could repave nearly 700 miles of rural highways or rehabilitate 137 aging bridges.''

So, Mr. President, while the issue of unfunded mandates is certainly a question of money, it is primarily an issue about which level of Government is best equipped to make decisions about the proper use of the finite amount of taxpayers' dollars that we have.

This issue is, of course, as old as the Republic. In the Federalist era, Alexander Hamilton actually recommended that the Federal Government assume the debts of the States that financed the American Revolution.

Now today we are talking about the opposite idea. We are debating whether the States should assume the responsibilities that were undertaken earlier in this century by the Federal Government.

So it is far from a new issue. The era we live in really began in the 1930's. With the beginning of the New Deal and Franklin Roosevelt, the 1930's saw the beginning of a steady shift of power from the States to the Federal Government.

But, Mr. President, while the Federal Government's power has grown steadily, its performance has really not kept pace. In fact, the American people are in general agreement that the Federal Government's performance has actually declined.

Remember what happened in last year's health debate in this country. President Clinton's health reform bill did not fail because the American people thought there were no problems connected with our health care system. No, rather it failed because the American people believed that the Clinton bill would mean more Federal Government involvement in the health care

decisions of America's families. Americans just did not trust the Federal Government to do a better job in this area.

I have always believed, on a philosophical basis, that local Government is best equipped to make decisions about local problems. And now, after 18 years of involvement in public life, my concrete experience with the different levels of Government—State, local, Federal—has made me even more certain that the best problem solvers are those closest to the people.

I believe that the American people share this belief in local decisionmaking. The passage of S. 1 will begin a long process of transforming this deeply held conviction into legal reality.

Let me stress, Mr. President, and I say to Members of the Senate, that this is just a beginning. By itself, the passage of S. 1 will not create a new balance of power between the States and the Federal Government. It will not abolish Federal mandates. But I believe that it will do something even more valuable. It will begin an intelligent national debate on how our Government should work.

I believe that in this Congress, we have a truly historic opportunity. We can divide responsibilities of government in a rational and systematic way by paying attention to the nature of the problems we need to address and the respective abilities of the various levels of government.

Mr. President, this is really not an ideological question. It is rather a more practical question: What works? For too long we have been trapped in a mindset that tells us every problem should have a Federal solution. Well, it is true, some problems should have a Federal solution. At some point, we will decide, I am sure, that a particular mandate is, in fact, in the national interest of this country. But these are decisions that we have to make with our eyes wide open. They have to be made rationally, systematically, and not simply by the force of inertia.

Mr. President, last year the American people voted for a less expensive, less intrusive and more responsive Federal Government. If we succeed in revamping the Federal system along the lines that I have discussed, we will be well on the way toward achieving the goals set by the voters of this country in the last election.

I yield back the remainder of my time.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, I would like to compliment the Senator from Ohio for his thoughtful delivery, for his strong support of S. 1, and for his strong support on behalf of State and local governments and the private sector, just to say how much we realize that he will be an effective and positive force with his membership in the U.S. Senate.

Mr. President, I ask unanimous consent——

Mr. GLENN. Will the Senator hold?

Mr. KEMPTHORNE. Yes, I hold.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio.

Mr. GLENN. Mr. President, I certainly wish to acknowledge what my distinguished colleague from Ohio has said. I know of the work that he did in Ohio, along with Governor Voinovich.

Governor Voinovich and I have had many conversations with regard to unfunded mandates. He has led a lot of the effort on behalf of the Governors to get an unfunded mandates bill passed. We had bill S. 993 last year that we kept the Governors advised on, as well as the other members of the big seven, those organizations that represent officials at all levels of government outside the Federal Government.

He also mentioned Mayor Lashutka who did a study in Columbus as to the impact on the Columbus budget. It was landmark in that I do not think any other city had gone into it to the extent that Mayor Lashutka did.

If I can recall the figures correctly with regard to the Federal mandates they have to comply with, just in the environmental area between 1991 and the year 2000, Columbus will have to expend approximately $1.6 billion—one city—over a 10-year period. That is an enormous amount of money, and that does not include all of the Federal mandates.

Multiply that by all the cities of similar size around the country—I think Columbus is ranked 16th in size nationally—and it means some of the mandates that have gone up over the past 10 or 12 years—have left cities literally financially strapped. They cannot keep up with the mandates that are being imposed upon them.

At the same time, we had what was called the new federalism that, in effect, cut back on some of the community development block grants, and other things that were helping the States. So we cut back on some of the means that the States were using to accomplish some of these mandates.

We have multiple studies. I have entered those in the RECORD. We talked about them on the floor. I congratulate my colleague for his bringing these to our attention and for his support of this legislation. We look forward to getting legislation through, and we want to complete the amendment process as fast as we possibly can. I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

UNANIMOUS-CONSENT AGREEMENT

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that upon disposition of the statement by Senator BYRD, that the Senate resume consideration of the KEMPTHORNE second-degree amendment No. 196 and it be considered under the following time restraints: 1 hour equally divided between Senator KEMPTHORNE, or his designee, and Senator HARKIN.

I further ask unanimous consent that following the conclusion or yielding back of time, the Senate proceed to vote immediately on, or in relation to, the Kempthorne amendment.

I further ask unanimous consent that immediately following the disposition of the Kempthorne amendment, Senator HARKIN be recognized to offer a second-degree amendment, which is similar to the text of amendment No. 190, as offered, and it be considered under the following time restraints: 1 hour to be equally divided in the usual form.

I further ask unanimous consent that following the conclusion or yielding back of time, the Senate proceed to vote immediately on, or in relation to, the Harkin amendment.

Finally, I ask unanimous consent that no other amendments be in order to amendment No. 190, and that following the conclusion of the Harkin second-degree amendment, the Harkin amendment No. 190, as amended, if amended, be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. GLENN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Reserving the right to object, and I do not plan to, but I just want to clarify this, that this would in no way curtail statements by anyone who wished to speak on Senator BYRD's amendment. I know Senator LEVIN wished to have 10 minutes or so on Senator BYRD's amendment. I might wish to speak on it also. It is a very, very important amendment. Probably the most single important amendment we have been able to work out here. It does solve a very major problem. I may want to address that also.

I hope nothing in this is to be construed as limiting any comments on Senator BYRD's amendment. It is only after all that has been completed and accepted that we would move on to this unanimous-consent request; is that the understanding?

The PRESIDING OFFICER. The agreement is after Senator BYRD concludes his remarks, we would move on to this amendment.

Mr. GLENN. It says upon the disposition of Senator BYRD's statement, that would mean we could comment on it before there was a final vote on his amendment; is that correct?

Mr. KEMPTHORNE. Mr. President, I modify the unanimous-consent agreement so that it is with regard to the Byrd amendment, so that we can have final disposition of the Byrd amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KEMPTHORNE. Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 213

The PRESIDING OFFICER. Under the previous order, the question occurs on amendment No. 213, offered by the Senator from West Virginia.

Mr. BYRD. Mr. President, on previous occasions I have risen to speak on this bill. I believe that it is a very important measure which can have far-reaching effects on the Federal budget and, if not carefully considered, S. 1 could have unintended and harmful results.

I do not think any of us really know what the effects ultimately will be—what the results will be. The best we can do is just do the best we can and try to work out as good a product as possible here, crafting with all of our painstaking care and hope that it will be beneficial to the country and that it will fulfill the hopes and aspirations that we have, as we work on it and vote for it. Not all of us will vote for it. I may vote for it. I have not finally decided. I may not vote for it.

For example, will the enactment of S. 1 result in certain situations where States and localities will receive reimbursement for the net costs to them of Federal mandates, but where the private sector will receive no such reimbursement, even though the private sector also has to meet the same mandate?

Let us take, for example, minimum wage. There have been discussions of minimum wage recently. If an increase in the minimum wage is enacted at some point in time, it will apply equally to the private sector and to the State and local governments. This bill would require that we reimburse the State and local governments for their costs relative to an increase in the minimum wage, as I understand it. Yet, as of now, it is my understanding the private sector would receive no such reimbursement.

Moreover, if the enactment of an increase in the minimum wage can be considered simply as an unfunded Federal mandate, have we not lost something which has been a mainstay of this country's ideology and tradition since 1938? We are not discussing an amendment that has anything to do, directly, with the minimum wage. But I just want to develop my thinking along these lines.

Fair wages for even the most unskilled in our society are, I believe, a basic American value.

I worry that we are not fully considering the ramifications of this piece of legislation on the health, safety, and opportunity of our people. Are we putting the private sector at a disadvantage versus its ability to compete with the public sector? Are we doing that? Are we sure that the States can take up the slack that a withdrawal of the Federal contribution will mean in some areas? Are we sure that we are not setting up the American people for reduced services and massive tax increases at the State level with the passage of this legislation? Nothing pains so much as painful, unintended consequences. And here I am talking about unintended legislative consequences. They are mighty hard to correct, mighty hard to correct.

Take for example the portion of S. 1 which relates to the authorization of appropriations as one of three ways to pay for future Federal mandates.

Pages 21 through 24 of the bill set forth two new points of order under this legislation. The first states that it shall not be in order in the Senate to consider:

(A) any bill or joint resolution that is reported by a committee unless a committee has published a statement of the Director on the direct costs of Federal mandates in accordance with subsection (a)(6) before such consideration;

If we examine what this means, Mr. President, I think we will find that any bill or resolution must have a statement from the Director of the Congressional Budget Office estimating the direct costs of Federal mandates as follows—and I am now again quoting directly from the bill, beginning on page 18, line 2:

. . . the Director of the Congressional Budget Office shall prepare and submit to the committee a statement as follows:

(i) If the Director estimates that the direct cost of all Federal intergovernmental mandates in the bill or joint resolution will equal or exceed $50,000,000 (adjusted annually for inflation) in the fiscal year in which any Federal intergovernmental mandate in the bill or joint resolution (or in any necessary implementing regulation) would first be effective or in any of the 4 fiscal years following such fiscal year, the Director shall so state, specify the estimate, and briefly explain the basis of the estimate.

These requirements raise at least two questions which I think bear scrutiny by the Senate. First, the language I have read directly from the bill makes it out of order in the Senate to consider any bill or joint resolution unless the aforementioned statement of the CBO Director has been published by the committee.

As I read the bill, there is no requirement for any statement by the Director of CBO relating to floor amendments. How then are we to determine the costs of floor amendments? There will be floor amendments.

Secondly, it should be noted that CBO, under the language in the bill that I have read is required to provide estimates for only 5 years, even if the mandates in question are to last for 10 15, or 50 years.

Now let us turn to the second point of order created in the bill, which begins on line 24 of page 21 and runs through page 24 line 21. Without reading the language of the bill, permit me to summarize it by saying that this second point of order will exist against any bill, joint resolution, amendment, motion, or conference report unless they ''pay for'' any mandates which equal or exceed $50 million for any fiscal year. There are three methods provided in the bill to pay for such mandates. First, these new mandates may be paid for by an increase in direct spending. Implicitly, under the pay-go provisions of the Budget Act, any committees which choose this method of paying for mandates will have to charge the costs of them against their allocations under each year's budget resolution.

The second method which may be used to pay for new mandates would be to raise receipts sufficiently to offset the costs of reimbursing state and local governments for any new Federal mandates. In other words, increase taxes. Somehow, I do not believe this method will be employed very often.

The third and final method which may be used to pay for future mandates will be to authorize appropriations and I will now quote directly from the bill: I begin on line 24 of page 22.

. . . any bill, joint resolution, or amendment proposed in the conference report includes authorization for appropriations in an amount equal to the estimated direct costs of such mandate, and one . . .

(I) identifies a specific dollar amount estimate of the full direct costs of the mandate for each year or other period during which the mandate shall be in effect under the bill, joint resolution, amendment, motion or conference report, and such estimate is consistent with the estimate determined under paragraph (3) for each fiscal year;

(II) identifies any appropriation bill that is expected to provide for Federal funding of the direct cost referred to under subclause (IV)(aa);

(III) identifies the minimum amount that must be appropriated in each appropriations bill referred to in subclause (II), in order to provide for full Federal funding of the direct costs referred to in subclause (I); and

(IV)(aa) designates a responsible Federal agency and establishes criteria and procedures under which such agency shall implement less costly programmatic and financial responsibilities of State, local, and tribal governments in meeting the objectives of the mandate, to the extent that an appropriation Act does not provide for the estimated direct costs of such mandate as set forth under subclause (III); or

(bb) designates a responsible Federal agency and establishes criteria and procedures to direct that, if an appropriation Act does not provide for the estimated direct costs of such mandate as set forth under subclause (III), such agency shall declare such mandate to be ineffective as of October 1 of the fiscal year for which the appropriation is not at least equal to the direct costs of the mandate.

Here again, these provisions raise a number of questions. First of all, Senators will recall that under the bill, CBO will have to provide estimates for new or increased mandates in excess of $50 million for any year which are contained in any bill or joint resolution.

Yet, we now find that unless we pay for them by one of the three methods I have stated, we will face points of order against amendments, motions, and conference reports as well as bills and joint resolutions. Who is to determine what the cost of an amendment's mandate is, if not the CBO? The bill is silent in this regard.

As Alexander Pope said, ''Who decides when doctors disagree?'' So who is to determine what the cost of an amendment's mandate is, if not the CBO? The bill is silent in this regard.

Are we going to have Senators locked in endless combat over what various amendments have done to the cost of a conference report? Are we going to ask the Nation to wait endlessly while we compute and recompute the costs of a bill which has been substantially changed by the impact of an amendment adopted with no estimate of its cost? Talk about grid-lock! Or, better. Rail against Byrd-lock! The ambiguities in this legislation will make grid-lock or Byrd-lock look like a fast track by comparison.

Perhaps every Senator ought to go out and hire his own budget analyst—that is if nobody makes the usual move to cut legislative branch appropriations.

Now get that. We can usually expect around here an amendment or amendments cutting legislative branch appropriations. So we cut and cut and cut until it has been cut to the marrow of the bone—not just down to the bone, but to the marrow.

So every Senator probably ought to go out and hire his own budget analyst, if he can afford it—that is if nobody makes the usual move to cut legislative branch appropriations so that we cannot afford such an analyst.

Incidentally, if the usual move is made and CBO's budget is thereby cut, this bill in and of itself will constitute an unfunded mandate because CBO will have to cut staff and would be even more hard pressed to spit out these estimates.

A second question raised by the bill language is what costs we are referring to. On page 23 alone we find the following terms having to do with costs:

Page 23, lines 2 and 3: ''estimated direct costs of such mandate'';

Page 23, lines 5 and 6: ''full direct costs of the mandate'';

Page 23, line 16: ''direct cost referred to under subclause (IV)(aa)''; and

Page 23, lines 18–21: ''minimum amount that must be appropriated in each appropriation bill referred to in subclause (II).''

Mr. President, with all of these terms, it will be difficult, if not impossible, to know what it is that has to be done with regard to points of order.

Third, the language I have read relating to appropriations requires each new bill, joint resolution, amendment, motion, or conference report to identify the minimum amount that must be appropriated in each appropriation bill for every year that any mandate would be in effect. That could be 10 years; it could be 20; it could be 50; it could be more. And remember, the Congressional Budget Office is not required to provide any estimate beyond 5 years and, even then, they are only required to make estimates on bills and joint resolutions, not on floor amendments, or motions, or conference reports.

Let me just take a few minutes to remind my colleagues of how wildly mistaken even the best estimates can be. The estimates of outlays and receipts of Federal expenditures have been off by billions of dollars in the past.

The chart to my left is titled ''Differences Between Actual Budget Totals and First Budget Resolution Estimates for Fiscal Years 1980 Through 1993.''

These are the latest figures. I am told we do not have the figures for 1994 as of yet. But if we look at the chart, we will see the word ''revenues.'' We will see a horizontal line. I like to think of that as meaning the estimate of revenues for each of the years shown. If there is no bar above or below the line, then we hit the estimate right on the head for that year.

Senators will note that the nail was never hit on the head in any of those years. Take, for example, 1980. In that year, the revenues, the incoming revenue, exceeded the estimates. So we did very well that year by $11.1 billion. We can say, hooray, we came in with more money in the pot than we estimated, more than we thought we would receive.

But the very next year, 1981, the revenues received were $11.3 billion under the estimates. For the following year, 1982, the revenues were $40 billion under the estimates. The subsequent year was 1983, and in that year the revenues failed by $65 billion to meet the estimated revenues. And so it is on across the board.

One year in which the estimates of revenues and actual revenues received were almost on point—almost hit the nail on the head but missed it by $1.7 billion—was 1981, in which year the revenues exceeded the estimates by $1.7 billion. But the next year it went out of whack again. The revenues amounted to $23.8 billion less than the estimated receipts for that year.

And so across this chart, which represents the years 1980 through 1993, there were only 3 years—1980, 1987, and 1989—when the actual revenues exceeded the estimated revenues. But in the remaining years—1981, 1982, 1983, 1984, 1985, 1986, 1988, 1990, 1991, 1992, 1993—the revenues were less than the estimates by the amounts shown. In 1983, $65 billion. In 1992, $77.5 billion. The average difference across the period was $24.7 billion. So we failed to hit the nail on the head by an average of $24.7 billion. That is $24.70 for every minute since Jesus Christ was born.

Now let us take a look at outlays. We will find the same pattern. The estimates are off. In no year do we hit the nail on the head. Again, the horizontal line on the chart represents the estimated outlays. This chart is entitled, ''Differences Between Actual Budget Totals and First Budget Resolution Estimates for Fiscal Years 1980 Through 1993,'' in billions of dollars. And in each instance here, the source of the information is the Congressional Budget Office.

Let us take a look at this chart that stands to my left. It deals with outlays. The viewers will note that in 1980, the estimated outlays, estimated expenditures, the estimated outgo of funds, the expenditures, were greater than the estimates by $47.6 billion. The red bars on the chart so indicate that the expenditures exceeded the estimates in the given years represented. In only 4 years did the actual expenditures come in lower than the estimates. In one of those years, as the chart will indicate, the estimates were $85 billion off; that was the year of 1990. And in 1993, the estimate was $91.9 billion off.

The next chart to my left is entitled, ''Differences Between Actual Budget Totals and First Budget Resolution Estimates for Fiscal Years 1980 Through 1993,'' in billions of dollars. This chart represents the deficit in each year. The deficit is represented in all these years by how far under the estimates the revenue, actual revenues are, and how far over the estimates the actual outlays or expenditures are.

So, in 1980, we see that the actual deficit was $36.5 billion over the estimate. In 1981, the deficit was $58.3 billion above the estimated deficit. In 1982, the actual deficit was $73 billion more than had been the estimate. In 1983, it was $91.4 billion.

There was one year which the deficit missed the estimate only by $3.7 billion and we were in the red that year, in the red to the tune of $3.7 billion.

But if we look at the year 1990 on the chart, the viewers will note that we came in with $119 billion, with a higher deficit than was estimated. And the average for the period of 1980 through 1993 was $34 billion a year higher than the deficit—a $34 billion higher deficit each year on the average than had been estimated.

So what we see here is what really happens. The estimates never are right. They are off one way or the other in the case of outlays, in the case of receipts, and in the case of the deficit.

So despite the very best efforts of the very best analysts, fluctuations in the economy, a recession, changes in interest rates, even changes in the international situation, our trade balance, and so forth, can cause extreme fluctuations in the estimates. How in the world, then, can we ask for estimates in connection with this bill that are 10 years out, 20 years out, with any confidence at all in the product?

The charts have reference to estimates that were made. CBO made estimates and every estimate was off.

So here we will be, under the terms of S. 1, expected to appropriate the minimum amounts—I am talking

about we appropriators, we who are on the Appropriations Committee, and then the full Senate—we will be expected to appropriate the minimum amounts required to fully fund the direct cost of all covered mandates, based on ''the estimated direct costs'' of the mandates for every year for the life of the mandates, which may be 5 years, 10, 15, 20, 50.

I say impossible. I say improbable. I say it is ridiculous to expect it to be done.

Let us follow this process. First, we bring a new mandates bill to the floor which will run for 30 years, let us say. Yet, in order to avoid a point of order, the bill needs only to have a 5-year CBO estimate. Now, on the floor, there are amendments which may add to the cost of the mandate. Who is to make the estimate of the cost of the floor amendment? Even if the Budget Committee attempts to get CBO's estimate, what if CBO says they just cannot come up with an estimate on such short notice? What happens? Is the bill pulled down, put back on the calendar? Do we wait, then, for CBO's estimate of all floor amendments? Do we simply ignore the problem? Do we waive the point of order? That can be done by a majority. It would not be difficult to waive the point of order. If so, will this not encourage Senators to defer the offering of amendments to create new mandates until action on the floor takes place, rather than offer such amendments in committees? Will it not be an invitation to Senators to hold off with their amendments until they reach the floor because then it might not be possible for the CBO to come up with estimates in time?

Then, there is the question of reliability of the estimates which will be required. And as I have pointed out, the bill will require minimum amounts to be appropriated for all future years that covered mandates will be in effect, even if the period is 10, 20, or 30 years. How can we expect those estimates to be anywhere close to accurate? It is difficult enough for CBO and OMB to provide accurate estimates of Federal spending for 5 years, much less 10 or 20 years. Furthermore, the estimates called for in S. 1 will require CBO and/or other estimators to calculate such long-term costs for some 87,000 state and local governments—for every year that such mandates will be in effect, no matter how long that period is. Clearly, Mr. President, these estimates will not be worth the paper they are written on.

Yet, under the bill's provisions, if any future appropriation bill fails to provide the minimum amount set forth for any year that a mandate is in effect, then the bill would turn over to the Federal agency responsible for carrying out the mandate the power to either (1) implement a less costly mandate, or (2) to declare such mandate to be ineffective for any fiscal year for which an appropriation act does not provide for the estimated direct costs of such mandate.

Mr. President, in my remarks on Wednesday, January 18, a week ago this past Wednesday, I expressed my concern to the Senate about the delegation of legislative authority to the executive branch.

Mr. President, I am not saying here today that this provision in this bill is unconstitutional. The legislative branch can delegate certain authority from time to time if adequate and appropriate criteria and standards are established whereby the delegatee can make fair and correct judgments. But I am saying that we may be opening the door to a constitutional problem here. That is for the courts to say ultimately, but we have a responsibility also, as we act on legislation, to try to avoid constitutional problems and to act accordingly.

So my amendment would close that door that is in the bill. My amendment will strike the provisions of the bill that would delegate this power to the Executive Branch and replace them with a requirement that, for any fiscal year for which a responsible Federal agency determines that insufficient appropriations are available to fully fund any mandate, that agency shall so notify the appropriate authorizing committees of Congress within 30 days of the beginning of the fiscal year. In its report to said committees, the agency shall set forth its legislative recommendations for either implementing a less costly mandate or suspending the mandate for the fiscal year.

My amendment provides, in addition, that in instances where an agency finds that it can fully carry out a mandate with less funding than was authorized for any fiscal year, the agency will be able to provide a statement to that effect to the Congress. If we agree by joint resolution, the agency statement will become effective.

Finally, for instances where a new mandate which has not been in effect is underfunded, the amendment provides that it shall not go into effect until Congress enacts a law to resolve the funding shortfall.

Also, under my amendment, all legislation establishing future covered mandates shall provide expedited procedures. I am not suggesting a way here that will hamstring the effort. This is a good-faith try at making it work, and it leaves the responsibility of making it work in the legislative branch, not downtown in an executive agency.

In other words, my amendment, rather than delegating to the executive branch the authority to either cut back or eliminate statutory mandates, Congress will retain that authority in Congress. Within 30 days we will receive a responsible agency's recommendation as to whether a less costly mandate or no mandate should go into effect for any year that insufficient appropriations are available to fully carry out any mandate. We will then have 30 days to act on such recommendations under expedited procedures.

I generally do not favor expedited procedures but I can see here in this instance the necessity for expedited procedures. I might add that my amendment does not set up any particular set of expedited procedures. Instead, it requires that each future bill containing covered mandates set up the procedure.

If I vote to roll back a popular Federal mandate because I do not believe it should be funded, and that vote upsets the people in my home State of West Virginia, then they can go to the polls and vote against me. They can write to me in the meantime. They can pick up the telephone and raise their objections to my vote or give me their advice, let me know how they feel. They can tell ROBERT BYRD that they are not happy with his performance. I will be held accountable. But how does anyone with a complaint vote against some civil servant—and we have to have them, I do not disparage civil servants—how can anyone in West Virginia or Iowa or Michigan pick up a telephone and complain to some civil servant in the Environmental Protection Agency or the Transportation Department, or the Securities and Exchange Commission? They cannot do it. The American people cannot hold those unelected, invisible, unknown, officials responsible even if they knew who they were. Even if they knew the identity of the civil servant, how could they hold that civil servant responsible?

Well, is that how we intend to respond to the American people? Is that how we shoulder our responsibilities as elected representatives of the people? Are we not simply setting up a fall guy in the person of some agency bureaucrat so that we do not have to take the blame for pulling the plug from some necessary and popular Federal mandate? If that is the consequence of this legislation, whether intended or unintended, I submit that that result is an unworthy one. We need to shoulder our own responsibilities and belly up to the bar.

Accountability is a basic linchpin of our representative democracy. Not our democracy. We do not have democracy. Ours is a representative democracy, a republic. But accountability is a basic linchpin of our system, and we ought not muddy the waters so that the people who put us here cannot tell who is making these decisions which so impact upon the people's health, safety, and livelihoods.

I urge Senators to support my amendment. It keeps the Congress' legislative powers intact instead of placing them in the hands of unelected bureaucrats. I yield the floor.

Mr. KEMPTHORNE. Mr. President, I want to compliment the Senator from West Virginia [Mr. BYRD], for his amendment.

I thought how best to describe his amendment, and I think it is best described as a perfecting amendment. We

have just heard Senator BYRD and his description of this amendment. But the principal concept that it contains is that it leaves with Congress the responsibility for deciding whether to impose unfunded mandates on States, cities, schools.

Before we go into further discussion on this amendment, I want to make sure that Senators know that last night the Senate adopted an amendment by Senator MCCAIN that says if the Appropriations Committee includes a mandate in an appropriations bill, that appropriations bill will be subject to the same process that S. 1 provides for all of the bills.

The Byrd amendment perfects a principle that we sought to achieve in Senate bill 1, greater congressional accountability, the mandates imposed on State and local governments. I have learned a lot about the Senate rules just in the 2 weeks that I have been the floor manager on Senate bill 1, and many of these lessons came from the Senator from West Virginia.

It is with the utmost respect that I say that. I know that in the context of Senate rules a perfecting amendment means a minor modification. In this context, I use the term ''perfecting'' in the sense that it does make the bill better. I have consulted this morning with mayors, with Governors, with county commissioners, throughout the United States and they agree with my assessment.

If I may, I would like to briefly explain the heart of the Byrd amendment. Senate bill 1 approached the issue by having committees include in their mandate bills, procedures that agencies should follow in sunsetting or scaling back mandates if sufficient funds are not appropriated. If authorizing committees choose to fund a mandate with an appropriation the bill containing that mandate must contain provisions for making the mandate ineffective.

The Byrd amendment perfects this approach by directing committees to include in their bills procedures for agencies to report back to Congress if there are insufficient or no funds to pay for mandate costs. Further, the legislation must also provide for making the mandate ineffective if Congress and the President do not enact subsequent legislation proving or modifying the unfunded mandates. This makes sense to me. It also makes sense to representatives of the Nation's mayors, Governors, county commissioners, school board administators as based on my consultation with them this morning.

So I want to compliment Senator BYRD for his studious approach of this legislation, and for this amendment which I think enhances significantly Senate bill 1, and also enhances something that I believe strongly in as well, and that is that Congress must retain an oversight so that what we intend is what is actually carried out.

This is just one more example of why so many Members respect the Senator from West Virginia. I know on our side of the aisle that we are willing to accept this amendment. I yield the floor.

Mr. GLENN. Mr. President, let me associate myself with the remarks of my distinguished colleague from Idaho. It is questionable, in many respects, whether or not this legislation would have been workable without this amendment. I think it is that important.

I think the whole concept of unfunded mandates is to make the Federal Government work, and work right. If there is a challenge, and that challenge is delegated to an agency, the duty assigned to that agency is a mandate. However, often times the Government finds that it cannot provide all the money for the mandate that has been imposed, and that will happen. Under the legislation as it was introduced, it would have been up to an agency to associate with the State, city, or entity to which the mandate applied, and the agreement that was reached by the agency would have gone into effect. The agency would have had the force of law. In other words, we were delegating to an agency the right to enforce what would normally be enforced by Congress and telling them, ''You work it out.''

That may sound rather innocuous, and why are we getting so excited about this? Well, we have a $50 million threshold. Fifty million dollars is not going to bankrupt the United States, but remember, we may be dealing with laws that involve environmental concerns—clean water, clean air—and some of these things can range into hundreds of billions of dollars, particularly if taken over a 5-year period or 10-year period.

Let us say there is a 10-percent funding provided. That would give you one set of options if you were an agency trying to work this out. Let us say 40 percent, 60 percent, 90 percent is what the appropriators are able to fund. We would have said with this bill, perhaps something is going to be an impact, a mandate impact over maybe a 5- or 10-year period, it might be $300 or $400 billion, potentially.

That is not out of the range of things that could happen. We have an estimate over a 20-year period of $300 billion just to clean up the nuclear waste problem. We have not even dealt with that yet. So we are talking not just about $50 million. We are talking about programs that would be mandated to the States or local communities that might range into the tens of billions of dollars, and then we have a few people at an agency or Department whose job is to say, ''Well, how are we going to distribute this 10- or 20-percent allocation of money we got?''

Some of them might be more interested in one part of the Clean Air Act, while others may be interested in the hole in the ozone layer over the Antarctic. Somebody else may be interested in exhaust gas emissions in Los Angeles. The Agency would be deciding where that partial funding went, unless we had this amendment which corrects that and very properly says, ''OK, you people are experts, but you are not the final judge on what goes on; the Congress is, the Senate is.''

In the event that a situation like this occurs, what we can say now is, ''You people over in the agencies can work this out and make a recommendation, and you have 30 days to bring your recommendation back to Congress.'' In any event, the recommendation must come back here for final approval, and it will be up to the will of the Congress to make the final decision on these matters.

I think this is an excellent amendment, and I want to congratulate the Senator from West Virginia, again, for working this problem out. I am very happy that my colleague from Idaho sees fit to accept this on the other side of the aisle, and on our side we are very happy to accept it. I do not know if the Senator wants a rollcall vote on this. We are happy to accept it on our side if he does not want a rollcall vote.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Senator. I thank the two managers for their comments.

First, with reference to the comments by the distinguished Senator from Idaho, I have to say, and I am proud to say, that the new Senator from Idaho has greatly impressed me by his approach to the management of a bill. He has been very civil, very respectful of everyone's views and wishes. He has listened. He has been the very model of patience and fortitude. He has demonstrated a great skill in managing the bill. He has worked on this bill for a long time, I am sure.

Tennyson said:

> I am a part of all that I have met. . .

And I am proud to think of Tennyson's words as I contemplate working together with Senator KEMPTHORNE in the days to come. I have had experience working with him in recent days. He can reflect with great pride on his work here on this legislation, and I may or may not vote with him. I may or may not, I do not know yet. But there is something that supersedes and transcends things of that nature, and that is the respect we have for one another here. And I must say that I have great respect for Senator KEMPTHORNE, of Idaho.

I, of course, have equal respect for Senator GLENN, of Ohio. We have known each other for a long time.

I was thinking the other night, he was the first American to orbit the Earth. It took Lindbergh 33 hours to fly from this country to Paris in 1927. He ate one and a half of his five sandwiches as he crossed the ocean, sometimes flying 10 feet above the water, sometimes 10,000 feet above the water.

As he went over Cape Breton, the viewers with powerful glasses, according to the New York Times, could see, could make out the number ''211'' on Lindbergh's small plane that carried a load of only 5,500 pounds.

I would like to inquire of the distinguished Senator from Ohio how many minutes it required him to circle the Earth?

The Senator answers for the RECORD, he encircled the Earth once every 1 hour and 29 minutes; in other words, 89 minutes.

But let me sum it up like this.

Mr. GLENN. Will the Senator yield?

Mr. BYRD. Yes.

Mr. GLENN. There is another way to put the speed that is a little more interesting. It is a little under 18,000 miles an hour. But think where we are right now, and to your home would be 10 miles, I suppose, all the way out there.

Mr. BYRD. Yes.

Mr. GLENN. We would make that trip in the space of 2 seconds. You are making about 4.8 miles per second.

Mr. BYRD. Two seconds. The New York Times reported that Lindbergh flew over Cape Breton at the great speed of 100 miles per hour—100 miles per hour!

Well, things have changed a lot. Some things stay the same, or about the same. When I came to the Senate, it was the 86th Congress when I came to the Senate. I came to the House in the 83d Congress. But in the 86th Congress, I came to the U.S. Senate. Suppose an agency, a civil servant in a Federal agency—suppose this bill had been enacted into law the year I came, let us say, to the Senate, January 1959, in the 86th Congress.

I was the 1,579th Senator ever to serve in this body, and there have now been 1,826 Senators. What I am saying is suppose in the 86th Congress, this bill had become law and certain criteria had been established for the guidance of the Federal agencies. Suppose also that that law were still in effect. Imagine, since that Senate, in which I was the 1,579th, we have seen almost 2½ complete turnovers in the Senate, with the exception of Senator THURMOND—almost 2½ complete turnovers—yet the criteria remained the same. The Senators, who had voted in the committees in 1959 to establish the standards and the criteria by which the agency head would be guided, are gone. They would have passed from the stage of this life and gone on to their reward, most of them. And the agency head, the person down in the agency, has long since been replaced also.

The criteria that were established in the 84th might be much out of date today, as much out of date as Lindbergh's *Spirit of St. Louis* was when JOHN GLENN, Senator JOHN GLENN, circled the Earth. The criteria would be out of date. Would we be satisfied in letting someone down at the agency make these decisions with respect to mandates—less money, less mandate, or nullify the mandate—based on criteria that were created 37 years before?

I just pose that rhetorical question. I think that is what we are attempting here to rectify or avoid or to prevent.

I thank both of the managers for their kind remarks. I am ready to take my chair if another Senator wishes to speak.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Michigan.

Mr. LEVIN. Mr. President, the amendment offered by Senator BYRD is clearly an improvement in this bill. It leaves an awful lot of problems remaining, with which I think my friend from West Virginia would agree, but it does address at least a problem, and it does it in a very important way, and I wish to just kind of summarize what I understand the Byrd amendment will do.

The Senator from West Virginia said near the end of his comments that some things change and some things stay the same. One of the things which changes is, indeed, the criteria over the years or, to put it another way, technology over the years.

We might estimate in 1994 that 25 years from now it is going to cost State and local governments $60 million to clean up something. There could be a totally new technology in those years which would reduce the cost of that cleanup by 90 percent, and yet under the bill, before this amendment, that agency would have to be directed to reduce the mandate on State and local governments if the amount was not appropriated equal to what was thought to be the cost of that cleanup two decades before.

It makes no sense. This amendment gives us at least one way to correct it down the road. It does not solve the problem of whether or not these estimates are useful to begin with and whether we ought to create these points of order on such weak estimates to begin with. But at least it gives us at the end of the line—10, 20, 30 years down the line—a legislative way to correct a misestimate. That is the part that stays the same. That is the enduring part of this Constitution which this amendment protects. And that is the right of the legislative body to legislate. This amendment avoids directing agencies to do what legislatures ought to do.

Now, I know we can say in the bill that authorizing legislation has to set forth criteria, but the truth of the matter is that unless we adopt the Byrd amendment, there is a significant delegation of what should be a legislative function to the agencies, overcoming the constitutional argument that you cannot do it broadly by simply, as in S. 1, having used the word ''criteria,'' which may get by a constitutional point of order but barely. And it is not the way we should legislate. We should not be abdicating legislative function to agencies, creating points of order unless bills direct agencies to reduce mandates 20, 30 years down the road, based on estimates decades earlier which were squishy.

I want to add my voice of commendation of the Senator from West Virginia because he is doing two things in this amendment that are important. One is based on the reality of change, which he has illustrated much better than I can, and the other is based on the reality that some things should stay the same under our Constitution, which is our responsibility to legislate and not to just shove it all off on agencies decades down the road.

Now, that is two things which the amendment does. There are some things it does not do. It does not solve the problem of creating that point of order based on that estimate to begin with. I think my friend from West Virginia would agree with me that that problem remains. When does the mandate even begin?

We had a colloquy here in the Chamber the other night. We spent an hour trying to figure out when a mandate began and could not figure it out. That is the triggering moment. When does a mandate first create direct costs?

I put up a chart with CBO figures, and the managers at that time were unable to tell me when does that mandate begin. So it is very difficult to know when a mandate begins, frequently.

Sometimes it is clear but frequently it is difficult. In many authorization bills, it is impossible to know when the mandate ends unless you have an authorization bill that is 5 years, 10 years, 15 years, 20 years. If it is a permanent authorization, you do not know when that mandate ends. So we have the CBO trying to figure, sometimes in a matter of hours—maybe minutes—the cost of a mandate on 86,000 jurisdictions, and we as people who are legislating cannot even figure out when some mandates begin and when they end. We are putting a whole lot of importance on that estimate at the beginning point when a point of order is created.

That is the basic problem with this bill, and we have tried to address some of those problems. I am going to have an amendment later on this afternoon which is going to say the maximum length of that estimate will be 10 years. I do not know whether or not the amendment will be adopted, but I think we ought to have some finite time for the amount of the estimate if we want to be realistic.

As the Senator from West Virginia pointed out, right now in this bill the CBO has got—once it is triggered, once there is a $50 million threshold estimate in any 1 of the 5 years after it is effective, assuming you can figure that out—assuming that $50 million threshold is reached in any year, then they have to estimate the cost each year for the entire length of the bill's effectiveness, which can be forever. In order to make this a little more realistic for the CBO, I will offer an amendment

later on today which says just go out 10 years from the effective date.

Now, the Senator from West Virginia has addressed an important problem, but it also leaves unaddressed what I have described and also creates the following duplication, I believe. I would like him to comment on this. We have not had a chance to chat so this will be our chat.

Under his amendment, as I understand it, which is the best he was able to work out with the managers, what will happen is this. Fifteen years from now, an Appropriations Committee will be appropriating money in an area, and they will be reminded there was an estimate 15 years back by the CBO that the authorization bill that they are working on will cost State and local governments $60 million.

Now it is 15 years later. The new Appropriations Committee is looking at this authorization bill and they have information, which is reliable, that because of new technology that mandate will now cost no more than $6 million, about one-tenth of what the estimate was 15 years ago. The Appropriations Committee, I hope, would do the sensible thing and appropriate at the most what it would cost to implement the mandate, 10 percent of what the estimate was 15 years before. When they do that, they will send the bill to the Senate floor, the Senate will act on it, pass $6 million, send it to the House—maybe it would have come from the House, whatever, the House will say yes, you are right, whatever, it is only $6 million this year—the House will approve the bill, although the order will probably be reversed. In any event, both Houses will probably work out the difference. At that point the bill will go to the President, he will sign the appropriation bill, and then there will be $6 million.

And then the agency, under the Byrd amendment, will say whoops, that estimate 15 years ago was for $60 million. We have to send a statement to the Congress saying we can do that now for $6 million. And if we do not think we can then we can reduce the scope of the mandate. There are a number of options which the Byrd amendment provides. If they do that there will be expedited procedures. I will get into that in a moment. But there will be expedited procedures to be sure that the Congress can act on that recommendation of the agency so it is the Congress that is acting and not the agency.

Again, I applaud the Senator for that. I think it is a very important change. But nonetheless we have to legislate all over again. We have to go through that process twice. Now we will have a recommendation from the agency, expedited procedures, joint resolution, has to go to both Houses, then has to go to the President.

So there is another hoop, another hurdle, another moat, another wrinkle. It is worth doing. I do not use any of those words in the sense that I think it is not worth putting in that extra burden, that double appropriation process. Because I think it probably is, in order to avoid the other two problems which the amendment of the Senator addresses. But I am wondering if the Senator from West Virginia would agree with me that, in order to address the two problems which he has, that it will be required down the road, whenever that is, that there be two steps taken to appropriate the right amount of money instead of one? And even though we have gone through the appropriations process once and presumably the appropriation folks know all the facts when they appropriate and they appropriate the 10 percent of that estimate and it goes to the President and is signed into law—as I understand the amendment, I think I have it straight—we still have to go through this second step of having this report from the agency, the expedited procedure, the joint resolution that becomes law?

I am wondering if I am accurate? And if not, I would like to be illuminated on that point.

Mr. BYRD. It seems to me, Mr. President, this would not pose a problem. I would think that the appropriations bill could say ''notwithstanding any other act.'' Notwithstanding any other act or any other provision of law, the agency shall carry out the mandate with less money.

So that Appropriations Committee and the Senate at that time—the same thing with the other body—can act accordingly, in the light of the new facts and new circumstances.

Mr. LEVIN. I am wondering if that would also be the case, even in the absence, presumably, of the Senator's amendment?

Mr. BYRD. I would think so, yes.

Mr. LEVIN. So what the Senator's amendment adds to that possibility, which always exists, a subsequent legislative body could say, ''Notwithstanding any previous position of law,'' is a second avenue of overcoming an estimate which turns out either to be inaccurate or which a subsequent Congress does not want to legislate, basically.

Mr. BYRD. Exactly.

Mr. LEVIN. And if that second path is used, which is the substance of the Senator's amendment, at that point there would be the second step used?

Mr. BYRD. Yes.

Mr. LEVIN. I thank my friend. On the expedited procedures issue, the Senator from West Virginia indicated that he has not set forth one expedited procedure. So I assume from that we could have, in effect, as many expedited procedures basically as there are authorizations?

Mr. BYRD. Conceivably that is the case.

Such procedure might become like any other boilerplate language in connection with this type of legislation. I said earlier I do not like expedited procedures but there are times when they may be necessary. In this case I did not want to try to raise a barrier to the effectiveness of the legislation. I want to expedite the operation of it, so as to retain here in the legislative branch responsibility to act rather than offloading that responsibility on an agency head.

Mr. LEVIN. I thank the Senator from West Virginia for reminding us of just how far off estimates are—budget estimates that come from the CBO.

I also just add to that one thought. These estimates are the product of the work, frequently, of months, of I would guess hundreds of people with great skills in this area, for one Government. And they are off.

Mr. BYRD. They are off.

Mr. LEVIN. And the estimates that so much is going to depend on in S. 1 are estimates which will frequently be produced in hours. They will have to be if it is an amendment on the floor, and I think the Senator from Ohio is going to try to address the amendment issue.

Mr. BYRD. Yes.

Mr. LEVIN. But the problems will be even greater because of a number of reasons.

One, there are just going to be, presumably, few people working at most on trying to estimate the cost of a bill or an amendment for this purpose. That is No. 1.

No. 2, the period that the estimate has to be made for—in other words, when is the mandate effective—is frequently unknown and has to be guesstimated. The length of the mandate is longer. It is unlimited, unless the bill has a limit in it. The authorization bill could be 20, 30, 40 years—unlike these bills which I think at the most are 5 years. But it is an annual estimate.

So you have in the case of a budget deficit estimate which is way off, huge numbers of people working on it knowing months in advance that it has to be prepared for a certain date for one Government for a finite period of time. Whereas the estimate referred to in S. 1 is an estimate that could be for an infinite number of years—could be unlimited, with not knowing when the estimate is going to have to be made because amendments are offered without warning, frequently. Sometimes they are second-degree amendments. And it is even a far more uncertain process that has to be produced in a shorter timespan than the estimates which my friend from West Virginia has reminded us of.

Is that a fair statement?

Mr. BYRD. I think it is. And, as the Senator from Michigan has so often pointed out, in 87,000 different political entities throughout this Nation.

Mr. LEVIN. I thank my friend. I commend him for his efforts on this bill, to improve this bill. This has huge, vast problems remaining. I think it is a labyrinth that is being created here with so many uncertainties that it is going

to create problems for everybody, including the State and local governments frankly, as well as the legislative process. But this really represents a significant effort. I commend my friend for taking, always, the time to get into the details of a bill so we try to come up with something which makes sense beyond the beltway and which is workable inside this institution.

Mr. BYRD. Mr. President, I thank my distinguished friend. As we have commented on the estimates and pointing out invariably they are off, of course, there is no criticism of the fine people in the Congressional Budget Office; it is just simply that there is no man or woman in the 261 million people in these United States who can estimate accurately. It cannot be done. God, in His infinite wisdom, could tell us that figure. It is humanly impossible, absolutely impossible in light of changing circumstances, inflation, unemployment, et cetera, to come up with the right estimate.

I was just musing to myself. In ancient times you will remember the dream in which the baker and the butler had dreams. And the baker's dream was interpreted meaning in 3 days off would go his head, unlike the pleasant outcome of the prediction of the butler in his dream; namely, that in 3 days he would be back serving the king or the pharaoh. In ancient times the heads of these poor CBO people would roll.

Mr. LEVIN. Mr. President, we have adopted a number of amendments which are trying to make their life a little more realistic than otherwise, amendments allowing them to say—for instance my amendment—if they cannot make an estimate, they are allowed to be honest in the intergovernmental area the way they were originally in the private area.

I have one question of the Senator from West Virginia to make sure that I understand the meaning of his reference to the word ''mandate.''

On page 2 of his amendment, lines 20 and 21, he makes reference to the word ''mandate.'' Am I correct in understanding that the mandate referred to there is the mandate which is the subject of the section, which is the intergovernmental mandate?

Mr. BYRD. That is my understanding. It conforms to this language, namely, Federal intergovernmental mandates, on page 22, line 2, which is in the bill.

Mr. LEVIN. I thank the Senator.

Mr. BYRD. Mr. President, I thank Senator LEVIN. He is one of the most meticulous legislative craftsmen, not only in this body but that I have seen in any legislative body in which I have served. He is meticulous. He will not ''cavil on the ninth part of a hair,'' but he will study it very carefully. If we did not have a CARL LEVIN, we ought to make one.

Let me take this opportunity to thank Senator LEVIN's staff, Senator GLENN's staff, and Senator KEMPTHORNE's staff for their patience and their helpfulness in working with Jim English of my staff on this bill. The contributions of those three Senators and their staffs and my own staff have been great, and I am very thankful.

Mr. President, for those who may wonder, I have no objection to setting this vote for later. I would like to get the yeas and nays. I ask unanimous consent that it be in order to ask for the yeas and nays at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, I ask unanimous consent that the vote on the Byrd amendment take place at 2:45, and that until that time we take up the Wellstone amendment which is going to be agreed to on both sides. That should take up most of the time between now and until the vote on the Byrd amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I thank all Members.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I am trying to remember. I believe the amendment number is 204.

Mr. GLENN. I believe that is correct.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank the manager.

Mr. President, let me first of all thank the floor managers, the Senator from Idaho and the Senator from Ohio, for their work. I would also like to thank their staffs and thank Ken Boley, who has been working with me. We have been involved in negotiations, and I think we have come up with a very reasonable compromise.

This amendment makes sure that when we talk about savings we have a definition of what we mean by direct savings. It is not currently defined in the bill. In other words, what this amendment says is that if savings can be reasonably estimated, then it should be counted. When we do the cost-benefit analysis, we want to do the cost but we also want to do the benefit. And this just tightens up the definition of savings.

As I have said many times, I support the premise of this legislation. I think there are a variety of different rough spots that we have been trying to smooth over with the amendments. I think this amendment does that.

I thank both Senators for their support.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, I would like to thank the Senator for his contribution with this amendment. I would also like to inquire if the modifications that we have discussed have been sent to the desk.

Mr. WELLSTONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 204, AS MODIFIED

Mr. KEMPTHORNE. Mr. President, I send to the desk the modifications that have been made, and ask unanimous consent that they be accepted.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 204), as modified, is as follows:

Insert at the appropriate place the following:

( ) The term 'direct savings'—

( ) in the case of a federal intergovernmental mandate, means the aggregate estimated reduction in costs to any State, local government, or tribal government as a result of compliance with the federal intergovernmental mandate.

( ) in the case of a Federal private sector mandate, means the aggregate estimated reduction in costs to the private sector as a result of compliance with the Federal private sector mandate.

Mr. WELLSTONE. Mr. President, if the Senator will yield, I apologize. I thought that had been sent up.

Mr. KEMPTHORNE. Mr. President, we are ready to accept the amendment.

Mr. WELLSTONE. Mr. President, before we vote, I ask unanimous consent that Senator BOXER be listed as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. We are happy to accept the amendment on our side also. I think the Senator from Minnesota has made a good contribution. This certainly clarifies some things that were not clear before. I think that is good. I compliment him for pointing out these things. We are glad to accept it on our side also.

Mr. WELLSTONE. I thank the Senator from Idaho for his work in coming to an agreement on this amendment.

What we are trying to do with this amendment is to make it clear that the Congressional Budget Office ought to be diligent in calculating the savings a mandate will create for State and local governments. The focus of the Unfunded Mandates Act is on costs, but there is a recognition in the bill that mandates can also provide savings to state and local governments. That recognition is critical.

Under S. 1, costs to the public sector as a result of a Federal mandate must be paid for, or else a point of order lies

against the proposed legislation containing the mandate. Savings are involved because under the bill we need not pay for costs to the extent that they are offset by savings. In other words, you cannot calculate costs unless you can calculate savings.

Costs and savings are two sides of the same coin. Both are important. But S. 1 includes a 2½-page definition of costs, and absolutely no definition of savings. However, the bill does make the important point that the ultimate cost of a mandate is the net amount resulting when savings are subtracted from costs. What we do in this amendment is provide that clarifying definition of direct savings. If a savings can be reasonably estimated, it should be counted.

For example, assume that following reports of a rise in incidence of carpal tunnel syndrome, a bill is proposed to restrict the number of hours a data entry technician may work. In analyzing the costs and savings resulting from this mandate, CBO estimates that employers' liability will likely decrease under such a law because of fewer cases of the syndrome, and that insurance premiums will likely be lower as a result. Is that a direct savings? Also, since liability would be decreased, perhaps the amount of settlements and awards not covered by the insurance would decrease as well. Is that also a savings? Under S. 1 as clarified by this amendment, CBO will have guidance and balance in making that decision.

How about savings that would result from workers not taking as many sick days? And savings from lower hospital bills the State might have to pick up? Again, under S. 1 as clarified by this amendment, CBO will have guidance and balance in making that decision.

I ask my friend the Senator from Idaho who is the prime sponsor of this legislation if he agrees with the intent of this amendment as I have outlined it.

Mr. KEMPTHORNE. I would respond to the Senator from Minnesota that I do agree with the intent of this amendment as he has outlined it.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment (No. 204), as modified.

The amendment (No. 204), as modified, was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 213, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of amendment No. 213, as modified.

Mr. HATCH. Mr. President, I congratulate Senator BYRD and Senator KEMPTHORNE on agreeing to mutually satisfactory language on this point-of-order provision. While I did not share Senator BYRD's concerns over what he saw as constitutionally dubious language in S. 1, I am pleased that he and Senator KEMPTHORNE have been able to agree on language that resolves his concern.

I am satisfied that the language in Senator BYRD's amendment is constitutional. For the sake of clarification only, I add that the language on page 3, lines 11 to 14 of the amendment, referring to approval by Congress of a joint resolution, is understood by all to contemplate that that joint resolution will become law. In short, no joint resolution will be deemed approved by Congress within the meaning of this language unless and until it has been signed by the President or, if it has been subject to a veto, the veto has been overridden by both Houses. This understanding is necessary and adequate to ensure that the procedure contemplated by the provision complies with the Constitution.

The PRESIDING OFFICER. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. GREGG). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 49 Leg.]

YEAS—100

Abraham	Feinstein	Mack
Akaka	Ford	McCain
Ashcroft	Frist	McConnell
Baucus	Glenn	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Bradley	Gregg	Nunn
Breaux	Harkin	Packwood
Brown	Hatch	Pell
Bryan	Hatfield	Pressler
Bumpers	Heflin	Pryor
Burns	Helms	Reid
Byrd	Hollings	Robb
Campbell	Hutchison	Rockefeller
Chafee	Inhofe	Roth
Coats	Inouye	Santorum
Cochran	Jeffords	Sarbanes
Cohen	Johnston	Shelby
Conrad	Kassebaum	Simon
Coverdell	Kempthorne	Simpson
Craig	Kennedy	Smith
D'Amato	Kerrey	Snowe
Daschle	Kerry	Specter
DeWine	Kohl	Stevens
Dodd	Kyl	Thomas
Dole	Lautenberg	Thompson
Domenici	Leahy	Thurmond
Dorgan	Levin	Warner
Exon	Lieberman	Wellstone
Faircloth	Lott	
Feingold	Lugar	

So the amendment (No. 213) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KEMPTHORNE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GLENN. Mr. President, what is the order of business?

AMENDMENT NO. 196 TO AMENDMENT NO. 190

The PRESIDING OFFICER. Under the previous order, the question occurs on amendment No. 196, offered by the Senator from Idaho, which is pending to amendment No. 190 offered by the Senator from Iowa. Debate on the amendment is limited to 1 hour equally divided and controlled by Senators KEMPTHORNE and HARKIN.

Who yields time?

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I would like to congratulate my colleagues, Senator KEMPTHORNE and others, for offering this amendment.

The PRESIDING OFFICER. Does the Senator from Idaho yield time to the Senator from Utah?

Mr. HATCH. I am managing the bill at this time.

The PRESIDING OFFICER. The Senator from Utah yields himself such time as he may consume.

Mr. HATCH. Mr. President, I would like to repeat that. I would like to congratulate my colleagues, Senator KEMPTHORNE, and others, for offering this amendment. This amendment expresses the sense of the Senate that in implementing the balanced budget amendment, Congress will neither cut Social Security benefits nor increase Social Security taxes to balance the budget. Let me repeat that: Congress will neither cut Social Security benefits nor increase Social Security taxes to balance the budget.

This is a very good approach to ensuring that we will not harm either our current nor our future retirees as we get the Nation's fiscal house in order.

For all our generations, this is important. We all want to protect Social Security. There is not a person in this body who is not going to do that. And yet there are going to be a number of amendments that are basically irrelevant trying to show that they are going to try and protect us from ourselves with regard to Social Security. I do not know of anybody in the House or the Senate who is not going to protect Social Security under the balanced budget amendment. But everybody knows that if we amend the balanced budget amendment to exclude Social Security from its features, that balanced budget amendment will not be worth the paper it is written on. Everybody knows that, including those who basically are arguing this issue.

There is no question that we will protect Social Security in the implementing legislation. There is not a Member of Congress who will not vote to do that, and that definitely will be there.

This sense-of-the-Senate resolution says in passing the implementing legislation, Congress will neither cut Social Security benefits nor increase Social Security taxes to balance the budget. So we cover both ends of the spectrum.

We all want to protect Social Security. It holds a special place in our national programs. We want to protect Social Security in an appropriate and reasonable way. This provision does that. It is wholly appropriate, it is wholly reasonable, and it points the way to real protection for those who are relying upon the Social Security Trust Funds.

This provision goes to the heart of the concern of some that Social Security benefit cuts or tax hikes could result from attempts to balance the Federal budget. It expresses the sense of the Senate that as we move to balancing the budget that we will not cut benefits nor raise taxes in the Social Security trust fund in order to balance the budget.

I wholly agree with the intention of this provision, and I urge my colleagues, all those who, like me, support a balanced budget and all of those who, like me—meaning everybody—support protecting Social Security to vote for this amendment. Let us adopt this reasonable and appropriate approach to protecting Social Security as we move toward balancing our Federal budget.

One last comment. We have to do it this way. We will pass implementing legislation that will fully protect Social Security. This resolution commits us to doing that. But if we try to amend the balanced budget amendment and put statutory language of protection for Social Security in that, it is gone. It will not be worth the paper it is written on, and everybody who knows constitutional law knows that. I presume every Member of Congress knows that.

Mr. President, I yield 3 minutes to the distinguished Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I join my colleague from Utah in urging the adoption of this and the rejection of anything that suggests that we ought to have a Social Security exemption in the Constitution.

The interesting thing about the wording, and we went through this in the Judiciary Committee, what you would do for the first time in the history of the Nation is you would exempt a specific statute. That is not the way you write a Constitution. Then you have a huge loophole through which you can put anything you want in that statute. It just is not the way we ought to do things.

Second, by exempting Social Security, we do not make ourselves obligated in the years to come. Starting in the year 2012 or 2014, depending on how quickly people retire, Social Security will start going into the red. We need to anticipate that.

This is a commitment to people that we are going to try and act responsibly in this whole process. Are there going to have to be adjustments to future retirees in Social Security or to employers or to a FICA tax or something? The answer is at some point in the future that will have to take place because we want to make sure Social Security is sound but this does no favor, long-term, to Social Security recipients.

Let me add one other point. Those who oppose a balanced budget amendment are going around telling every group—we just had it yesterday from the Secretary of Defense. He said, ''Oh, this is all going to come out of defense and you are going to hurt defense.'' They are going to groups that fight for social causes and saying, ''Oh, it is all going to come out of yours.'' And they are going to Social Security recipients and others saying, ''Oh, this is all going to come out of you.''

This is a commitment that we want to do this thing responsibly, and I believe we will. We need to get on a glidepath toward a balanced budget, and that is the commitment of the balanced budget amendment.

I will vote for this amendment. I will oppose any secondary amendments that suggest that we ought to have an amendment to the Constitution on this.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I yield 5 minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I, at the appropriate time, will move to table the Kempthorne amendment. Last year, when we debated the balanced budget amendment I also exempted Social Security. At the time, my friend from Utah said, ''It is a fig leaf.''

They did not invent a fig leaf until the amendment now before us had been offered. This is the biggest farce to the senior citizens of America that has been attempted to be perpetrated on them in a long time. If, in fact, this fig leaf is adopted, people can walk out and say, ''We are going to put it in the implementing legislation.'' And, in fact—I have every respect for my friend from Utah—I am sure he will do his best that it does become part of the implementing legislation. But what happens 5 years from now, 7 years from now, 8 years from now? Any legislative body can change the implementing legislation.

This is a farce. Everyone within the sound of my voice should understand that the Committee to Preserve Social Security, the AARP—all those groups that represent senior citizens in this country—oppose an amendment like this. This is offered only for show. But those who are watching this debate will see through its transparency.

We are going to have an opportunity when the balanced budget amendment is brought before this body to debate and vote on whether or not there should be an exclusion from the balanced budget amendment of Social Security. The resounding answer is that there should be an exclusion. Why? Because Social Security should rise or fall on its own merits.

I sat for the better part of 1 year on the entitlement commission. We studied Social Security. We know what is powerful about Social Security. We know the weaknesses of Social Security.

Mr. President, Social Security is this year going to have a surplus of $80 billion. Right after the turn of the century, the surplus will be in the hundreds of millions of dollars. We have to stop raiding these Social Security trust funds to make the books look better in Congress. We have to do that to protect the original contract with America, passed during the Great Depression, a contract of which we all are very proud. One of the most resounding acts of politics, of Government in the history of the world has been the Social Security agreement that we have in this country.

I think it would be a disservice to the people of this country to allow this amendment to pass. That is why I will move to table it. I believe that if we are going to have a debate, it should be reserved to whether or not the people of this body are going to exempt Social Security. That is the vote. That is why I applaud and commend my friend from Iowa for bringing this to the Senate's attention. We must recognize that Social Security should be exempted.

Finally, Mr. President, including the exemption in the constitutional balanced budget amendment is the only way to ensure that the trust funds will not be looted and that the trust fund will not become a slush fund. Congress has long recognized the special nature of Social Security. It is a contract that must be enforced. We can only guarantee continued performance of this contract if we expressly exempt Social Security from a balanced budget amendment. I recommend and plead with my colleagues to vote with me in tabling this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, I yield 5 minutes to the Senator from North Dakota [Mr. DORGAN].

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 5 minutes.

Mr. DORGAN. Mr. President, I rise to oppose the Kempthorne second-degree amendment. Senator KEMPTHORNE is attempting to weaken Senator HARKIN's amendment, which would put the Senate on record on a very important issue. Senator HARKIN's amendment would commit the Senate to protecting Social Security in the balanced budget amendment that we debate next week.

Let me try to underscore what is at work here.

This is not a discussion about good intentions. Everybody here has good intentions. All Senators would stand up, I am sure, and say, well, we are headed toward a balanced budget. Count on me. I guarantee we are not talking about cutting Social Security benefits.

Mr. President, if this is truly the case, then let us turn good intentions into a constitutional provision.

Here is why it is important. The agenda of the new majority party says the following three things: One, we want to increase defense spending, one of the largest areas of spending in the Federal budget. Two, we want to cut taxes. And three, we want by the year 2002 to force a balanced budget.

The question is, how? How does that add up, if one says we want to have a balanced budget by the year 2002 without affecting Social Security? I have heard the argument made: We want to do that without affecting Social Security. But if you take Social Security out, people tell us, that means nothing. What on Earth is that saying? That is a contradiction in logic that, I am sorry, I just do not follow.

Look, we take money out of workers' paychecks every day and every way in this country for one specific purpose, and it is labeled on the paycheck. It is money to go into a trust fund to pay for Social Security. That is the compact between those who work and those who used to work. That goes into a trust fund.

That trust fund this year had $69 billion more come into the trust fund than was spent out of the trust fund. Not one cent of the Federal deficit this year was created or caused by the Social Security system.

Now, why are we collecting more? Because we are saving it for when the baby boomers retire. If we do not take this surplus out of the balanced budget amendment's calculations, we will surely raid the Social Security trust funds, and all of us know it, in order to achieve the balanced budget amendment. Then we will probably deny it all the way to the bank.

The only way to keep the promise that has been made in this country is to pass the sense-of-the-Senate resolution offered by Senator HARKIN today, and then pass the proposal to the balanced budget amendment that will be offered by Senator REID and myself, Senator CONRAD, and Senator HARKIN next week, and that simply says this: No one shall be entitled or enabled to raid the Social Security trust fund to accomplish a balanced budget amendment because the Social Security system has not caused one penny of the Federal deficit. It is now running a very substantial surplus. The money that is taken from the workers' paychecks and from the employers who employ them is money that is sent into a trust fund to be spent for only one purpose. If this money is not for that purpose, then we ought to change the tax, eliminate the Social Security tax.

But all of us know exactly what is going on here. We want to play a little game and talk about a goal out there in the year 2002 without tying your hands.

Well, with respect to raiding the Social Security trust funds, I say let us bring some rope and tie some hands around here. Let us provide some guarantees. Let us tell seniors and workers for whom this compact exists that we mean what we say, that this is not about good intentions. This is about a good constitutional amendment to balance the budget. And the way that constitutional amendment will be a good amendment is if we keep this promise that the American people have made and kept decade after decade after decade since the 1930's.

This issue is not going to go away, and this issue is not going to be solved by good intentions or rhetoric. It will be solved not by passing the Kempthorne second-degree amendment which, as the Senator indicated, does not solve this problem. It will only be solved by passing today the sense-of-the-Senate resolution offered by Senator HARKIN and passing next week the amendment we intend to offer to the constitutional amendment and which we hope this Senate will adopt.

Mr. President, I yield the remainder of my time to my friend from Iowa.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, everybody knows that everybody in this body, everybody in the other body, is going to protect Social Security. We are going to protect it in the implementing legislation without question. If we put in an exemption, a statutory exemption for Social Security in the balanced budget amendment, it will make the balanced budget amendment worthless. We all know that.

But more importantly, if it is put in there, I guarantee you, you are putting Social Security at risk, and I will tell you why. Because once you put it in the balanced budget amendment, then everybody and anybody is going to be pouring their programs through that Social Security loophole calling it Social Security. I can see child care; I can see almost everything else. And guess who is going to lose? It is going to be the senior citizens in this country.

It is far better to legislate with legislation than to legislate on a constitutional amendment. And we are going to guarantee it. There is no doubt of anybody in the world that we are not going to guarantee Social Security on the implementing legislation.

So this argument is really a bogus argument. In a sense, it is an unconstitutional argument because we do not legislate on constitutional amendments. And if you provide any loophole for any part of the budget, that will be the hole through which they will drive millions of trucks in the form of all kinds of ideas on legislation. Everybody's special interest will be labeled that loophole exception.

Now, we all know that. We all know this is kind of let's-see-who-can-stand-up-for-Social-Security-the-most, although everybody does. So we simply believe the way to do it is the way the Kempthorne amendment is written. We protect Social Security. We will do it in the implementing legislation, and we will protect it from decreases or increases through tax increases. We will not allow the taxes to increase, either.

That way it is a level playing field and everybody is protected, plus we give the assurance that after the balanced budget amendment is passed we will work on implementing legislation which will do in a better form, in a better way, with greater guarantees, exactly what my sincere colleagues—and I acknowledge they are sincere—are trying to do here.

I yield 5 minutes to my friend and colleague from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. I thank the Senator from Utah for yielding.

I suspect he and I and a good many others ought well get used to the floor, because starting next week the chairman of the Judiciary Committee, my colleague from Utah, will be leading the battle, the debate, the discussion, on a balanced budget amendment as it comes to the floor of the Senate.

I did not think we would start that debate until then. But it is obvious there is a lot of partisan jockeying at this moment to see who can appear to be the better defender of the Social Security system. Mr. President, that kind of jockeying will not work; it has not worked. It has been tried before. The American public have clearly rejected it.

If I could take just a few of us back a decade to the early 1980's when the Social Security trust fund was truly in trouble, there was no money; it had been spent out and the revenue flows coming into the trust fund simply were not adequate to build any kind of revenue base, to build any kind of security to that system, and there was a real question that the checks could even go out. The partisan wrangling began. Thank goodness, Ronald Reagan and the Democrat Speaker of the House, Tip O'Neil, said: This will not work. We have as a nation always stood together in our support of Social Security. And we will stand together now. And Social Security will be as strong in the year 2002, when the Federal budget is balanced, as it is today. Because the American people will expect it and our Federal budget will not be balanced on the back of the Social Security System.

The American people want a stable Social Security System and they expect it to pay out what they put in.

They need to be assured that their benefits will not be cut to pay for other spending programs. The Senator from Utah is absolutely right. If we create the exclusivity of a massive loophole as the Senator from Iowa and those who support him tonight are trying to do, what will occur is exactly what happened in the 1950's and the 1960's and the 1970's, when there was a great desire to do social good but nobody had the will to raise taxes. We began to plug programs into the Social Security System, and myriad programs were plugged in. Were they socially worthy? Absolutely. None of us disputed that at that time. I was not here. Many Senators were not. But we had to pick up the pieces in the 1980's when the Congress of the United States finally had to fix the result of a broken trust fund system because already too much had been added.

If you create a giant revenue source and you create exclusivity to it—and that is exactly what the Senator from Iowa is attempting to do this evening—then you will in fact create a magnet that will draw all other kinds of programs under the guise that this somehow has a unique lure to the Social Security System. And the elderly of this country will say, it is for children? It is for the poor? I thought this was an exclusive income supplement program for those who had paid into it and those who were worthy and eligible by age and by definition. That is what we risk tonight.

What the Senator from Idaho in his second-degree amendment has proposed to do is to state clearly the intent of the U.S. Senate, much like the House did just yesterday in a resolution to speak clearly to the intent of the House. It is not much different from what we are attempting to do here, that it is the collective will, wisdom, and understanding of the U.S. Congress that as we work over the next 7 years to balance the Federal budget, we will not look to Social Security as a method and approach and revenue source to do so. It will be the responsibility to honor the trust funds and honor our responsibility and our pledge to the elderly of America that we will not balance the Federal budget on the backs of that program.

That is, of course, what the second-degree amendment speaks to, not just a revenue flow out from the System but a revenue flow in; that we will not attempt to use taxes to bolster up a System in the guise of Social Security to pay out for programs that would otherwise fall outside.

So I strongly support the second-degree amendment. I hope my colleagues can see the games that are being played. They really ought not be played, because this is without question a strong bipartisan issue. It has always been that. It should never be anything less than that.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa?

Mr. HARKIN. Mr. President, I will yield to my colleague in just a second. I do want to respond a little bit, though, to the comment made by the Senator from Idaho and the Senator from Utah.

It is hard to know where to begin. Basically what the Senator from Idaho and the Senator from Utah are saying to the elderly and to the workers of America is: Trust us. We do not have to exempt it from the balanced budget amendment. Just trust us.

It sounds like a used car salesman. You go to buy a used car and they say: We will not give you a guarantee, just trust me. That is the kind of argument we are hearing here.

They are talking about, somehow, if we do this in a constitutional amendment, if we exempt Social Security, then all of these other programs will be run through Social Security. It is evident to this Senator maybe the Senator from Idaho and the Senator from Utah have not really read the pertinent legislation. We took Social Security off budget in 1990. Then later on we made it an independent agency. Social Security is an independent agency with an independent board. If they try to run through poverty programs and everything else they are talking about through it, they would be guilty of a criminal conspiracy. It is impossible to do that. It is an independent board. That is why we removed it from politics.

Last, sort of an argument made by the Senator from Utah and the Senator from Idaho: if we put this on, we will try to add everything else onto the constitutional amendment to balance the budget.

Last year the same thing. I do not see any rush of other amendments to exempt this and exempt that and exempt anything else. This is the only one I know of. It makes common sense and good sense because it is a separate trust fund, separate taxes, separate trust fund.

Let me say, I think the proof of the pudding is what has happened so far. The Senate Judiciary Committee just passed it out. Let me say the Senate Judiciary Committee, led by the Senator from Utah, my good friend, the language that they passed clearly includes Social Security receipts and benefit payments to recipients in calculating whether or not we will have a balanced budget. There was a vote in the Judiciary Committee. It was debated and a vote was taken. The Judiciary Committee by a vote of 10 to 8 decided to have Social Security figured into the calculations of whether the budget is balanced or not. It makes no difference whether you put it in implementing legislation. That is nothing.

Mr. HATCH. Will the Senator yield on that?

Mr. HARKIN. In just 1 second I will.

In implementing legislation—we can change that next year. We had a constitutional amendment in 1913 to put in the Constitution that the Federal Government can collect income taxes. How is that implemented? We implement that through the IRS Code and we change that every year. That is what you would be facing with Social Security.

As the Senator from North Dakota said, with those many billions, actually $3 trillion by 2020, in the Social Security trust fund, that is where they want to go to balance the budget: on the backs of the elderly, on the backs of the workers of America. That is where they want to go.

The Senator from Utah can correct me, but I understand the vote was 10 to 8 and the only Republican who voted for the Feinstein amendment to exempt Social Security was Senator SPECTER.

If I am wrong on that, if my information is wrong, I will stand corrected. But there was an amendment to exempt it. It was 10 to 8. I think the intentions are clear there. Those who want a constitutional amendment to balance the budget—and I am one of those; I have voted for one in the past and I will in the future, but I will not vote for a constitutional amendment to balance the budget that is going to balance it on the backs of the elderly by using Social Security. It is separate. It is off budget. It is a separate agency and it ought to be left that way.

I yield.

Mr. EXON. Mr. President, with all due respect, I hate to ask either side for time because neither side is going to be particularly appreciative of what the Senator from Nebraska is about to say.

Therefore, I ask unanimous consent I be allowed to speak for not to exceed 4 minutes with the time not charged to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. EXON. Mr. President, I hope I am wrong, but I am not sure that I am. There may be some well-meaning attempts on both sides of the aisle for the underlying amendment by the Senator from Iowa and the second-degree amendment by the other side of the aisle, Senator HATCH or Senator KEMPTHORNE or whoever. I simply say, certainly there will be a lot of votes one way or the other on these measures. I want to explain the Senator from Nebraska will be voting against both. I am not saying I am any holier or any prouder or any more honest than any of my colleagues, but I simply say if you believe in a balanced budget amendment, then we should have a balanced budget amendment. That is going to be very, very difficult to do by the year 2002.

We should have a balanced budget amendment without any handcuffs. I for one am not sure that I would or that everybody would vote for making any reductions whatsoever in either tax increases, or benefit decreases to

balance the Federal budget. I simply say that I am fearful that there is a great deal of politics being played on both sides of the aisle on this issue. There are those who really believe that we should have as part of a constitutional amendment to balance the budget a hands off policy on Social Security.

It seems to me that the second-degree amendment is what we generally call an amendment around here that lets you vote for it but really you are not. I simply say once again emphasizing I am not sure that as we proceed to balance the budget that we need to or we should touch Social Security—the well-known third electrical rail of politics, touch it and you are dead politically. But I am going to vote against both of these amendments because I think both of them, from my perspective, without trying to judge what the proponents of the two amendments are trying to do—I judge that the courageous, honest thing to do if you want to balance the budget is not put a whole group of caveats in, we are not going to do this and we are not going to do that. I do not think we should touch Social Security. But to put it in the constitutional amendment, in my view, would be unwise. I think it would also likely be unwise just for cover to have a sense of the Senate that says the same thing.

Another way of saying that I damn both of their houses because I think this is not realistic. I think it is not politically honest. If you do not want to balance the Federal budget, then it is a good amendment.

I hope that we will defeat both the first- and second-degree amendments. That is how this Senator will vote.

I thank the Chair. I thank the body.

Mr. HARKIN. Mr. President, I want to respond to my good friend from Nebraska. If you really want a tough constitutional amendment to balance the budget, I hope the Senator will support our efforts to exclude Social Security because, if you include Social Security, that is where they are going to go. That is going to be easy because by 2002 we are going to have about pretty close to $1 trillion in that trust fund. That is where they will go to get it to balance the budget. Everybody will feel good. But what is going to happen then is later on when that baby-boom generation starts to retire, those trust funds will be depleted. I believe those who want to include Social Security are looking for a quick fix, are looking for an easy way out. I do not think there ought to be an easy way out.

I yield up to 5 minutes to the Senator from North Dakota.

Mr. EXON. Will the Senator yield for a question?

Mr. HARKIN. Yes; I yield for a question.

Mr. EXON. Mr. President, my question is, If you are going to make a special case in the exemption of Social Security—which you can have arguments for and in some cases I might support—where are we going down that road to elimination? What about the veteran laying out here in the veterans hospital with two of his lower limbs off? Are we going to put in a caveat to make sure that his benefits are not touched? I suppose, if we are going to do that for one program, we could do it for another. I cannot think of anything more important than our veterans. That is an issue that we do not want to talk about, but it is an issue I suggest should be discussed. And I would like my colleague from Iowa to answer that question.

Mr. HARKIN. Mr. President, as a veteran myself I agree with the Senator. But the point is there is no separate trust fund for that. If the Senator would like to propose setting up a veterans trust fund, then we can go down that road. The fact is since the 1930's we have had a separate trust fund for Social Security. There is a separate line on the paycheck. That is where the money goes. We took it off budget a few years ago. We set up an independent agency all separate and apart. Funds that come into Social Security that workers pay in go out for the benefits. They are not commingled. Yet now they want to raid it.

So while I understand the Senator's views on veterans and I sympathize with that, it is simply not a trust fund, and we would have to go ahead and establish such a thing before we could ever exempt it. I do not know that the will is here to set up that kind of independent trust fund.

I yield 5 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the Senator from Iowa. This has been an interesting debate. We have heard that everybody here is going to protect Social Security. I wish that were true, but that is not the record. Before I came here in 1986, the Republicans were in the majority, and they went right after Social Security. We are not talking about just cutting the growth. They wanted to cut Social Security minimum benefits, cut them, less money the next year than the year before. That is the record.

So it is easy to stand on the floor and say everybody is going to protect it. But we can look back in history and see what our friends on the other side of the aisle did the last time they were in control. They went right after Social Security. Make no mistake about that record.

What is important to understand is we are here talking about a giant hoax. It is all a giant hoax on the American public because we have been hearing about a Social Security trust fund. There is no trust fund. Go try to find it. Go look. Have a search around Washington to try to find where this money is in the trust fund. It is nowhere to be found. It has all been spent. That is the truth of the matter.

What is happening around here is that the Social Security surpluses are being consistently systematically looted. The money is being taken to cover up how big the deficit really is. That is what the truth is. That is what really is happening. What some of us believe is that a trust fund ought to be a trust fund. It ought to be held in trust. It ought not to be looted for some other purpose. Why is it being done, people might ask? Why is this being done in Washington? Why are the Social Security surpluses being systematically looted to pay for the rest of the operating budget? I believe it is because a payroll tax which is regressive is financing the Social Security fund and those surpluses. And to the extent there are surpluses, that money is being used to offset the rest of the Federal deficit because you are using a payroll tax to fund the ongoing operations of Government. That is a burden and responsibility that ought to be shared by everybody, not just those who are on a payroll.

In fact, in this country, two-thirds of the people pay more in payroll taxes than they pay in income taxes. And to the extent those surpluses are being used to fund the ongoing operations of Government, what we have going on here is absolutely unconscionable and a fraud.

I asked my colleagues on the Budget Committee several years ago. ''Why is the Reverend Jim Bakker in jail? Why did he go to Federal penitentiary?'' The reason? Because he raised money for one purpose and he used it for another. That is called fraud. That is exactly what is going on with Social Security. We are raising money, taking it with a payroll tax out of people's pockets. Two-thirds of the people pay more in payroll taxes than they pay in income taxes. And we tell them we are using it to fund Social Security. Part of that is true. But to the extent there is a surplus, it is not true.

Mr. President, this chart shows the systematic looting of the Social Security trust fund that we will enshrine in the Constitution if we go ahead and pass the Kempthorne amendment and not put this provision in the balanced budget amendment.

I favor a balanced budget amendment. I think we ought to pass a balanced budget amendment. I am persuaded in my 8 years here that we are not going to balance the budget unless we have one. But it ought to be done in the right way. It ought not to be done by assuming we are going to loot a trust fund in order to balance the budget.

How big we are talking about here? This chart shows how big it is. This chart shows what the surpluses will be from 1995 to 2002. That is an 8-year period. The total amount of this is over $700 billion. That is what is at stake. Those who do not want to put it in the balanced budget amendment and put it in the Constitution and want Social Security treated as a trust fund are

really saying we want to take $636 billion over the next 7 years. And we ought to use that to balance the operating budget.

Mr. President, any CEO in America who stood up and announced that he was going to use the trust funds, the retirement funds of his employees to balance the operating budget, would be on his way to a Federal penitentiary. That is a violation of Federal law. That same standard ought to apply to us, as the stewards for the Social Security trust fund.

Mr. President, if people really want to treat Social Security as a trust fund, if they really want to be true to the trust, then we need to put in the Constitution with a balanced budget amendment that Social Security surpluses will not be systematically looted to balance the operating budget. That is what this debate is all about.

Mr. President, I have a financial background. Maybe that makes it more difficult for me to approach these issues. But I say to my colleagues, if you pass the Kempthorne amendment, it is like putting lipstick on a corpse; it does not make it any more attractive. It may add a little superficial appeal, but it is a cold corpse. That is what we are talking about.

The Kempthorne amendment says we are going to protect Social Security until next year when we might change this statute and decide to loot it, just like we have been looting it every year. Mr. President, that is not good enough. If we are going to have a balanced budget amendment enshrined in the Constitution, then we ought to make certain that enshrined in the Constitution as well is the obligation that a trust fund is treated as a trust fund, not as a honey pot, not as a place we go to loot in order to make balancing the operating budget easier. That is precisely what this vote is all about.

I thank the Chair and yield the floor.

Mr. HATCH. Mr. President, I am really interested in the argument of the distinguished Senator from North Dakota. He has just been making our case. If you enshrine this into the constitutional balanced budget amendment, this statutory provision, that will be the loophole through which every spending program in the country will be able to be expanded—all at the expense of our senior citizens.

The Senator from North Dakota makes our argument better than I have made it. Under the Harkin amendment—if we go to the Harkin amendment—there is every opportunity and incentive to continue to use the Social Security Trust Funds to fund general budget outlays. Every opportunity. Look at how they are robbing it now. Yes, they are looting it. We have all kinds of programs that they define as Social Security that are now being paid for under Social Security, as general budget outlays.

In fact, if Social Security is our only way to borrow—and that is what we would do by putting it in the actual constitutional amendment—I would have to say there would be even more temptation to loot the Social Security trust funds to pay for general budget items.

The Harkin amendment, the underlying amendment, increases the problem. I do not know how anybody can argue for that. I think the arguments of the Senator from North Dakota make our case for us.

Let me cite the Seniors Coalition. In a letter, they said:

> If Social Security is exempted—

These are seniors, and that is what they want to do in the Harkin amendment.

> the total force of balancing the budget will find its way to Social Security. There will be an overwhelming temptation to either redefine Government programs as Social Security programs, or pull money out of the trust fund to balance the budget by cutting Social Security taxes to offset tax increases elsewhere. In fact, there would be nothing to stop Congress from ''borrowing'' as much money as it wanted from the trust funds to finance any other Government program.

My gosh, I do not see the logic in their arguments. I do know that when you talk about constitutional amendments, you do not legislate on constitutional amendments. I do know that if we do legislate on them and we provide any loophole—I do not care whether it is Social Security, veterans' rights, you name it—that will be the loophole through which they will drive every spending program that they do not want to balance the budget with.

The argument of the Senator from Iowa is an argument which says, ''Trust us wonderful Members of Congress by exempting Social Security.'' He is saying ''trust us'' to the senior citizens and workers. It says to Americans, ''Give us a constitutional exemption to the balanced budget rule, and trust us to resist the pressure to fund worthy programs.'' We are talking about worthy programs, through Social Security trust financing.

Does anybody in America believe that Congress can resist doing that, if we provide this loophole in the balanced budget amendment? My gosh, how could we resist this balanced budget spending loophole? Could the Congress resist using any available money to fund worthy programs, including Social Security moneys? That is why we have the deficit and debt problem we have. Congress is the fiscal drunken sailor, and here these folks—and they are sincere, and I have no doubt about that; these are my dearest friends and these are great people, and they worry about people who have disabilities and they worry about our senior citizens. Everything they are doing here is sincere, but it is constitutionally very unsound. That is why we have to vote for the Kempthorne amendment.

The reason we have this huge debt and these deficit problems is because Congress cannot control itself. That is why we want a balanced budget amendment. These folks—sincere and honest and decent people—who want to do what is right, which I acknowledge—want to exempt Social Security in the actual constitutional amendment. If they do that, my gosh, that becomes an exemption through which everybody is going to call their special spending program, their worthy program, Social Security. And many of them are worthy programs. I do not know how you can avoid it. I do not see the logic in their argument.

The Kempthorne amendment says, look, we have expressed the sense of the Senate that once the balanced budget amendment is passed, without loopholes, without special consideration to anybody, we are going to, in the implementing legislation and all legislation that follows that—exempt Social Security from being raided. It is just that simple. And there is not one Senator on this floor who would not vote for that after the balanced budget amendment is passed. But if we go with the Harkin amendment, sincere as it may be, my gosh, I doubt that any of these three or four who have been arguing for it would raid the Social Security funds. But they are only 4 of 100 people here. I can name at least 51 of them here who would raid those funds every time they had a chance to do something noble and worthy. Why, we do that all the time around here. They think every program is noble and worthy, and most of them are.

The problem is, like drunken sailors, we cannot quit drinking because it is more fun to spend money than to conserve money. That is what the balanced budget amendment is all about. It is against these gimmicks of trying to exempt anything. And then let us face it straight up in the implementing legislation afterwards, and we will protect our seniors, and there is nobody in America who understands this who would doubt that.

Mr. CONRAD. Will the Senator yield for a question?

Mr. HATCH. Yes.

Mr. CONRAD. I just ask the Senator, in the balanced budget amendment you have outlined, what budget is being balanced?

Mr. HATCH. Over a period of 7 years, we will have to have a glidepath to balancing the Federal budget, and I believe it will be without utilizing Social Security funds, as we do today, to help do that. That is what I will be working on, and that is what the implementing legislation is.

Mr. CONRAD. But that is not what the amendment before us says, Mr. President. The amendment before us says that the budget that will be balanced is all of the funds coming into the Federal Government matched against the outlays of the Federal Government. And, by that definition, it says we are going to use $636 billion of Social Security trust funds to balance the budget. That is, in effect, looting the Social Security trust funds in order

to balance the budget. It is commingling the operating funds with the trust fund.

Mr. HATCH. Mr. President, if I could reclaim my time, that is not what the amendment says. The amendment says we are not going to play this game of legislating on the balanced budget amendment. It basically says that the sense of the Senate is that we will neither cut Social Security benefits nor will we increase the Social Security taxes. That is all it says.

We are going to have to face that problem post the balanced budget amendment to do what the distinguished Senator says we have to do. The amendment by the distinguished Senator from Iowa only provides a loophole through which we can ignore the law and actually call things Social Security and go right through the loophole.

Mr. CONRAD. Will the Senator yield for a further question?

Mr. HATCH. On your time, I will be happy to.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. HARKIN. I yield one minute to the Senator for a question.

Mr. CONRAD. Mr. President, I would say to the Senator from Utah, the balanced budget amendment to the Constitution that is before us says, on line 7, page 3, ''Total receipts shall include all receipts of the United States Government except those derived from borrowing.'' That, by definition, includes the Social Security surplus. That, by definition, means that, unless we adopt the Harkin amendment, you will be enshrining in the Constitution that we are going to loot the Social Security trust fund of $636 billion in the next 7 years alone.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, I just want to also respond to the Senator from Utah.

He is saying that my amendment to actually enshrine it in the Constitution to exclude it from the constitutional amendment to balance the budget would have the people saying, ''Trust us.'' That is not quite so.

The Kempthorne amendment tells the elderly to trust us. My amendment says to the elderly, ''Trust the Constitution of the United States.'' They have trusted us, and the Senator from North Dakota has shown how the Social Security trust fund has been looted. I say now it is time to put our trust in the Constitution of the United States and not in this legislative body.

Mr. HATCH. Will the Senator yield?

Mr. HARKIN. Let me just finish. I do not have much time. I have to yield to the Senator from Nevada.

If you think I am wrong, look at what the chairman of the House Judiciary Committee said on January 16 in ''Tax Notes.'' The publication ''Tax Notes'' quoted the chairman of the House Judiciary Committee as saying that failing to include Social Security assets in the budget ''would require us to make spending cuts more sweeping than currently contemplated''—''than currently contemplated.'' They are contemplating Social Security cuts. And the only way to keep their hands off of it is to specifically exclude it from the balanced budget amendment and not do this fig leaf. And that is what this is. The Kempthorne amendment is a fig leaf. It is not only a fig leaf, it is a transparent fig leave. You can see right through it.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. HARKIN. I yield 3 minutes to the Senator from Nevada, and more if he needs it.

Mr. REID. Mr. President, there is not a Democrat that is on the floor today—and we will have others who will come over here—that has not, during their campaigns, received information from the group that my friend from Utah has talked about. This senior group that he talks about is a Republican front organization. It does not represent mainstream American senior citizens.

We have letters from the American Association of Retired Persons, the Committee to Save Social Security, and other senior groups that represent those people who do not have to have some front that is really only for a Republican Party.

Here is what the AARP says about this amendment:

> Only by specifically excluding Social Security in the balanced budget amendment itself can American families be sure that Social Security trust funds are protected from raids to balance the budget.

Mr. President, we are talking about more than just people who are now drawing Social Security. We are talking about my daughter and my four sons. Even my grandkids. I would like to see, when they reach their golden years, when they go to the Social Security drawer, that there is money in it. And there will not be unless we exempt the Social Security trust fund from the balanced budget.

My friend from Utah, the manager of the bill presently, was an outstanding trial lawyer. I personally did not have trials in the same judicial district as he, but I have heard about him. ORRIN HATCH was a fine trial lawyer. As a result of that, I know that my friend had trust funds set up in his law office.

If a lawyer violates a trust fund, he is either censored, disbarred, or somehow reprimanded by the bar association which has authority over him, or that person goes to jail. We want to bar any type of similar tampering with the Social Security trust fund. We can only do this by expressly exempting the Social Security trust funds.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. REID. My 3 minutes are up?

The PRESIDING OFFICER. Yes.

The Senator from Iowa has 1 minute left.

Mr. HARKIN. I yield 15 seconds to the Senator.

Mr. REID. So I say, let us defeat the Kempthorne amendment by agreeing to the tabling motion that I am going to make.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, I will use the remainder of my time.

Mr. KERREY. Will the Senator yield?

Mr. HARKIN. I do not have any time.

Mr. KERREY. I would, as the senior Senator from Nebraska did, ask unanimous consent for 2 minutes. I want to be the Senator to close, and I wanted 2 minutes.

Mr. HATCH. How much time remains on this side?

The PRESIDING OFFICER. The Senator from Utah has 6 minutes.

Mr. HATCH. I yield 2 minutes to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Is the Senator from Iowa finished?

Mr. HARKIN. I was going to save my 45 seconds.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I rise, as the senior Senator from Nebraska did, in opposition to both of these proposals.

I understand the intent and I am sympathetic with the intent, but I must say I believe it sends a very bad message to the American people. It sends a message that says the largest account we have in the Government, we are going to take it off the books.

I understand the reason for being cautious in this regard. I understand the arguments that are made. But I urge my colleagues to consider a rather lengthy document that was sent not just to us but to the President of the United States in 1994. It is called ''The 1994 Annual Report of the Board of Trustees of the Federal Old Age and Survivors Insurance and Disability Insurance Trust Fund,'' the trustees that manage the Social Security trust fund, with three Cabinet Secretaries out of six people that have signed this thing saying to us that Social Security is in trouble.

Now, I appreciate, for a variety of reasons, that we want to leave this thing alone. But I think it sends a very bad signal to the American people that, right at the beginning with the consideration of a balanced budget amendment, we are going to take the most contentious and most difficult thing of all off the table.

Mr. REID. Will my friend yield so I may respond to a question because, in effect, he did ask a question.

Mr. KERREY. I only had 2 minutes.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. HARKIN. Mr. President, I guess I have about 45 seconds remaining.

I ask unanimous consent, first of all, to have printed in the RECORD the letter from Horace Deets, from the AARP.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF RETIRED PERSONS,
Washington, DC, January 26, 1995.

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVE: The House engaged in a vigorous debate on Wednesday, January 25th, over the status of Social Security in a balanced budget amendment. In light of the debate, the American Association of Retired Persons (AARP) wishes to make clear its view.

The Association continues its long-standing belief that the balanced budget amendment is a bad idea. In any event, if an amendment should pass, Social Security should be specifically excluded for the following reasons:

Social Security is a self-financed program based on contributions from employers and employees that are credited to the Social Security trust funds.

Social Security currently has over $400 billion in reserves and is not contributing one penny to the deficit. The reserve is projected to grow by about $70 billion dollars this year alone; and

Raiding the trust funds would be devastating to both current and future beneficiaries and would further undermine confidence in this nation's most important program.

The Association is concerned that yesterday's vote on the Flanagan resolution may mislead the public into believing that Social Security has been protected. Whatever the intent, a non-binding resolution can in no way substitute for language in the amendment itself. Indeed, the resolution, while perhaps expressing the intent of the current Congress, would have no impact whatsoever on a future Congress.

The vote in the Judiciary Committee to reject a specific exclusion for Social Security in the amendment makes it clear that Social Security remains ''on the table.'' In fact, the proposed Constitutional amendment, by referencing all receipts and outlays, would reverse action taken in 1990 to take Social Security ''off-budget.'' The Constitutional amendment thus puts Social Security at risk, and a non-binding resolution simply will not save it.

Only by specifically excluding Social Security in the balanced budget amendment itself can American families be sure that the Social Security trust funds are protected from raids to balance the budget—a promise made by the leadership of both parties during and after the November election.

Members of the House may honestly disagree on whether Social Security should or should not be exempt from the balanced budget amendment. However, the way to resolve this issue would be to vote on a specific amendment to the balanced budget amendment itself, not by voting on a non-binding resolution that may only mislead the public.

AARP believes that while Social Security is currently in good financial shape, its long-term solvency must be addressed within the next few years. However, any changes to the Social Security system must be used only for the long-term solvency of the program. Social Security should not be put at risk for a deficit it did not cause. The House—and the American people—should be under no illusion that a non-binding resolution protects Social Security from substantial risk.

The American people have grown angry and wary of promises from Washington. To tell the American public that Social Security is protected—and then fail to address the issue directly—will only lead to an increase in the cynicism that is currently prevalent throughout the nation.

Sincerely,

HORACE B. DEETS,
Executive Director.

Mr. HARKIN. Again, Mr. President, I will just close by saying, if you want a fig leaf, a transparent fig leaf, you can vote for the Kempthorne amendment. That is all it is.

But you are sending a signal to the elderly of this country and the workers of this country, ''Look out, because we are going to raid the Social Security trust fund.'' Just like the Senator from North Dakota, Senator CONRAD, said, it is there and they are going to raid it to balance the operating budget. And I say, ''No way.'' It is time for Senators to stand in the doorway and say, ''Absolutely not.'' We will use Social Security for the retiree, and not to balance the budget on the operating side, as they want to do with it.

Vote down the Kempthorne amendment and put some teeth in it by exempting it from the Constitution.

Mr. HATCH. Mr. President, I hate to say it. I recognize the sincerity of my friends and colleagues, and I think they are striving to do the same thing as all Senators on this side. The difference is we do not want to write it into a constitutional amendment when we know that we can accomplish that better and in a more statutorily refined and constitutional way in the implementing legislation.

The Harkin amendment says, ''Give us an exemption and we will figure out how big it is later,'' because I do not see how anybody can argue against the fact that it becomes a loophole if it is put into the Constitution. A loophole through which anybody—any sincere, dedicated, kindly person—can drive any favorable legislation through. Just by calling it Social Security.

The way to protect Social Security under a balanced budget amendment is the way suggested by the Kempthorne second-degree amendment. It protects Social Security benefits from cuts and stops tax increases against our workers while protecting a balanced budget.

Under the Harkin amendment, if that were to become law, benefits can be cut, and Social Security taxes can be increased. It does not protect seniors. If truth is known, if we have that loophole, then everybody will be raiding the Social Security account to do good with their programs. It is just that simple. It is just that simple.

I take it the distinguished Senator from Nevada is going to move to table the Kempthorne amendment. I will be happy to yield back the balance of our time. I hope we will vote against tabling, because the way the distinguished Senator from Iowa and his colleagues would like to go is as unconstitutional a way as I know. We do not want to clutter up the constitutional amendment. That is what implementing legislation is for. That is the way we should do it. I hope people will vote against the motion to table.

Mr. SIMPSON. Mr. President, I rise to offer a brief statement explaining my vote in favor of the Kempthorne amendment—in opposition to the tabling motion—pertaining to Social Security.

I join my colleagues in voting for this amendment because I do believe that it is absolutely vital to replace the language in the underlying Harkin amendment. As I stated during Judiciary Committee consideration of the balanced budget amendment, I strongly oppose carving out exemptions from the balanced budget amendment for any statutory program, whether they be for Social Security, or veterans' benefits, or defense, or child nutrition, or anything else.

There is no question at all that the underlying Social Security exemption amendment, as advanced here by Senator HARKIN, and as will be advanced during floor consideration of the balanced budget amendment, is nothing less than an attempt to kill the balanced budget amendment outright. We all know that. It is part of a concerted strategy to begin the piecemeal dismantling of the balanced budget amendment, beginning first with the most politically sensitive program of all.

I would like to simply say a brief word about where I personally differ from many of my colleagues, even many of my Republican colleagues, as to whether we should consider any changes to Social Security. I will shortly be chairing the Social Security Subcommittee of the Finance Committee, and I will certainly be giving my earnest attention to whatever changes are necessary to restore that system to long-term solvency. Proponents of the exemption speak of a ''contract'' with our senior citizens. In my view, part of that ''contract'' means making certain that the system remains solvent.

But I will vote with my Republican colleagues against the motion to table the Kempthorne amendment, because I believe it is crucial to make the point that we will not be balancing the budget on the backs of Social Security recipients. If retirees need a signal, need some assurance, that balanced-budget-implementing legislation will not mean an assault on the Social Security surplus, then I am perfectly willing to make that clear to them. Indeed, Social Security will be in surplus at all times before the year 2002, when the balanced budget amendment is to be fully implemented. It does not project toward insolvency until the year 2029. That date is moving ever closer, but I do not expect it to get anywhere close to 2002. Thus, we can be reassuring about Social Security's future prior to that date.

I vote for this amendment to make clear that when I speak of reforming entitlement programs, I do not mean using entitlement cuts to correct imbalances in other parts of the Federal budget. I mean restoring balance and sanity to entitlements programs themselves. So I will vote against the motion to table the Kempthorne amendment, with the caveat that I personally will be examining all issues pertinent to Social Security—not as a part of balanced-budget-implementing legislation—but rather in meeting my responsibility to ensure that the Social Security system remains sound and reliable for future generations as well as the current one.

Mr. REID. Mr. Preident, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Idaho. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 44, nays 56, as follows:

[Rollcall Vote No. 50 Leg.]

YEAS—44

Akaka	Exon	Leahy
Baucus	Feingold	Levin
Biden	Feinstein	Lieberman
Bingaman	Ford	Moynihan
Boxer	Glenn	Murray
Bradley	Graham	Nunn
Breaux	Harkin	Packwood
Bryan	Hatfield	Pell
Bumpers	Inouye	Pryor
Byrd	Jeffords	Reid
Chafee	Johnston	Robb
Conrad	Kennedy	Rockefeller
Daschle	Kerrey	Sarbanes
Dodd	Kohl	Wellstone
Dorgan	Lautenberg	

NAYS—56

Abraham	Gramm	Mikulski
Ashcroft	Grams	Moseley-Braun
Bennett	Grassley	Murkowski
Bond	Gregg	Nickles
Brown	Hatch	Pressler
Burns	Heflin	Roth
Campbell	Helms	Santorum
Coats	Hollings	Shelby
Cochran	Hutchison	Simon
Cohen	Inhofe	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Snowe
D'Amato	Kerry	Specter
DeWine	Kyl	Stevens
Dole	Lott	Thomas
Domenici	Lugar	Thompson
Faircloth	Mack	Thurmond
Frist	McCain	Warner
Gorton	McConnell	

So the motion to lay on the table the amendment (No. 196) was rejected.

Mr. SIMPSON. Mr. President, I rise to explain my vote against the Kempthorne amendment.

Moments ago, I voted against the motion to table the Kempthorne amendment. I did so because I believed it was absolutely vital to displace the language in the underlying Harkin amendment. I will also vote to table the Harkin language again when it is offered as a second-degree amendment.

As I stated in my remarks against the motion to table the Kempthorne amendment, I wanted to make absolutely clear that it was understood that charges of raids on Social Security amounted to whole schools of red herrings, and that the short-term task of balancing the budget by the year 2002 was unrelated to the long-term problems in Social Security.

However, I personally do not wish to tie my own hands by making sweeping blanket declarations that no changes whatsoever can be made in Social Security. I am in the process of assuming the chairmanship of the Social Security Subcommittee of the Finance Committee. In that capacity I am obliged to ensure that Social Security remains stable and available for future generations as well as for current retirees. If it requires reforms, then I will certainly propose reforms. That is my policy, and it is my responsibility in that capacity. It has nothing to do with the balanced budget amendment.

I did not want to vote in favor of the Kempthorne amendment, knowing full well that it would pass in any event, because if I conclude that Social Security is best served by reforms that I would advocate—including in budget implementing legislation some time before 2002—then I would indeed recommend the inclusion of such reforms. I do not want there to be any mistake, any misunderstanding, any suggestion that I had ever promised to advocate no changes at all.

Social Security has serious problems coming, very real problems—an insolvency date of 2029 and growing nearer—a plummeting worker to collector ratio—and internal deficits that will begin in the year 2013 under all current projections. I am determined to face those problems head on and to recommend solutions to them. I voted against tabling the Kempthorne amendment because it was crucial to displace the underlying Harkin language, but I want to convey with utmost clarity that my own position and my own analysis will oblige me to correct the deficiencies that certainly now exist within the system.

I submit this statement in order that the RECORD will show why I voted ''no'' on this amendment after voting against the tabling motion.

The PRESIDING OFFICER. The question now is on agreeing to amendment No. 196 offered by the Senator from Idaho [Mr. KEMPTHORNE]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD: I announce that the Senator from Kentucky [Mr. FORD] is necessarily absent.

The PRESIDING OFFICER (Mr. BENNETT). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 83, nays 16, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—83

Abraham	Baucus	Bingaman
Akaka	Bennett	Bond
Ashcroft	Biden	Boxer
Bradley	Gramm	McCain
Breaux	Grams	McConnell
Brown	Grassley	Mikulski
Bryan	Gregg	Moseley-Braun
Bumpers	Harkin	Murkowski
Burns	Hatch	Murray
Campbell	Heflin	Nickles
Coats	Helms	Pell
Cochran	Hollings	Pressler
Cohen	Hutchison	Pryor
Conrad	Inhofe	Reid
Coverdell	Inouye	Roth
Craig	Johnston	Santorum
D'Amato	Kassebaum	Shelby
Daschle	Kempthorne	Simon
DeWine	Kennedy	Smith
Dole	Kerry	Snowe
Domenici	Kohl	Specter
Dorgan	Kyl	Stevens
Faircloth	Leahy	Thomas
Feingold	Levin	Thompson
Feinstein	Lieberman	Thurmond
Frist	Lott	Warner
Glenn	Lugar	Wellstone
Gorton	Mack	

NAYS—16

Byrd	Jeffords	Robb
Chafee	Kerrey	Rockefeller
Dodd	Lautenberg	Sarbanes
Exon	Moynihan	Simpson
Graham	Nunn	
Hatfield	Packwood	

NOT VOTING—1

Ford

So the amendment (No. 196) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa is recognized to offer an amendment.

AMENDMENT NO. 224

(Purpose: To express the sense of the Senate regarding the exclusion of Social Security from calculations required under a balanced budget amendment to the Constitution)

Mr. HARKIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 224.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment add the following:

(a) FINDINGS.—The Senate finds that—

(1) social security is a contributory insurance program supported by deductions from workers' earnings and matching contributions from their employers that are deposited into an independent trust fund;

(2) over 42,000,000 Americans, including over 3,000,000 children and 5,000,000 disabled workers and their families, receive social security benefits;

(3) social security is the only pension program for 60 percent of older Americans;

(4) almost 60 percent of older beneficiaries depend on social security for at least half of their income and 25 percent depend on social security for at least 90 percent of their income;

(5) without social security an additional 15,000,000 Americans, mostly senior citizens, would be thrown into poverty;

(6) 138,000,000 American workers participate in the social security system and are insured in case of retirement, disability, or death;

(7) social security is a contract between workers and the Government;

(8) social security is a self-financed program that is not contributing to the current Federal budget deficit; in fact, the social security trust funds currently have over $400,000,000,000 in reserves and that surplus will increase during fiscal year 1995 alone by an additional $70,000,000,000;

(9) this surplus is necessary to pay monthly benefits for current and future beneficiaries;

(10) recognizing that social security is a self-financed program, Congress took social security completely ''off-budget'' in 1990; however, unless social security is explicitly excluded from a balanced budget amendment to the United States Constitution, such an amendment would, in effect, put the program back into the Federal budget by referring to all spending and receipts in calculating whether the budget is in balance;

(11) raiding the social security trust funds to reduce the Federal budget deficit would be devastating to both current and future beneficiaries and would further undermine confidence in the system among younger workers;

(12) the American people in poll after poll have overwhelmingly rejected cutting social security benefits to reduce the Federal deficit and balance the budget; and

(13) social security beneficiaries throughout the nation are gravely concerned that their financial security is in jeopardy because of possible social security cuts and deserve to be reassured that their benefits will not be subject to cuts that would likely be required should social security not be excluded from a balanced budget amendment to the United States Constitution.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that any joint resolution providing for a balanced budget amendment to the United States Constitution passed by the Senate shall specifically exclude social security from the calculations used to determine if the Federal budget is in balance.

The PRESIDING OFFICER. Debate on the pending amendment offered by the Senator from Iowa is limited to 1 hour, equally divided by Senator KEMPTHORNE and the Senator from Iowa.

Mr. HARKIN. Mr. President, we have just finished the skirmish, so to speak, and we have all had a chance to vote on a figleaf. That is what the Kempthorne amendment was, nothing more, nothing less. We all recognize it as that. The senior citizens groups also recognize it as a figleaf. Let us recap exactly why that is so.

The Kempthorne amendment, again, only says that on consideration of the balanced budget amendment to the Constitution, in the implementing legislation—that is, if it passes and you implement it—only in the implementing legislation do we not consider Social Security in figuring out whether or not we are really balancing the budget.

That means it is just a law, like anything else we pass around here. We can change it tomorrow, change it next week, change it next year. Basically, what that argument says to the elderly of our country is, trust us, we will take care of it. As the Senator from North Dakota showed in an earlier debate before the vote on the Kempthorne amendment, the senior citizens have every right not to trust the Congress.

The Social Security trust fund today is being raided every year to pay for the Government's operating expenses. I daresay that if a balanced budget amendment is passed and ratified without a specific exemption for Social Security, that Social Security is exactly where the money will be gotten to balance the budget. It'll be taken right out the of the Social Security trust fund. That would not only be unfair to the seniors who are retired, or those workers who are retiring soon, but it would be unfair to those young people now who are paying into the Social Security system, because they will not be certain it will be there when they retire.

I found rather unique the arguments of the Senator from Utah, my good friend, Senator HATCH, that if we take Social Security out of the figuring for the balanced budget amendment, then it can be the catchall for all these other programs. He says we could run poverty programs through it and children's programs and everything else. I would like to know how he is going to do that, because Social Security is a trust fund, specifically delineated in law that goes for specific limited purposes, and always had. That trust fund is funded out of specific employer and employee payroll contributions. You can call Social Security right now and find out exactly how much money you have put into the trust fund and what you would have available when you retire.

Legislation could be passed setting up another, separate trust fund to be taken out of your paycheck to pay for another program. Can Congress do that? Absolutely. If we wanted to, we can set up a trust fund next week to pay for Head Start and take it out of people's paychecks. We can do that. I do not think we are going to, and to my knowledge, no one has ever suggested that. I would not suggest that. But that is how we would do what the Senator from Utah suggested.

I think the odds of doing that are infinitesimal, compared to the odds of this body, the Senate and the House, using the Social Security trust fund to balance the budget, unless we specifically exempt Social Security out of the constitutional amendment. Understand this argument, because it comes to the heart of the argument of the Senator from Utah. He says that if we keep the Social Security trust fund out of consideration on balancing the budget, we will put all of the programs we want into it, which would require us to set up separate trust funds.

I say the odds of that are small, very small. What Congress will do is, if you do include Social Security in with considering how to balance the budget, with that $700 billion in there by the year 2000, believe me, that is where this body will go to get the money to balance the budget.

Again, you do not have to take my word for it. We had a vote already in the Senate Judiciary Committee just the other day. Let me read the language of the constitutional amendment reported by the Senate Judiciary Committee. Here is the language:

> Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide, by law, for a specific excess of outlays over receipts by a rollcall vote.

That language, Mr. President, clearly includes Social Security receipts and benefit payments to recipients. Cutting Social Security benefits would reduce the budget deficit under the Senate Judiciary Committee measure that will be before us next week. This issue was debated in the committee. An amendment was offered, I believe, by Senator FEINSTEIN from California—an amendment to exempt Social Security. It was debated and a vote was taken. The vote was 10 to 8 to reject the Feinstein amendment. In other words, it was 10 to 8 on the Judiciary Committee to keep Social Security in the consideration of how we balance the budget, to figure it into the calculations as to whether it is balanced or not.

So, again, I think the Judiciary Committee is telling us: Look out, Social Security is at dire risk. Well, that was the committee. I do not believe we have to follow the committee. I believe now we can pass the amendment I have sent to the desk to provide a clear sense-of-the-Senate resolution that, in fact, we are going to exempt Social Security from calculations under the balanced budget amendment.

The Kempthorne amendment does not exempt Social Security, does not keep it out of how you figure a balanced budget amendment. It only says that later on down the road, when you have implementing legislation, you cannot use it. But that is just a law and history shows us that laws implementing constitutional amendments have been changed many, many times.

As I pointed out, we had a constitutional amendment in 1913 that said the Federal Government could levy an income tax, taxes on income.

Later on, we had implementing legislation called the IRS Code. We change that just about every year. We could do the same thing to protections against cutting Social Security under the Kempthorne approach.

If you really want to protect Social Security, make it clear in the balanced budget amendment that when we calculate receipts and expenditures, Social Security is out of that calculation.

So basically what my sense-of-the-Senate resolution says is—and I will read it:

> It is the sense of the Senate that any joint resolution providing for a balanced budget amendment to the United States Constitution passed by the Senate shall specifically exclude Social Security from the calculations used to determine if the Federal budget is in balance.

A lot different than what Senator KEMPTHORNE's amendment was; a lot different.

As I said before, that was a fig leaf. The votes we had before were a skirmish. I said, not even a fig leaf, a transparent fig leaf.

Now comes the real vote. Do Senators really want to protect Social Security, protect it by saying, ''Yes, we will have a constitutional amendment to balance the budget and if we have that, we are going to specifically exclude Social Security from it''? That is the only way we can protect it.

If we do not, again, all Congress is saying to the people is, ''Trust us.'' Well, as I said earler, that's as comforting as when a used car salesman says, ''Take the car, you don't need a guarantee. Trust me. It will run.''

I say if it is important enough to put in the Constitution of the United States a requirement that we balance the budget, and I believe it is, it is equally as important to put into that Constitution that Social Security is exempt from that calculation.

Mr. President, I reserve the remainder of my time.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, it ought now to be extremely clear to all of the Senators what the intent of the Senator from Iowa is, and that is the intent of every other Senator. We have now voted twice and he is asking us to vote again that there is a general sense of the Senate that, as we move to begin the process of balancing the Federal budget, we will protect Social Security. That is exactly what the Kempthorne amendment says.

The House, yesterday, spoke to that issue as a sense of the Congress. They, too, want to protect Social Security.

I am not quite sure what the Senator intends, other than that if we vote often enough over the next 24 hours somehow we will indelibly plant in the minds of every citizen in this country that the Congress intends to do what the Congress has twice said in the last hour they intend to do.

That is a bit frustrating—fig leaf, no fig leaf, big, small, transparent, opaque. The bottom line is the Congress of the United States has as its intent, as we begin to balance the Federal budget, a protection of Social Security.

Last year, as we debated the balanced budget resolution here on the floor, there was a hue and cry that the way you destroy Social Security is you damage its integrity or you begin to create within the trust fund of Social Security a destabilizing mechanism which defeats a balanced budget resolution.

Robert J. Myers, who for 30 or 40 years of his professional life served in the Social Security Administration and was known as the father of Social Security, said to us at that time, and let me repeat the general intent of his comments and letters: The way you protect Social Security is to balance the Federal budget. The way you maintain the integrity of the trust funds is to stop the raiding that that Senator and this Senator and all of us have done by voting for the current budgets that use the accountable reserves as part of a way of masking over the deficit spending that we do.

Now we are all guilty of that because of the nature of the budgeting system of our Government. We know it and the American people know it.

I am not quite sure we accomplish anything here this evening beyond another vote which could well come up like all of the past votes. And it will not be a determiner. It will not be anything that the Senator from Iowa can go to a press conference and say, ''You see, I, and no one else, am the sole defender of the Social Security system of this country.'' That would not be a valid statement for him to make, or for me, for that matter, to make.

The bottom line is there is a clear intent—whether it is expressed through the Kempthorne amendment, as it amended the Harkin amendment, or whether it is the Harkin amendment as the Harkin amendment attempts to amend the Harkin amendment, as amended —and that is, of course, that Congress intends to work hard to balance the Federal budget and in so doing to protect the Social Security system.

Therefore, it is my opinion, and I think the opinion of most Senators, that this effort at this moment in time is a phenomenal waste of our time as we move to try to solve the problem and pass a very important piece of legislation. And that is to create the mechanism that my colleague from Idaho, Senator KEMPTHORNE, has so clearly articulated here in the last numbers of days, now into the second week, and that, of course, is to create a mechanism that causes the Congress to stop and look at itself and what it does when we attempt to push forth mandates from this Government to the governments of the States and the local communities of our Nation.

I hope that Senators, if they are listening to this debate, would recognize in the vote that is about to occur that it is not like the other votes; in the sense that it is redundant, yes, but in the sense that it accomplishes nothing.

We have spoken. Why speak again and again and again? The record shows that it is the intent of this Congress to protect Social Security as we work to balance the Federal budget.

I reserve the remainder of my time.

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Iowa has 22 minutes remaining.

Mr. HARKIN. Mr. President, my good friend, the Senator from Idaho, has said something about: Do we have to vote again? We have already voted twice on this. Well, yes, we do have to vote again. We have to vote again to clear it up and to make crystal clear just exactly what it is we do intend to do and what we want to do.

The Senator from Idaho has said he could not understand what it is that I intend. He says Congress has just spoken that we have the intent to protect Social Security. Let me repeat that. The Senator from Idaho said that the Senate has just spoken that we have the intent to protect Social Security.

Weigh those words carefully.

I remember when I was in Catholic school, Sister Rose Angela said something to me when I believe I was in sixth grade. I will never forget what Sister said to me. ''Just remember, the road to hell is paved with good intentions.'' I am sure we have all heard that before.

Oh, we can intend not to raid the Social Security trust fund, we can say that now, but those intentions can be washed away by a constitutional amendment that requires us to balance the budget and does not exclude Social Security from that calculation and leaves all that money dangling out there and saying, ''Yeah, good intentions.'' But when the Constitution demands for us to balance the budget and we have an easy pot to go to, that is where this body will go to. They will go to the Social Security trust fund.

So my intention is very clear. No, this Senator in no way believes that he is the sole protector of Social Security in the Senate. Absolutely not. I believe strongly in Social Security. I saw what happened to my own family. And my father, who went on Social Security, who worked on WPA in the Depression, when he got injured later in life and retired, the only thing he had was Social Security, less than $2,000 a year. In fact, if I am not mistaken, it was about $1,600 a year. That was the sole source of income for our family. I was 12 years old at the time. That was all we had, other than what we earned working in summers.

So I come from a situation where I have seen Social Security first hand and what it does. Through my service here over the last 20 years, I have seen time and time again little nicks here, little pieces here, little bits there, trying to get at that Social Security trust fund.

We did take it off budget, and we set up an independent commission to administer it. That is the way it ought to be. I think the Congress did the right thing in that regard. But now if we put it back in with the constitutional amendment to balance the budget, we will wipe all that out because then the

Social Security trust fund will be raided.

So the vote we have coming up is to clear up what it is we intend to do. Do we just want to have it on implementing legislation, or do we believe Social Security is important enough to protect it in the Constitution?

I ask my good friend, the Senator from Idaho—I know he feels strongly about a constitutional amendment to balance the budget. So do I. I have so voted in the past. I happen to believe that, as important as it is to balance the budget, it is equally as important to ensure that the Social Security trust fund is kept separate and not figured in that calculation.

So I ask, when it gets this time, whether or not he thinks the Social Security trust fund is that important. I do. Reducing the deficit is important, but not reducing it on the backs of the elderly and taking it away from the workers today who expect that Social Security trust fund to be there.

Again, keep in mind that the Kempthorne amendment only talked about the implementing legislation. Well, Mr. President, we had the Civil Rights Act, which implemented the 13th and 14th amendments to the Constitution. They have been amended numerous times. The Income Tax Code implemented the 16th amendment, adopted in 1913, and amended about every year. It is true that any so-called protection that we have under the Kempthorne amendment is fleeting, at best.

Lastly, I ask my friend from Idaho, and he is my friend, to consider this: If we intend to protect Social Security, and I believe the Senator does, but if all we do is protect it by saying that sometime in the future, with implementing legislation, we will do it, I ask the Senator from Idaho how many votes does it take to change implementing legislation? If I am not mistaken, I believe it takes 51 votes in this body. If, however—and I ask my friend to consider this—we exclude Social Security from the constitutional amendment and that amendment is adopted and becomes a part of the Constitution, then it is not 51 votes to change Social Security, not 51 votes to use it; it will take a two-thirds vote and an amendment to the Constitution to change it.

Mr. CRAIG. Will the Senator yield on that, if he directed that to me as a question?

Mr. HARKIN. I am delighted to yield to my friend.

Mr. CRAIG. The Senator's vote counts, I believe, are correct, but there is a problem with what he says.

If we place within the Constitution the words ''Social Security,'' we do not by constitutional wording define what it means. By his own admission, the Senator says we define what Social Security means in statute. Since its inception through until just the last few years, we have constantly redefined it as we felt there was a need to change it—demographics change, the economy changes, and Social Security has evolved.

What the Senator is suggesting is what the Senator from Utah tried to express. I think the Senator from Utah referred to it as a ''gigantic loophole.'' What the Senator from Iowa is saying is let us put the words ''Social Security'' in the Constitution; but what he does not say is that lying outside the Constitution is the statutory ability of this Senate to change the definition of what Social Security means.

We can expand it, we can broaden it, we can reshape it, we can add programs to it, all under the umbrella of that constitutional protection. Literally, we could put the entire Federal budget under the umbrella if we could meet the definition so prescribed.

I believe the Senator is inaccurate. To change the statutory definition of Social Security, that would dramatically change the intent from this moment in time of his amendment. Embodied in a constitutional amendment does not require a two-thirds vote of the Congress, it requires a 51 vote of this House and a 218 vote of the other body.

Now, that is exactly what would happen. I have looked at his wording, and I have helped craft the amendment that will come to the floor in the next couple of days. I have spent a lot of time with constitutional scholars over the last 6 years. To the Senator from Iowa, here is what they have told us.

Mr. HARKIN. I was yielding to the Senator for a question. If the Senator wants to use a lot of time, I hope it will be considered on his time.

Mr. CRAIG. I will deal with it on my own time. But I must stay with the premise when we put wording in the Constitution that can be redefined by statute by the Congress of the United States that you can change at any moment in time the given meaning of those words.

Mr. HARKIN. I appreciate that. I hope the Senator would be as generous yielding to me as I have been to him. I know he will be.

Mr. CRAIG. I will.

Mr. HARKIN. Mr. President, yes, Congress can change by statute the definition of Social Security. The Senator is absolutely right about that.

There is one thing, however, we cannot change by statute if my amendment is adopted and the Reid amendment is passed when he offers it next week. There is one thing that cannot be changed.

If the Senator will read my amendment, it says that ''Any legislation required to implement a balanced budget amendment to the U.S. Constitution shall specifically exclude Social Security from the calculations used to determine if the Federal budget is in balance.''

That is one thing we will not be able to touch. Now, that is what I am getting at. We can always change the definition of Social Security, obviously. But what we cannot do, if my amendment passes, is by a 51 vote, say, ''OK, we will balance the budget. Let us take it out of Social Security and use it in figuring the calculations of how we balance.'' That is where my friend from Idaho mistakes the intent of my amendment.

My amendment is not to lock in place forever and ever exactly what Social Security is. That is not it. We can always change it. We will have to change Social Security in the future. I understand that. Everybody understands that. What my amendment addresses is that we can never use, we cannot be a simple majority vote here and say, ''OK, now we will use Social Security, however we define it, to balance the budget.'' Very simple. Very straightforward.

I hope the Senator from Idaho understands that very crucial distinction. I yield the floor.

Mr. CRAIG. Mr. President, before I yield to the Senator from Maine, let me repeat again, I believe the Senator from Iowa just said this: ''However we redefine Social Security, that redefinition is exempt from calculation.'' I believe that is what he said. I think the RECORD ought to show that that is exactly what I was saying in my debate of a few moments ago. You have created a giant definitional loophole that a majority vote of the U.S. Congress can vote at will, for good or for bad.

I yield such time to the Senator from Maine as he may consume.

Mr. COHEN. Mr. President, I will try to be very brief. I believe it was yesterday that a meeting was held, chaired by Senator DOLE, the majority leader, talking about quality of life in the Senate. I decided not to go. This is a subject matter that has been raised time and time again as to whether or not there might be some way to get control of the schedule, to be more disciplined in our habits, perhaps to try to accommodate Senators who still have young families. I do not. Mine are all grown and married.

I decided just not to bother anymore, because I see nothing but a repetition of what has been going on for too many years now. Nothing has changed. If anything, it has gotten worse. As I left the Chamber on the last vote, a group of reporters were waiting outside. They said, ''Do you think the Democrats are lining up their 30-second spots right now?''

I said, ''In all probability, they are.''

But the fact of the matter is, I do not think that is going to work anymore. They can produce all the 30-second spots that they want, but the American people, I hope, are going to be informed enough and surely intelligent enough to see what is going on here.

I want to know why is this amendment being debated at 5:30 in the afternoon? For the past week and a half, we have been talking about unfunded mandates, and now we have switched to talking about balanced budget amendments and Social Security.

I do not defer for 1 second to the Senator from Iowa about his concern for Social Security. I have a dad who is 86 years old. He is still working 18 hours a day, 6 days a week, and all he takes home, frankly, is Social Security. Everything else has to stay with the business to help keep it going so he can continue to work. There is nothing else. There is no pension plan. There is no other thing he has in the way of resources. I think I know what Social Security means to him and my mother. I must say, for anyone to stand on the floor and claim a corner on morality or they alone are trying to protect the Social Security system from assault by Members on this side of the aisle is out of line. It is out of line on its merits and its timing.

Next week we are supposed to debate the balanced budget amendment. I expect that debate to take weeks—not days—but weeks, because every Member here will be entitled to offer whatever amendment he or she desires, whether or not it is relevant or germane.

I must say, I question the relevance of this amendment to this bill. But here we are, because under the Senate rules each Member has an opportunity to offer an amendment of his or her concern.

I want to reiterate, now as chairman of the Aging Committee, that we deal with issues affecting our elderly population day in and day out. I have been serving on that committee in the House and the Senate since 1975. I do not take a back seat to anyone in my concern about issues affecting our senior citizens. But I must say that this is one more example of having to debate an issue which has no relevance—no relevance—to the unfunded mandates bill before the Senate. But here we are taking up this issue because one Member feels so strongly about it, and you cannot feel any more strongly than any of the others in this Chamber. We all feel strongly about Social Security, but now we are going to debate whose intent is more sincere and who is trying to pull the wool over whose eyes.

Mr. President, I listened very carefully to the President of the United States the other evening. I, unlike some of my colleagues who did not see fit to go to the Chamber to listen to the President's speech, listened very carefully, and I wrote down the words when he said, ''Can't we put a stop to the pettiness and the partisanship?'' And I wrote those two words down, because I was asked about the speech afterward.

Frankly, I was very complimentary of the President's speech, not its length, necessarily, but the contents of the speech and the tone of the speech. I thought it was conciliatory in tone. I thought he was reaching out to Republicans and saying, ''Can't we work together?''

That is what I have tried to do during my last 16 years in this Chamber and in the 6 years I served in the House of Representatives. I can recall an issue in the very final days of the last session, a very, very bitter dispute dealing with the California wilderness bill. I was one of those who resisted the temptation, and there was great temptation, because those on the other side of the aisle, every single Democrat lined up behind that bill—even some of those who initially opposed it. It became a partisan issue.

Once again, I tried to respond to what I felt were the merits of the issue. I was in disagreement with some of my Republican colleagues, but I wanted to put aside partisanship.

I think that what we have seen is a destruction of civility, not only in this society, but right here in this Senate Chamber; that we are going to continue to offer amendments because Members feel passionate about an issue, whether it is germane to the bill, whether it is relevant to the bill, we are going to take hours to debate it, and it is going to be debated again.

I have no doubt about the outcome of this particular vote. There will be tabling motions and another amendment will be considered and that will be adopted or tabled. Ultimately, we are not going to deal with this issue today. We are going to deal with it next week or the week after that, and there may be—may be—bipartisan support at that time.

But if this continues along this line, I must say to my colleagues, I am finding it increasingly difficult to be willing to reach across the aisle to join hands with my colleagues on issues that they feel passionately about when, in fact, those issues have nothing to do with the pending legislation—nothing to do with the pending legislation. This is an issue that ought to be debated next week. When we take up the balanced budget amendment, there will be a plethora, an abundance of amendments to offer. Social Security is one of them, and it ought to be debated at length and as long as is necessary.

But I must say, I find it increasingly difficult to try to put aside pettiness or put aside partisanship when I find that the quality of life is not only deteriorating but the quality of civility is deteriorating in both bodies. We saw an example of that in the House yesterday, everybody taking down each other's words.

What I think we have to do is return to some sense of discipline and order and not worry about the reporters who are standing outside the Chamber saying, ''Well, you guys went over the cliff again on this one.'' The Democrats just cannot wait to get those 30-second spots out that you voted against immunization or you voted against pregnant women or you voted against children and now you are voting against a sense-of-the-Senate on Social Security. They have those spots all lined up. And that is what is wrong with what is taking place in today's politics.

So we will have this vote. I think it is unfortunate, not because of the subject matter but because it is not relevant to the issue at hand, and we ought to complete the debate on unfunded mandates, we ought to move on to the balanced budget amendment, we ought to take up the Social Security amendment at that time and debate it at that time and debate it as vigorously and as long as necessary.

This is not the time for a full-fledged debate on this issue. Frankly, even in view of the limited time agreed to, all we are going to do is face ''Senate Votes Down Protection for Senior Citizens.'' That is what is going to come out.

I recall a headline back home that Senator SNOWE and I had occasion to read: ''Cohen and Snowe Vote Against Cutting their Own Salaries.'' That is another little amendment that was offered to the unfunded mandates bill. Or ''Cohen and Snowe Vote Against Banning Gifts by Lobbyists,'' even though the majority leader has promised a vote on that issue in this session in the very near future.

So we can continue to play the games, and I know that Social Security is not a game for any of us in this Chamber, but what is taking place right now is unnecessary. I think it is unfortunate, and what it is doing, it is contributing to the polarization of this Chamber.

I am going to be less and less encouraged to try to reach across the aisle on issues which I share with other Members in this Chamber if we continue to see amendments which have no relevance and no bearing on legislation under consideration and yet take up hours and hours of debate.

Mr. President, I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, that was quite a speech by the Senator from Maine. I agree with him, there is nothing partisan here. A lot of us do feel strongly about Social Security. It is not relevant to this bill, but it is relevant to the Senate and it is relevant to the debate here.

As the Senator from Maine might remember, I tried earlier this year, the first vote we had in the Senate, to cut down on the filibuster. At that time, I said one thing I do not want to give up is the right of Senators to amend. We should have open amendments, as we do, nongermane amendments. We have that right. We ought to have the right to slow things down to make certain they are carefully considered. But I think the majority ought to be able to get its program through. Well, the RECORD will show we did not get one vote from the other side for that.

So I am on record saying, yes, we should not stymie the other side, the majority, but we ought to have open amendments.

I listened to the speech of the Senator from Maine. I remember last year, we had bills on the floor dealing with

domestic issues and we get an amendment from the other side on Bosnia. I do not remember—now the Senator can correct me if I am wrong—but I do not remember the Senator from Maine giving that speech last year when all those nongermane amendments on Bosnia were offered to domestic bills we had here on the floor. I do not remember that speech then.

So, again, it is not partisanship. This is the Senate. We have the right of open debate. We have the right to offer amendments. I do not think we ought to give up that right, whether the amendments are relevant to a particular bill or not. This is the Senate, and we have the right of nongermane amendments in the Senate. I do not think we ought to give that up.

If we feel strongly about an issue, yes, we ought to be able to bring it up and debate it. I am not trying to protract anything here. I agreed to an hour debate on my amendment. In fact, I have been trying for 3 days to get my amendment up. We finally got it under a good time agreement. I have no problem with that. It is a fair and open debate.

We express ourselves time and time again in sense-of-the-Senate resolutions. I think we ought to. That is exactly what I am trying to do, is to get the sense of the Senate that we are not going to include Social Security when we calculate a balanced budget constitutional amendment.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Iowa has 8 minutes 50 seconds.

Mr. HARKIN. Mr. President, I do not know of anyone else on this side who wishes to speak. Let me close up my remarks, first of all, by reading an excerpt from a letter from the American Association of Retired Persons. This is a group that represents over 30 million, I believe, mainly retired citizens in this country. I'll read just several paragraphs. It says:

> The vote in the Judiciary Committee to reject a specific exclusion for Social Security in the amendment makes it clear that Social Security remains on the table. In fact, a proposed constitutional amendment, by referencing all receipts and outlays, would reverse action taken in 1990 to take Social Security off budget. The constitutional amendment thus puts Social Security at risk and a nonbinding resolution simply will not save it. Only by specifically—

and this is the guts of this letter—

> only by specifically excluding Social Security in the balanced budget amendment itself can American families be sure that the Social Security trust funds are protected from raids to balance the budget, a promise made by the leadership of both parties during and after the November election.

The letter continues:

> The American people have grown angry and wary of promises from Washington. To tell the American public that Social Security is protected and then fail to address the issue directly will only lead to an increase in the cynicism that is currently prevalent throughout the Nation.

Mr. President, I think we have pretty much spelled out what is at issue here. Lastly, I want to reference a recent poll by the Garin-Hart firm conducted over the last month. It found that 81 percent of Americans believe Social Security should be exempt from a balanced budget constitutional amendment. And support for maintaining the integrity of the Social Security program also is very strong among younger voters. This next item is very important. When survey respondents were asked how their Member of Congress should vote if the only way to pass a balanced budget amendment were to include Social Security, three-quarters—75 percent—said their representative should vote against this legislation.

Let me repeat this important finding from a very respected survey firm. Eighty percent of the respondents said they wanted to exclude Social Security from the consideration of how to balance the budget. And when respondents were asked how their representative should vote if the only way to pass a balanced budget constitutional amendment were to include Social Security, fully 75 percent said we ought to vote against it.

There is clearly a very deep and strong feeling among the people of this country. Quite frankly, I think the time is right. It is my intention, if an exemption for Social Security is included in the balanced budget amendment, to support that amendment. I basically feel it will be for the good of the country. But if not, I do not see how I can because I know full well, barring all good intentions, that that pull, that magnet of the Social Security trust fund surpluses will be just too great, and that the funds will be raided to balance the budget. I do not think we ought to do it.

So the vote on the Harkin amendment is very clear. If you want to include Social Security in calculating how we balance the budget, you can vote against my amendment. If you believe Social Security ought to be taken off, ought to be exempted, ought not to be figured in on how you calculate a balanced budget, then you ought to support the amendment, because it sends a sense-of-the-Senate resolution that this is what we intend to do.

So I hope Senators will support it, not in any partisan fashion, but in a way of sending a very clear, powerful, unmistakable, unequivocal message to the people of this country that Social Security is not going to be tampered with when we try to balance the budget.

Mr. President, I reserve the remainder of my time.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I believe there is one speaker remaining on our side, and at this time I will yield to the Senator from Wyoming such time as he might consume.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I urge my colleagues to join in tabling the Harkin amendment pertaining to Social Security.

There are so many reasons why this amendment should be tabled. I am certain that I cannot list more than a fraction in a brief statement.

First, this is neither the time nor the place to be debating this. I share that with my good friend from Iowa. We all know Social Security is just a big bomb, and you roll it up and down the aisle here day and night, and people just shriek and run for the doors.

I have been here 16 years. It is great fodder to play with Social Security. But, ladies and gentlemen, Social Security is going broke, and that is not the word of some reconstructed Reaganite or Reaganaut or whoever. It is the word of the trustees of the Social Security system. The last report was from Senator Bentsen, Donna Shalala, Robert Reich, and two people outside the Government. The doomsday date has been moved up 7 years in 1 year. Instead of going broke in the year 2036, it will go broke in the year 2029, and we are all just ignoring it.

It is wonderful to hear the tales of Social Security and violated trust and stealing the funds. I have heard those for years. The real issue is, as Senator SIMON, our friend from Illinois, tells us, is that in the year 2013 it will begin to go. And when it goes, it will end in the year 2029. So it is not the place to debate this. As Senator CRAIG noted so well, the balanced budget amendment will be debated on this floor, and, wow, that will be a spirited debate. Despite strenuous party efforts on the other side to delay it for many years or to hinder it in many ways, we are going to get to it next week. But inclusion of this subject matter here is an effort to delay, in my mind, and obstruct the unfunded mandates bill.

I do not know, in my time here, that I have ever seen a freshman Senator work with more diligence, skill, and patience and kindness and generosity than Senator KEMPTHORNE. I feared that all of us would flunk the test, knowing the Senator from Iowa as I do; he and I have had some spirited conversations in this Chamber in years past and will probably have many more. With Senator GLENN, the more senior Member, working with the junior Member, it is a pleasant thing to watch that type of bipartisan cooperation. They will get there and soon. But I think that we will talk about exemptions when we get to that.

I think it is a grave mistake, second, to make an amendment to the Constitution dependent upon an individual statute. The laws passed by the Congress here are supposed to be subordinate to the Constitution, not the other way around. I find it an absurdity in some ways to suggest that the creation of a fundamental constitutional obligation to balance the Nation's books

should be contingent upon a Government program passed roughly 150 years after the Constitution itself was ratified.

Our laws exist to give force to constitutional values and this exemption would assert that our constitutional framework should bend in deference to a particular statute.

Third, and this point I think was very well made by my colleague from Nebraska, Senator EXON. This amendment is designed to open the door to every manner of exemption from the balanced budget amendment. I chair the Veterans' Affairs Committee. Senator Al Cranston chaired it before, when I came here, and then I became chairman. Senator MURKOWSKI—oh, we do know what that is.

Do you mean to, in any way, say if we exempt Social Security our Nation's veterans will stand still for that? Believe it, they will not. Of course they will not. They will demand an exemption, too. So will Federal retirees—believe it. They have never failed. Because you see the ancient ritual is this. They come to our offices in droves and they say, ''If everybody will do it, we will do it,'' knowing full well that everybody will not do it and they will be off the hook.

Then we will exempt child nutrition and on and on. It would not be right for children to go hungry while seniors were properly looked after, and so it goes. This is an amendment which I doubt is intended to gut the force of the constitutional amendment in that way, but it certainly will.

Finally, I hear it said that Social Security is different. It is different from these other programs because of the existence of a special trust fund. That was the Senator from Iowa's response to Senator EXON, I believe. Certainly there is no separate veterans' trust fund. But we do have various kinds of trust funds. We even have a Highway trust fund and an unemployment compensation fund. We cannot begin by exempting programs because of the trust fund concept.

I am a veteran, as is my friend from Iowa. I served overseas, as did my friend from Iowa. Certainly I would object to any notion that our veterans should be less protected than our Social Security beneficiaries merely because they happen to contribute with their lives and limbs instead of with payroll tax contributions. It is an artificial distinction to make, and it is aimed, not at equity, but rather at undermining the integrity of the balanced budget amendment.

Fourth, a special exemption for Social Security is exactly what would be more likely to lead to cuts in benefits. It is not hard to see why, my colleagues. There is a huge surplus. I have heard everyone referring to the surplus and it is there. But after 2012, that situation turns exactly around and Social Security begins its deep and fatal plunge into the red. And we all know that. There is not a person in here who does not know that. If we exempted Social Security from the terms of the balanced budget amendment, we would be forbidden to credit any general fund surplus towards Social Security's balance. We would have to increase taxes and decrease benefits in order to meet our payments to recipients, if the rest of the budget was balanced.

Finally, we should remember the dynamics here. Last year we had sufficient cosponsors to pass the balanced budget amendment in the Senate by the necessary two-thirds majority. But lo and behold, certain modifications were offered as amendments—even though the underlying language was perfectly fine when it came to attracting cosponsors—and when those modifications were defeated, suddenly we did not have enough votes.

That is a curious exercise to go through in here. It was the sort of mischief that caused the voters to turn out by the dozens and turn out the officeholders by the dozens in November. They sent individuals to Washington who claim to favor, always, a balanced budget amendment, and those individuals would create and develop the most clever schemes to avoid actually having to vote for one. And the voters finally caught wise, as they say in both Houses. This is much the same, continued, a reprise.

Opponents of the balanced budget amendment have been burning the midnight oil, trying to come up with hypotheticals as to why, and excuses why they cannot vote to balance the Nation's books. And this is another entry in that book. There really is not a gram of reason to believe that Social Security would be better protected with a special exemption from the balanced budget amendment. The idea, to my mind, is to undercut the support for the balanced budget amendment.

Finally—I said that three times, finally, which is the curse of our work—but there is no trust fund. I keep saying that and I hope people will finally hear that—there is no Social Security trust fund. Because Franklin Delano Roosevelt and the Congress, when they set it up, said that all surplus would be invested in the securities of the United States Government. So by law they are invested in the securities of the U.S. Government. There is no trust fund. It is all in T-bills and savings bonds and then it is purchased by banks and individuals and the interest on those is paid from the general treasury. There is no kitty to pay interest from a Social Security trust fund.

Then when we go home and they come to the town meetings and say, ''You robbed the trust fund.'' Usually that is said with a great deal of more passion than I just gave it. And I say, ''Wait a minute there is no trust fund.''

Then of course the next one is: ''I paid into it from the beginning. I want it all out.'' Then can you have a real field day, and I love those, because really if you paid in at the beginning you put in $30 a year for the first 8 years. Then you never put in over $174 a year for the next 18 years, ladies and gentlemen—get these figures. Then you got nailed $300 a year, $500 a year, $800 a year.

I have a form in my office. I share it with all constituents. It costs you a stamp. You ship it off to the Social Security Administration and in 6 weeks you get back what you paid in and what you are going to get out. I always say to them, ''If you do not like what you see be sure you contact me.'' I have never heard from anybody, because they are embarrassed when they see that they have put in $170-a-year, or self-employed making $100,000 a year and putting in $700 a year; or making $200,000 in the fifties and sixties and putting in $500, $700, $800 a year. Finally, this year, about the biggest ding you can take is $3,300.

And then it shows what you are going to get. And there it is as clear as crystal. You are going to get—depending on the replacement rate, depending on what job you had—you are going to get $750 a month, $850 a month—in my case that is at 65 I will get, I think it was $800-and-something. If I wait until 70 it will be $1,140 a month. And I had a job when I was 14. In the Army I did not pay Social Security. In college I did not because I did not make enough in the summer jobs. So there it is. You cannot avoid it. We are all just still playing with it as a detonating device.

I always have some fascinating experiences with the AARP. I ask them if any of them have grandchildren and if they care one whit about them. Obviously many of them do not care one whit about them or they would not be doing what they are doing as they whack our brains out, saying that everybody is going to lose $1,154 a year if they vote for the balanced budget amendment.

So I thank the managers. I really am looking forward to the balanced budget amendment. But what I am really looking forward to is chairing the Social Security Subcommittee of the Finance Committee. That has sent a definite rigor—understand there is a shockwave—through the offices of the AARP, and the National Committee for the Preservation of Social Security and Medicare, and the Gray Panthers and the Pink Panthers and all the groups that are waiting out there to beat us into submission so they can do a number on our successors.

I think that is unfortunate. I do not know what we will do. I hope they do something reasonable, but we all know what is out there.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. How much time is remaining to both sides?

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Ohio has 3½ minutes and the Senator from Idaho has 1½ minutes.

Mr. HARKIN. Mr. President, I will just take a minute to respond to my

friend from Wyoming. He made a very reasoned presentation of his views.

I would just point out, however, that as noted in the 1994 Trustees Report, the size of the Social Security trust funds are projected to go up every year through the year 2020, at which time there will be $3 trillion in the trust funds. Then, after that, the trust fund will dwindle down to zero by the year 2030.

So they are saying by the year 2030, if we do not do something, the Social Security trust funds will be busted. That is 35 years from now. So we do have time to act. I can tell you this: The Senator from Wyoming, I think made my argument. If we leave the Social Security trust fund alone, by the year 2030, it will be broke. If we include it, however, in figuring out how to balance the budget and use it to balance the budget, it will be broke a lot sooner than that. In fact, I predict it probably will be broke by the year 2005.

We have to make some changes in Social Security. The Senator from Wyoming is right. It does not make sense to me that someone making $60,000 a year pays the same amount into Social Security as someone making $1 million a year. If we want to raise the cap, we ought to raise it. Everybody ought to pay into Social Security the same percentage of their wages, even millionaires. That might help us out a great deal, and hopefully we will have that debate sometime in the future. There are some things we will have to do with the Social Security trust fund. We have 35 years.

Contrary to what the Senator said, I believe the members of AARP do care about their grandchildren. Because if we do not ensure the security of the Social Security system, the elderly once again will be burdens on their children. I will be the children who will have to take care of the elderly once again, just as it used to be in the old days. Lord knows, our kids cannot hardly make it as it is now. They get married. Both people have to work. They can barely make a living, afford a home and a car, and put some money away for their kids' education. If Social Security is destroyed it would be saying to them: You have to take care of your parents and grandparents.

That is why we have Social Security. That is why I believe the members of AARP are concerned about their grandchildren, for that and many other reasons. Of course they care.

Again, the trust fund is a trust fund. Does the money go into a shoe box? No. It is not sitting in a hole in the ground someplace. Of course, the trustees invest the money, and by law, as the Senator said, they have to invest it in U.S. securities, which are backed by the full faith and credit of the U.S. Government.

So the only way we can default on paying the Social Security payments is if, in fact, the whole Government goes under. So it is backed by the full faith and credit of the United States. And that is the only thing I would like to see the Social Security System backed by.

So again, it is a trust fund. It is like any trust fund, like any trust account. The trustees invest the money, and interest is paid into it. That is what happens in Social Security.

I always tell my constituents, every day the Social Security takes in money, and every day they lend it out to the U.S. Government. Those are backed by the full faith and credit of our country. We would not want them to take the money and put it in a shoe box. It ought to make some money, and it is.

So again, it is time to say that we are going to keep Social Security separate and apart, that we are not going to let it be used in the calculation of a balanced budget. If we do, it is going to be broke by 2005. As it is now, we are going to have it secured until the year 2030, and we can make the needed changes as they come along in the future.

Mr. CRAIG. Mr. President, I believe that just about all that can be said has been said. I think it is very clear to anyone who is listening to the debate this afternoon that there is not anyone in this Congress who does not choose to protect the Social Security System as best as possible, and to do so in every way as we work to balance the budget of our country.

So I hope that we need not be redundant and play the test of ''I voted three times for'' and ''I voted four times against.'' It simply will not work. The only solution to securing and maintaining the integrity of the Social Security System is a bipartisan solution. It was in the 1980's that we created the stability. That is what allows us to stand on the floor today and talk about the year 2030, because of a bipartisan decision on the part of the Congress of the United States to resolve that. That will be the issue.

I urge my colleagues as we move to deal with this issue to vote down the Harkin amendment.

Mr. President, with that, I suggest the absence of a quorum.

Mr. HARKIN. Mr. President, before the Senator asks for a quorum——

Mr. CRAIG. I withdraw that.

Mr. HARKIN. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I agree that Congress should work to balance the budget. I do not agree that passing an amendment to the U.S. Constitution requiring a balanced budget is the way to achieve that goal. The Congress can balance the budget if it has the political will to do so. Moving specific items off the table, be it Social Security, veterans' benefits, or corporate tax deductions, is not the way to have a sensible debate about reducing our continuing budget deficits. Congress does not need to make more promises on this issue, it needs only to exercise the power it already has. There is no substitute for political will and there never will be.

Mr. CRAIG. Mr. President, I move to table the Harkin amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho to lay on the table the amendment of the Senator from Iowa. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 62, nays 38, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—62

Abraham	Frist	McConnell
Ashcroft	Gorton	Moynihan
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Packwood
Burns	Gregg	Pressler
Byrd	Hatch	Robb
Campbell	Hatfield	Roth
Chafee	Helms	Santorum
Coats	Hutchison	Shelby
Cochran	Inhofe	Simon
Cohen	Jeffords	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Snowe
D'Amato	Kerrey	Specter
DeWine	Kyl	Stevens
Dodd	Lieberman	Thomas
Dole	Lott	Thompson
Domenici	Lugar	Thurmond
Exon	Mack	Warner
Faircloth	McCain	

NAYS—38

Akaka	Feinstein	Leahy
Baucus	Ford	Levin
Biden	Glenn	Mikulski
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Conrad	Kennedy	Rockefeller
Daschle	Kerry	Sarbanes
Dorgan	Kohl	Wellstone
Feingold	Lautenberg	

NOT VOTING—0

So the motion to lay on the table was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 190, AS AMENDED

The PRESIDING OFFICER. Under the previous order, the underlying amendment, as amended by the Kempthorne amendment, is agreed to.

So the amendment (No. 190), as amended, was agreed to.

Mr. WELLSTONE. I thank the Senators from Idaho, Ohio, and Michigan for their help and consideration in addressing a concern I have regarding the ability of the Congressional Budget Office to carry out its responsibilities under S. 1. In a nutshell, I am concerned that CBO may not have sufficient funds appropriated for its use to meet its new obligations.

That is the concern that prompted my offering amendment No. 205. The Levin-Kempthorne-Glenn amendment No. 143 that was adopted by a unanimous vote of the Senate makes it clear that there may be occasions when the Congressional Budget Office will find that it is not feasible to make estmate referred to in that amendment. It is my understanding that it was the intent of the sponsors of amendment No. 143 that CBO's lack of sufficient funds to carry out the provisions of S. 1 is one of the grounds under which the Director may determine that it is not feasible to make the estimate.

I ask my friends, the distinguished Senators from Idaho, Ohio, and Michigan whether their intent in sponsoring amendment No. 143 was as I have outlined.

Mr. LEVIN. Yes, the Senator from Minnesota has accurately outlined my intent.

Mr. GLENN. I agree. That was my intent also.

Mr. KEMPTHORNE. I thank the Senator from Minnesota for his question, and I say to him that he has accurately stated my intent in sponsoring amendment No. 143.

Mr. WELLSTONE. I thank the Senators. That was my intent in voting for amendment No. 143. I am glad that we have cleared this up. Accordingly, I withdraw my amendment No. 205.

AMENDMENT NO. 207

Ms. SNOWE. Mr. President, I am proud to be added as a cosponsor to the amendment offered by Senator GRASSLEY and I urge my colleagues to vote for its adoption.

As drafted, S. 1 ensures that Congress is at least given the opportunity to review the estimated costs of mandates that are contained in the legislation it considers. All bills reported from committees must be scored by CBO and—as the recently adopted Levin amendment provided—individual members may request a CBO cost estimate for other legislation that may be introduced as an amendment on the floor. However, there remains one important step in the unfunded mandates debate: the drafting of regulations.

Virtually all legislation that is passed by Congress and signed into law by the President requires the drafting of regulations. The Office of Management and Budget now provides cost estimates on these regulations, but—as we know from the drafting of regulations for the recently enacted motor-voter bill—the size and scope of these rules often has a dramatic effect on the actual cost of the unfunded mandate and often lead to unanticipated compliance costs.

If S. 1 is adopted with this amendment, nothing will force agencies to draft regulations that meet the prior cost estimates of the CBO. But this amendment will ensure that—at the request of any Senator and only to the extent practicable—Congress would receive a study comparing the initial cost estimate of the mandates against the final cost estimate of the regulations. This is a crucial tool for Congress to utilize in evaluating the effectiveness of law—and the cost that law ultimately places on States and communities.

Mr. President, I consider the sense-of-the-Congress resolution contained in this amendment to be a valuable statement about our commitment to curbing unfunded mandates. Because regulations dramatically affect the final costs of legislation, Federal agencies must work to draft regulations that fall within the original cost estimate of the bill. To do otherwise would negate the significance of providing Congress with an estimate in the first place. I understand the concerns of those that would oppose the codification of such a requirement—but I join Senator GRASSLEY in emphasizing that this is a sense-of-the-Congress resolution not a new mandate on Federal agencies.

Mr. President, there will be times when the costs of regulating a proposal exceed the initial estimate for bona fide reasons—and this amendment will not force regulators to revise these regulations. It does, however, ensure that—at the request of any Senator—a full accounting for these discrepancies be provided. OMB already provides a study of the estimated costs of regulations, and—under this amendment—CBO would be able to give an account to Congress for the reasons behind changes in estimated costs. This not only gives us an accurate review of the mandates we pass, but it provides a level of accountability on the part of CBO. If the original estimates of CBO are consistently out of sync with the cost of regulations, CBO should be prepared to give us an explanation. After all, we're relying on these estimates to give us an accurate cost-benefit analysis of proposed legislation.

I would also emphasize that, just as the agencies are not asked to rewrite their regulations under this amendment, Congress is under no obligation to make any changes to the underlying act due to any discrepancies. Congress could either ignore differences, or decide to revisit the act in an effort to make changes that would impact the final regulatory costs—the choice would be entirely at their discretion.

Finally, I think it is important to note that CBO has assured us that the requirements of complying with this amendment could be met within existing resources.

Mr. President, I believe this amendment will only add to the final value of S. 1. Congress needs the initial CBO estimates to properly debate Federal mandate legislation—and Congress needs followup to determine that no new hidden costs are incurred. This amendment provides Congress with the tools to determine our success in curbing unfunded mandates, and I urge my colleagues to join in supporting this amendment.

Thank you, Mr. President. I yield the floor.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order, please.

Mrs. MURRAY. Thank you, Mr. President.

Mr. President, I understand that the Senator from Oregon wants to make one statement. I am happy to yield to him with the understanding that I retain my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PACKWOOD. I thank the Senator from Washington.

CHANGE OF VOTE

Mr. PACKWOOD. Mr. President, I ask unanimous consent that, on vote No. 51, I be recorded in the negative. I mistakenly voted for the amendment and intended to vote against the amendment. This request has been cleared by the two leaders and the vote would not change the outcome.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. PACKWOOD. I thank my friend from Washington.

Mr. FORD. Mr. President, the Senate is not in order. I make a point of order that the Senate is not in order.

The PRESIDING OFFICER. The Senate will suspend until the Senate is in order. Senators wishing to converse will please take their conversations to the cloakroom.

The Senator from Washington.

AMENDMENT NO. 188

Mrs. MURRAY. Mr. President, I ask unanimous consent to take up amendment numbered 188 related to CBO time limits.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. Mr. President, I ask unanimous consent to take up amendment No. 188, relating to CBO time limits.

I had originally intended to offer this amendment. I want to be assured we will not be creating a big, new powerful bureaucracy at the Congressional Budget Office. I want to be sure that

CBO does not become the traffic cop directing the Senate's legislative schedule.

After the adoption of the Levin amendment, giving CBO flexibility to say when it cannot provide a cost estimate, and after numerous discussions with the managers on both sides of the aisle and the chairman of the Budget Committee, some of my concerns have been addressed.

My concerns focus on two main items. The first concern is the bill would give CBO great, new powers. Powers to dictate the Senate legislative schedule by deciding which bills and amendments to work on, and which ones to delay. This would be power wielded by unelected bureaucrats.

The second concern is this bill fails to impose any time deadlines on the CBO to complete its work. My fears are reinforced by our experience with health reform legislation last year. CBO's failure to produce cost estimates prevented Congress from moving forward on this important bill. Some say it was because this was such a large bill. Others say this was because the CBO Director disagreed with the legislation.

My fear is this bill could allow the second scenario to play out again and again as the Senate attempts to take up important legislation. I certainly do not want that to happen.

Again I have listened carefully to the debate on this bill. And, I think it is fair to say we all agree it is our responsibility—our responsibility as legislators—to act carefully as we set policy for the people we represent.

I would like to support a bill on unfunded mandates that is reasonable and reflects common sense. Mr. President, before the adoption of the Levin amendment and certain others, this bill went too far.

The people of this country should understand exactly what this bill does.

Every one of us here in this Chamber, every one up in the galleries, every one watching us on C–SPAN, and every one in this country has to realize that this bill will create a new bureaucracy at the Congressional Budget Office.

I believe this will be a huge bureaucracy, with very wide-ranging powers.

And the staff of this huge, new bureaucracy will not be elected by anyone. They will not be accountable to the American taxpayers. But this bill will give them enormous power to control the legislative process. To bring Senate debate to a halt on an amendment or bill. Even to dictate the Senate's legislative schedule.

This vast new power should give every American pause.

That's why I asked outgoing CBO Director Robert Reischauer about this yesterday at a hearing of the Budget Committee. I asked him how the CBO would prioritize requests for cost estimates that will come from the Senate and from the other body.

Dr. Reischauer responded that the Congressional Budget Office staff was working ''flat out'', trying to fulfill their obligations to the Congress at this point. Dr. Reischauer said the CBO would need more resources if we enact this bill.

Then, Mr. President, I repeated my question about prioritizing requests. I asked the Director how he would decide which mandate to estimate first. His reply frankly, troubled me. He said the CBO would rely on the guidance of the bipartisan leadership of the Congress to decide which to do first. And, then he added that the CBO had tried this approach with the health care debate last year, and it was a failure. That should concern everyone in this country.

It should also concern everyone that this is not the time to talk about increasing budgets. As the ranking member on the Legislative Branch Appropriations Subcommittee, I know we will be struggling to cut about $200 million from the budget this year. Is it fair to talk about a large, $200 million cut in the legislative branch appropriations, while saying to the CBO ''don't worry, we'll make sure you get an increase of $4.5 million a year to take care of the unfunded mandates bill.''

Mr. President, I want to be able to assure my friends and neighbors this bill will not take away their voice in setting priorities of the issues this body considers. They do not want unelected bureaucrats to determine which bills will come before Congress.

I believe we need reform. I believe Congress should be honest and upfront with the American taxpayers about the cost of laws it passes. But, I do not believe we should be creating new bureaucracies or putting American families in jeopardy.

Mr. President, I want to thank the managers of the bill for working with me to find answers to my questions. I especially want to thank the chairman of the Budget Committee, Senator DOMENICI, for his time in responding to my questions. His responses are important.

BUDGET ESTIMATES AND S. 1

Mrs. MURRAY. Will the legislation give CBO tremendous powers to dictate the Senate's legislative schedule?

Mr. DOMENICI. S. 1 is patterned after the existing Budget Act. We have 20 years of experience with the Budget Act and its application to amendments.

The bill provides no powers to CBO to dictate the Senate's legislative agenda or schedule. The bill provides that the determination of mandate levels will be based on estimates made by the Budget Committee. In practice, we use CBO estimates.

S. 1 will operate in the same manner as the Budget Act currently affects budget legislation. On major spending or tax legislation, Budget Committee staff are on the floor to make sure amendments are scored by CBO. In the press of Senate business, these estimates may be based on telephone calls between the Budget Committee staff and CBO.

If a Senator disagrees with the CBO estimate, the full Senate is the final arbiter of its rules. Under the bill, any ruling by the Presiding Officer can be appealed by a Senator. A majority vote of the Senate would appeal the Chair's ruling.

Finally, with the adoption of a Levin amendment, S. 1 does not require an estimate of legislation if CBO finds it impossible to produce such an estimate.

Mrs. MURRAY. What happens if an amendment is proposed and there is no CBO cost statement?

Mr. DOMENICI. Budget Committee staff would seek such a statement from CBO. If the amendment would cause the $50 million threshold to be exceeded then a point of order would lie against the amendment. Points of order are not self-executing. A Senator would have to raise a point of order against an amendment.

Mrs. MURRAY. Will the Parliamentarian seek the advice of the Budget Committee on the cost estimate? Will the Budget Committee turn to CBO for its advice on these estimates.

Mr. DOMENICI. Yes. The bill provides that the determinations of mandate levels are based on estimates made by the Budget Committee. The Budget Committee relies on CBO for these estimates.

Mrs. MURRAY. Is there any time limit on when CBO must produce a cost estimate?

Mr. DOMENICI. No. In practice, these estimates can be turned around quickly. For a very complicated bill, say on the order of the health care reform bill, the estimate may take longer. However, if we are going to impose a mandate as costly and complicated as health care, should we not take the time to get an estimate?

Ultimately, the Senate decides its rules. If the Senate disagrees with the CBO estimate, the Chair's ruling can be overturned by a simple majority.

If there is no CBO estimate and no basis for the Budget Committee to make an estimate, then there is no basis for a point of order.

Mrs. MURRAY. Is a second-degree amendment laid aside until we get a CBO estimate?

Mr. DOMENICI. No. Nothing in the bill requires a CBO estimate before the Senate can proceed to consider, debate, or adopt an amendment.

Mrs. MURRAY. Will CBO have the necessary resources to conduct its duties under S. 1?

Mr. DOMENICI. S. 1 authorizes $4.5 million for CBO's new duties. This authorization is based on CBO's assessment of its needs under the bill. The most costly aspect of S. 1 deals with CBO's responsibilities to produce cost estimates on private-sector mandates. The point of order against consideration of legislation only applies to

intergovernmental mandates and does not apply to private-sector mandates.

I have discussed with Senator MACK, the chairman of the Legislative Branch Appropriations Subcommittee, and the current CBO Director the need to accommodate this additional funding in the fiscal year 1996 appropriation bill.

CBO has a lot of experience with State and local estimates. CBO has been preparing State and local cost estimates for 12 years. While the existing law establishes a $200 million threshold, CBO must review every bill under current law to determine whether it will exceed the threshold.

Mrs. MURRAY. Mr. President, I ask unanimous consent to withdraw from consideration my amendment numbered 188.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 188) was withdrawn.

Mrs. MURRAY. Mr. President, I yield the floor.

Mr. KEMPTHORNE. Mr. President, I thank the Senator from Washington for the effort she has put in this, and the action she has just taken.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 194, AS MODIFIED

Mr. BINGAMAN. Mr. President, I earlier called up amendment No. 194. At this point, I send a modification of that amendment to the desk and I ask unanimous consent that the modification be agreed to in place of the amendment.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, the amendment is so modified.

The amendment, with its modification, is as follows:

On page 25, add after line 25, the following new section:

(4) APPLICATION TO PROVISIONS RELATING TO OR ADMINISTRATED BY INDEPENDENT REGULATORY AGENCIES.—

Notwithstanding any provision of paragraph (c)(1)(B), it shall always be in order to consider a bill, joint resolution, amendment, or conference report if such provision would be properly considered for adoption as a rule by an independent regulatory agency as part of its existing authority.

Mr. BINGAMAN. Mr. President, let me briefly explain this. I understand the managers are going to propound a unanimous-consent request setting a vote on this an hour or so from now. But on the substance of this amendment, as I modified it, let me just explain to my colleagues what we are doing here because I have to say I think it is eminently logical, and it is an amendment I am sorry the managers are not able to accept, because I think it would improve and make more consistent S. 1, which we are here discussing today.

In S. 1, on page 11, in the definitions, we say that the term ''agency'' has the meaning as defined in section 551 of title 5 of the United States Code but does not include independent regulatory agencies. So we are making it very clear in this bill that we are not in any way restricting the actions of independent regulatory agencies to issue rules or regulations which might constitute unfunded Federal mandates.

That is a policy judgment, a policy decision, which the sponsors of the bill, the drafters of the bill, made when they put the bill together.

I am not disputing that, but I am saying if we are not going to apply this bill, the requirements of this bill, to unfunded mandates imposed by independent regulatory agencies, then it is also logical that we not apply anything. Any legislation that would properly be considered for adoption as a rule by an independent regulatory agency should not be subject to the point of order that is possible under this S. 1.

So essentially, my amendment says that anything which relates to an independent regulatory agency that comes before this Senate, you would have to get the cost estimates; you would have to get the CBO estimates; you would have to get the reports and go through the entire rigamarole but nobody could raise a point of order that the Senate should not consider the legislation if in fact the legislation was such that it could be considered for adoption as a rule by an independent regulatory agency.

To put it even more simply and more broadly, Mr. President, the point here is that we should not deny to ourselves here in the Senate the authority we are preserving for independent regulatory agencies to exercise. And that is all the amendment does. It seems to me to be straightforward. It seems to me to be eminently logical. I am disappointed that I have been advised by the managers they cannot accept this amendment because it certainly is consistent with the rest of the bill. But I understand they cannot, and for that reason I still urge my colleagues to support it. I think it would improve the bill, and for that reason I do urge its adoption.

I yield the floor.

COMMEMORATION OF THE 50TH ANNIVERSARY OF THE LIBERATION OF THE AUSCHWITZ DEATH CAMP IN POLAND

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 74) commemorating the 50th anniversary of the liberation of the Auschwitz death camp in Poland.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BRADLEY. Mr. President, I rise to call attention to a dark moment in the history of our civilization. Tomorrow marks the 50th anniversary of the liberation of the Auschwitz death camp in Poland. Fifty Years. Half of a century. It is unfathomable to think that in our lifetimes such inhumanity transpired.

But indeed such inhumanity was possible. Over 13 million innocent people were murdered during the Holocaust at the hands of Adolph Hitler and his tyrannical regime.

On January 27, 1945, Auschwitz, one of the largest death camps, was liberated by Allied Forces. Five years had passed between the opening of the camp and its ultimate liberation, allowing for unbounded murder, rape, torture, and inhumane medical experimentation. More than one million innocent civilians—men, women, the old and feeble, and children—were murdered at Auschwitz alone. Such infamous names as Mengele, Himmler, and Hoss were associated with Auschwitz.

With the opening of the U.S. Holocaust Museum in Washington, DC 1993, we have made an important step in sustaining the legacy of the victims. I would encourage those who come to our Nation's capital to visit this museum.

I recently read a moving piece in Newsweek concerning Auschwitz. I ask unanimous consideration that it be printed in the record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2)

Mr. BRADLEY. One passage in particular remains with me: Jean Amery, the Austrian Jewish philosopher who was also a victim of the Holocaust, explained, ''Anyone who has been tortured remains tortured.'' Mr. Amery, after years of mental anguish resulting from the Holocaust, would finally take his own life.

Mr. President, the pain did not end with the liberation of the camps. Instead, those who were victimized and were somehow able to live through this remain both emotionally and physically scarred. I note in this regard the case of Hugo Princz, a survivor of Auschwitz and now a citizen of my State of New Jersey, who is still fighting the German Government for compensation for his suffering. There are also many in this country and throughout the world who are still mourning the relatives they lost to the Holocaust. Their pain must not be forgotten.

Mr. President, today I offer a resolution commemorating the liberation of Auschwitz and calling on all Americans

to remember the more than one million who were murdered at Auschwitz. We must never forget this terrible crime against humanity. It is our responsibility to educate future generations about the Holocaust and the dangers of intolerance to fulfill our pledge of ''never again.''

EXHIBIT 1

[From Newsweek, January 16, 1995]

FIFTY YEARS AFTER THE END OF THE DEATH CAMP, SURVIVORS TELL UNTOLD STORIES OF RESISTANCE, LOVE, AND LIBERATION

(By Jerry Adler)

On the afternoon of Jan. 27, 1945, Sal De Liema, a 30-year-old Dutch Jew, five months reident in Auschwitz, ventured into the snow outside his barracks door for the first time since the Germans had evacuated the camp nine days earlier. He had climbed into his bunk on Jan. 18 expecting the SS to blow him up along with the barracks, but as the alternative was a forced march to an unknown destination through the icy Polish winter, De Liema chose to die lying down. He slept four days, then survived by sucking on sugar cubes foraged by another prisoner who had stayed behind. On Jan. 27 he felt better, pulled himself to his feet, and walked out the door and through the gate of the camp. The first thing he noticed were a number of furry brown dogs in the snow. He thought, ''Gee, what nice little dogs.'' Then they started to move. The dogs were Russian soldiers in fur caps and white camouflage, who had just liberated the camp. In Auschwitz even deliverance came in the guise of absurdity.

Also in Auschwitz at that time, a young Soviet colonel struggled to understand an apparition. Retired Lt. Gen. Vasily Petrenko, the only surviving commander among the four Red Army divisions that encircled and liberated the camp, was a hardened veteran of some of the worst fighting of the war. ''I had seen many people killed,'' Petrenko says. ''I had seen hanged people and burned people. But still I was unprepared for Auschwitz.'' What astonished him especially were the children, some mere infants, who had been left behind in the hasty evacuation. They were the survivors of the medical experiments perpetrated by the Auschwitz camp doctor, Josef Mengele, or the children of Polish political prisoners rounded up after the ill-fated revolt in Warsaw the previous fall. But Petrenko didn't yet know that. ''I thought: we're in a war. We've been fighting for four years. Million-strong armies are battling on both sides—and suddenly you have children. How did they find themselves there? I just couldn't digest it.'' Only later did Petrenko realize that this was a place where children were brought to be killed. By the hundreds of thousands they had vanished into thin air, and Petrenko's troops marched by the ashes of their bones.

Caught up in a great war, the world took no special notice of the event. The big news in The New York Times that day was that Soviet troops had swept to the Baltic. Buried in a long list of the towns overrun by the Red Army was Oswiecim, the Polish name for Auschwitz. The place was by then a virtual ghost town, only with a ghost population the size of Philadelphia. Of the approximately million and a half who had passed through it, most of whom left behind only their hair and the smell of their burning bodies, just 65,000 were still there in January 1945. As the Russians advanced from the east, the Nazis retreated to Germany, providently bringing their prisoners to kill along the way. Only about 7,000 stayed behind to be liberated by the Russians, many of them near death.

And liberation did not put an end of their dying. Albert Grinholtz, a French Jew, remembers Mongol soldiers of the Red Army riding into the camp on horseback. ''They were very nice,'' he says. ''They killed a pig, cut it in pieces without cleaning it and put it in a large military pot with potatoes and cabbage. Then they cooked it and offered it to the sick.'' The effects of that meal on people on the edge of starvation were nearly as lethal as anything the Nazis did. For that matter, Auschwitz is still claiming victims, as some survivors realize that the pain of their memories does not diminish with age. The Italian writer Primo Levi, author of ''Survival in Auschwitz,'' threw himself down a stairwell in 1987. ''Anyone who has been tortured remains tortured,'' wrote the Austrian Jewish philosopher Jean Amery, who took his own life 38 years after the Nazis failed to take it from him.

Better never to have been born at all, perhaps, than to live through Auschwitz. Of course, the Carthaginians probably felt that way, too. Each generation marches into history dripping the blood of its respective massacres. But Auschwitz, and the Holocaust of which it was a part, have a unique place in the annals of human slaughter. When Rwandans beat their neighbors to death with clubs, we take it as dismaying evidence that human nature will never change. But Auschwitz was something new on the earth. Its elaborate mechanisms for transporting, selecting, murdering and incinerating thousands of people a day constituted a kind of industrialization of death. It raised the terrifying possibility that with the advent of modern technology human nature really had changed. No wonder General Petrenko has been uneasy for 50 years. At Auschwitz that day, the 20th century saw itself in the mirror, and turned away in horror.

Auschwitz was only one—the largest—of several Nazi extermination camps, and there's no reason to think it was the worst. It owes its prominence to its size and its special role as both a death camp for Jews and Gypsies (technically, the gas chambers were located in neighboring Birkenau) and the headquarters of a network of slave-labor camps housing Jews, Polish political prisoners, POWs, homosexuals and common criminals. Although newcomers were routinely told that the only way out of Auschwitz was through the chimney, that was never quite true. Along with more than a million who died there, tens of thousands lived there—worked, schemed endlessly and obsessively to stay alive—and even fell in love. Those who succeeded brought with them memories of how men and women lived in the shadow, the smell and dust of death. Their stories—some never before told—covering the period from the last great killing spree that began in the spring of 1944 to the ''death marches'' the following winter have been collected by Newsweek correspondents on three continents for this, the 50th anniversary of the liberation of Auschwitz.

In the spring of 1944, as the war increasingly turned against the Germans, trains bearing the first of Hungary's Jews began arriving at Birkenau. Until then, Hungary's 800,000 Jews, although oppressed, had been spared the worst of the Nazi terrors, and it is likely that none of them had even heard the word Auschwitz. On one of these trains rode 17-year-old Rita Yamberger, her older sister Berta Morganstern and Berta's two children. Eighty people stood together in boxcars for four sweltering days and nights. There was a bucket to drink from and another that served as a toilet. At one stop, Yamberger got off to refill the water bucket and almost missed getting back on. As the train to Auschwitz began to pull away, she ran after it so she wouldn't be forgotten.

Yamberger's train arrived at Auschwitz late at night and parked there until dawn, when the doors were flung open and the dazed passengers formed into lines for a ''selection.'' Five by five, they marched past Mengele himself—''as beautiful as a statue,'' Yamberger remembers, in his glistening boots and crisp black SS uniform. Old people, sick people, young children and their mothers went to the left and potential workers to the right. Yamberger's sister saw that mothers with children were going off together, but, of course, she had no idea why. ''So she put a scarf over my head so I would look older, and I took the hand of her son as if I was the mother,'' Yamberger remembers. ''We all went left. We were happy because we were together. Then I felt a hand on my shoulder. It was Mengele. 'How old are you?' he said. In that second I was hypnotized. I had the boy by the hand. I told the truth. He shoved the boy away. He fell down, and I was thrown to the right. And that's how I didn't go to the crematorium.''

Other families were more successful at staying together. Gloria Lyon, who was 14 when she was rounded up with her family in eastern Czechoslovakia, recalls how her 12-year-old sister, Annuska, was sent off with the old people and children, but managed to sneak back into the other line and rejoin the family. ''My mother was very angry that she did this,'' Lyon said, ''because we conjectured that the old people will take care of the children, and our group would have to do the hard work.'' Never was disobedience in a child better rewarded; both sisters survived the war and are still alive.

Sometimes the inmates who met the trains and escorted the victims to the gas chambers would—at the risk of their own lives—whisper to young mothers to give their babies to older relatives. Not many obeyed, of course. Helen Farkas, arriving at Auschwitz as part of an extended family from Transylvania, recalls that ''my sister Ethel said, 'He's crazy. What do they mean I should give my child to an older person?' '' But in the confusion the baby began to cry, and he mother-in-law took charge of him and disappeared off to the left; guards beat Ethel back when she tried to join them. The sisters, selected for work, were stripped and shaved to the skin. ''We started to look for each other, shouted each other's name,'' Helen says. ''We couldn't recognize each other, naked, without hair. When we found each other, we started laughing, we laughed so hysterically it turned into crying.''

So the transports arrived, with their cargoes of innocent flesh, from anywhere the SS could lay their hands on a Jew: France, Holland, Slovakia, Greece and, of course, Hungary, until the government halted the deportations in mid-July, after 438,000 Jews had been shipped to Auschwitz in little more than two months. The victims, unsuspecting, walked to the gas chambers under the blank and baleful gaze of the SS, and then were turned into smoke that blackened the skies, and a stench so awful and pervasive that Lyon lost her sense of smell for nearly five decades after. Those selected for work were shorn, tattooed with a number on their left forearm, issued uniforms, bowls and spoons and turned out into the barracks. Hundreds slept in triple-tiered rows of bunks. The newcomers faced the scorn of the Polish and Czech Jews who had come earlier. ''They told us, 'While you were going to theaters, we were already here'.'' recalls Judy Perlaki, who was brought to Auchwitz from a town in Hungary in May. The religious ones would pray. The old-timers taunted them: '''Go ahead, pray. But do you know where your mother is? Right up in that chimney'.''

The new inmates entered a life of roll calls, beatings and work, punctuated by surprise

selections for the gas chambers, which the Nazis kept busy even if no trains arrived. The roll calls were held twice a day, always in the open, and prisoners stood at attention until the count was complete, which might take several hours. This was hard enough even for prisoners who weren't suffering from the camp's rampant diarrhea. Standing became even harder, naturally, as Poland's harsh winters set in. *Kapos,* the prison trusties—many of them criminals—whom inmates feared almost as much as the SS, roamed the ranks. They would hit anyone who stepped out of place, or stamped his frozen feet, or whom they felt like hitting. By a whim of the commandant, an orchestra of inmates was commissioned to serenade the prisoners as they marched off to the factories, mines and construction sites. ''This was the unreal thing: this beautiful music,'' says Rachel Piuti, who came to Auschwitz in 1944 from a labor camp in central Poland. ''We marched out, the music accompanied us. We marched back, the music welcomed us. This is why it seemed already like life after death.'' The orchestra also played for the deportees on their way to gas chambers, and one inmate remembers the elderly Hungarian men tipping the hats appreciatively as they marched by.

An inmate's rations were ersatz coffee in the morning, a pint or so of watery soup for lunch and a half pound or so of bread for dinner. A person doing heavy labor outdoors obviously could survive this diet for no more than a few weeks or months. So those who lived, by definition, had some means of obtaining extra food—a skill the SS valued, a job where they could steal, or a protector somewhere in the camp. A large number of the survivors worked in the unit where the belongings of new arrivals were meticulously sorted, tagged, logged, stored and immediately stolen. The warehouses were known as ''Canada'' after that fabled land where everyone had warm socks and cigarettes. In August, Siggi Wilzig, a German Jew who had been in Auschwitz since 1942, landed one of the most sought-after positions in the camp, organizing the Canada warehouse. One whole room was for storing toilet paper—''a huge room, 12 or 15 feet high full of toilet paper. It just stayed there and no one knew why.'' He had labeled each roll and stacked them in order as the Germans wanted, and then filled the insides of the tubes with rings, watches and other small valuables he could barter for food.

Another job which provided enough to eat was *sonderkommando*—the Jewish prisoners who met the trains, escorted the condemned to the gas chambers and then hauled the bodies to the crematoriums. ''When they got off the trains, they had to strip in the dressing room,'' says Henryk Mandelbaum, who worked as a sonderkommando in the fall of 1944. ''Whole families went in, supposedly to take showers. When the chamber was more than half filled, they realized something was wrong. There was commotion. The SS beat them brutally with sticks.'' The sonderkommandos' was hard physical work, made worse by the burden of never knowing when a relative might turn up in the gas chamber. Mandelbaum tells of one legendary sonderkommando who voluntarily walked into the gas chamber with his own family; and another, who encountered his mother and assured her until the last minute that she was only being taken to the showers. For that sin, the sonderkommando's own colleagues were said to have killed him themselves.

Some people screamed in the gas chambers, at least one group sang the Czech national anthem and some prayed. Sonderkommando Yehoshua Rosenblum escorted a venerable rabbi to the gas chamber and warned the naked old man that he was going to die. ''I told him he should say a prayer: 'Put something on [meaning a hat; Jews pray with their heads covered] so you can say a prayer before you die.' I had a chance now to talk to someone about what was going on here. 'Children, parents who never did anything in their lives—why should such a thing happen?' He said: 'Quiet. It is forbidden to complain; this is the will of God. You cannot answer these questions.'

''He told me: 'Tell the world what these evil persons are doing to the Jews'.'' But Rosenblum answered: ''Rabbi, today it's you, tomorrow me.'' All the sonderkommando expected to wind up in the crematoriums themselves eventually; it was part of the job. The Nazis assured their silence by periodically killing them and starting fresh with a new batch.

One Jew who escaped the gas chambers that summer was Roman Friester, who was 15 and an orphan when he arrived in Birkenau from a small labor camp elsewhere in Poland. He talked his way into a job by volunteering as a specialist in running a lathe, a machine he had never laid eyes on. Survival had a cost. Lying in his bunk one night, he was raped by another prisoner, an older may who had access to food. ''He put his hand with a piece of bread into my mouth. I badly wanted this bread. I wanted to swallow the bread quickly before he finished, so he would have to give me another piece of bread. I got a second, and a third.

''He went off and in a moment I realized that I didn't have my prisoner's cap. Any prisoner at the morning roll call without his cap was shot. He wanted to liquidate me and so he stole my cap.

''That night, I stole a cap from some other prisoner. So that next morning, some other prisoner was killed instead of me. I never looked to see who it was.''

One more prisoner killed—who was to notice? Lives were saved and lost all the time that summer. Max Garcia, a Jew from Amsterdam, was saved by his appendix. After four days of severe stomach pains, he was sent to the camp hospital, which often would have been a ticket to the crematorium. But the SS surgeon had never seen a case of acute appendicitis and decided to open up Garcia for the experience. Sal De Liema was saved by a kapo, who had smashed his eyeglasses out of spite. Shortly after, he went through a selection and saw healthy men sent off to the gas chambers. He asked another prisoner why, and was told: ''They were wearing glasses.''

But the great news at Auschwitz that summer was the escape of Mala Zimetbaum and Edward Galinski—the most famous of the hundreds of Auschwitz escapes, because even in failing it gave courage to the thousands of inmates who knew about it and witnesses its legendary end. Zimetbaum, who was barely 20 in 1944, was one of the most extraordinary prisoners to pass through Auschwitz. Fluent in several languages, she was put to work as a messenger and interpreter. She apparently made full use of her position to carry out assignments for the camp resistance, even managing to replace the identify cards of women selected to be gassed with those of women who had already died.

Zimetbaum fell in love with Edward Galinski, a Polish political prisoner, and they resolved to escape. They succeeded in bribing an SS man to supply them a uniform, and Zimetbaum filched a pass from the guard room. On June 24, Galinski marched out the gate of Auschwitz with a female prisoner in tow. But Auschwitz did not give up its victims so easily. They were caught two weeks later, still in southern Poland, and brought back to the camp for execution. The hangings were scheduled for Sept. 15. Galinski went first: he slipped the noose over his head, and, by one account, kicked over the stool that served as his scaffold, shouting ''Long Live Poland!'' Zimetbaum was stood in front of the assembled women prisoners, who were subjected to a lecture on the consequences of trying to escape. But before the guards could hang her, she pulled out a razor blade and slit her wrists, spraying her executioners with her blood.

But even while the camp was awaiting the fate of the two lovers, something else happened to give them hope. On Aug. 20, more than 120 Flying Fortress bombers from the American air base in Foggia, Italy, flew over Auschwitz en route to bomb the factories of Upper Silesia. One of the targets was, in fact, a satellite camp of Auschwitz itself, the giant I.G. Farben plant (know as ''Buna'') that converted coal to synthetic fuel. ''We heard the sirens in camp, but there was no cover,'' says Max Sands, who worked in a warehouse at Buna. ''We stayed in the barracks and when I looked out, the sky was covered.'' At his next shift two days later, the damage made such an impression on him that he swears he saw locomotives on roofs. The downside of all this was that he and his brother lost their soft warehouse jobs and were put to work hauling bags of cement on a repair crew, but it was worth it to see the Germans bombed.

But no bombs ever fell on Auschwitz itself, nor on Birkenau. American Jewish leaders, by this time well aware of Auschwitz, pleaded with Washington to bomb the crematoriums. Hundreds of inmates might have died in such an air raid, of course, but it might have saved some of the thousands of new victims who arrived every day. For that matter, the prisoners in the camps were hoping for the same thing. ''Our greatest anticipation was when the air raids were on,'' recalls Celia Rosenberg, 66, who was brought to Auschwitz from Hungary in May. ''It would have been our pleasure to be bombed. It never occurred to us to be afraid.'' But the War Department—contravening even President Roosevelt's wishes—seems to have stuck to a policy of not mixing military and humanitarian objectives. ''The best way to help those people,'' Assistant Secretary of War John J. McCloy insisted, ''was to win the war as quickly as possible.''

Even so, the bombing raids and the news filtering back to the prisoners in the fall of 1944 made it clear that the war had turned decisively against the Germans. For the sonderkommando, who never expected to survive the war, this was a call to action. They enlisted the help of prisoners who worked in a munitions plant—most of them women—to smuggle out gunpowder, a few grams at a time. A plan took shape to blow up the gas chambers, attack the guards and break through the electrified fence that surrounded Auschwitz and Birkenau. But before they could act, on Oct. 7, the SS demanded 300 sonderkommando for ''transfer''—barely a euphemism—and the victims decided to die fighting.

Unplanned, unorganized and vastly outnumbered, the rebellion had no chance. The sonderkommando fought the well-armed SS troops with knives, chains, stones and perhaps homemade grenades. One part of it worked: bales of human hair, destined for German carpet factories, had been stashed in the attic of Crematorium 4: the sonderkommando sprinkled them with gasoline and ignited them, setting ablaze the roof of the whole vast structure. Three SS men were killed. But no one escaped, and of the 663 members of what became known as the Last Sonderkommando, 451 were shot by the SS and tossed in the ovens by the end of the day.

And of the women who helped them, four—Roza Robota, Ester Wajcblum, Ala Gertner and Regina Safirsztain—were arrested and taken to the infamous prison Block 11, where they were tortured for weeks, although without revealing the names of any other conspirators. In a letter smuggled out to her sister Anna, Ester wrote about how ''the familiar sounds of the camp—the screams of the kapos, the screams for tea, soup, bread, all those hated sounds now seem so precious to me and so soon to be lost . . . Not for me the glad tidings of forthcoming salvation; everything is lost and I so want to live.'' Ester was 20. On Jan. 6, 1945—less than two weeks before the Germans abandoned Auschwitz altogether—the four women were taken to the gallows. Their fellow prisoners had been assembled for the spectacle. Two women grabbed Anna and pushed her into a barracks to keep her from watching, but she heard the groans. It was the last public execution at Auschwitz.

As fall turned to winter, and the Red Army drew closer, new orders arrived from Berlin. The transports stopped coming, the crematoriums went cold—in fact, the whole vast operation went furiously into reverse, as the Germans began dismantling the evidence of what was to have been the crowning achievement of the Third Reich. Crews sent to clean out the chimneys had to scrape out deposits of human fat 18 inches thick. The prisoners greeted these developments with mixed emotions: happy to see the Nazis losing, but troubled by the general assumption that the Germans would slaughter them all first.

The Soviet offensive on Upper Silesia began on Jan. 12, and the Germans quickly fell back. Red Army guns boomed over the roll call on the evening of Jan. 17. The next day, long columns of prisoners began marching out of the camp, thousands at a time—past the famous sign with its mendacious promise ARBEIT MACHT FREI (WORK MAKES ONE FREE), leaving behind the remains of the chimneys that were supposed to be their only exits. Most were in various stages of starvation; many had only wooden shoes or rags to cover their feet as they tramped over the freezing mud. The German officers enforced one simple rule: anyone who fell behind, for any reason, was shot dead on the spot. ''You were outside, without fences, but you were not free,'' said Siggi Wilzig. ''If you thought the camp was bad, just wait until the death march.'' Wilzig had usable shoes, but several days into the march a shoelace broke, which could have cost him his life. Just then he spied a sapling poking out of the snow; he worked it free and lashed his shoe together in time to rejoin his march. ''An act of God!'' he exults.

In the confusion of these days quite a few prisoners managed to escape. Louis Zaks, who had been in concentration camps since 1941, was working in the coal mines of the Jaworzno subcamp when the Soviets approached; he declared his own emancipation a day early by refusing to go to work, which in normal times would have meant a bullet in the head. He was marched to another subcamp, Blechhammer, where he ran off and hid in a coal pile. After several hours, he felt safe enough to stretch, and the coal began to move, and 20 people stood up from nearby piles. But freedom had its perils also. Walking on the highway north toward Lodz, he and his fellow escapees encountered a group of Soviet soldiers. ''They asked for our watches. We told them, 'We have no watches, we are from a concentration camp.' 'Oh.' they said, 'you are Jews. Nobody likes Jews. Germans don't like Jews, Poles don't like Jews, we don't like Jews.' They chased us into the forest and lifted their rifles.'' Zaks was saved by the timely arrival of some Russian officers, including one who was Jewish.

Those who didn't escape or die on the death marches were eventually loaded onto open railcars for the trip to camps in Germany; having come in sealed boxcars in the summer, they now traveled in the open in the winter. They were so emaciated and pitiable that civilians sometimes threw them bread and even clothing as they passed. The SS guards discouraged the practice by shooting at the civilians. The last few weeks and months, as the Reich collapsed around them, were some of the hardest the prisoners had to endure. Linda Breder, interned near Ravensbrück, in Germany, gives a calm account of her 33 months at Auschwitz and the death march along a road ''paved with corpses in the snow.'' But she breaks down in tears at the memory of a kettle full of soup that overturned as it was being served, leaving the starving women to lick the food from the snow. Freed eventually by the Russians, she set off with some friends to walk back to Slovakia, living off the land. They went into a German woman's house; the table was set with dishes and napkins, there was a tureen of hot soup. The women had seen nothing like it for three years. Anger and hunger waged war within them, until one grabbed the tablecloth and sent everything crashing to the floor. They searched the house and found the woman, hiding, and two SS uniforms in a closet. They roughed her up and moved on.

Meanwhile the Russians, having done their part for history, had moved on themselves. The survivors stood and walked out as free men and women, and miraculously got on with their lives. They went back to being tailors, or jewelers, doctors and writers; some went to Palestine and fought another war. You couldn't pick them out of a crowd, now, in Jerusalem, Toronto or Los Angeles, unless you happened to spot the numbers graven on their forearms. They (and the others who passed through Auschwitz) left behind, according to a subsequent Soviet accounting, more than a million suits, coats and dresses, seven tons of human hair and comparable heaps of shoes, eyeglasses, cooking utensils and other goods, counting only what was found in only six of the 35 storerooms of Canada, the Germans having burned the rest. They took with them the indelible memory of the moment when a tall man in shiny boots condemned them to life, the moment in which Rita Yamberger sees a young boy pulled roughly from her grip and shoved to the left. ''From afar, I saw the little boy. He was lost in the crowd, shouting for his mother. He was lost. I hope he found his mother and they died together.''

COMMEMORATING THE 50TH ANNIVERSARY OF THE LIBERATION OF AUSCHWITZ

Mr. D'AMATO. Mr. President, I rise today to commemorate the 50th anniversary of the liberation of Auschwitz.

On January 27, 1945, Soviet Red Army troops liberated the deathcamp where upwards of 1.5 million people were exterminated. In the years since, the very word has become a synonym for death. It was said that in Auschwitz the only path to freedom—freedom from torture and starvation—was through the smokestacks of the crematorium.

The Nazis, with pathological precision, collected Jews and their other victims from all over Europe and the Soviet Union and funnelled them into the twin camps of Auschwitz and Birkenau. Once there, their belongings were collected, their heads shaved, and they were pushed like cattle either into barracks or directly to the gas chambers. Those spared death by gas were subjected to death by starvation and intense forced labor. In all, the Nazis dehumanized their victims and simply eliminated them when they had no further use for them.

Today, the twin camps of Auschwitz-Birkenau lay silent, belying the horrors that occurred there. When one walks among the ruins of the partly bombed out crematoriums and the remains of the barracks where the victims lived, if one could call it that, one cannot escape the question, is there no limit to man's cruelty to his fellow man?

As we celebrate this anniversary we must do so in the realization that in commemoration we seek prevention—prevention of such horrors in the future. The words never again, must keep their original meaning and not be tossed aside dependent upon the new victims' group.

Finally, we must teach the lessons of this dark past to our children so that they know that there was indeed a time like the Holocaust and that because of that it must never, never, be allowed to happen again.

The PRESIDING OFFICER. Is there further debate on the resolution?

If not, the question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 74) and its preamble are as follows:

S. RES. 74

Whereas on January 27, 1945, the Auschwitz extermination camp in Poland was liberated by Allied Forces after almost five years of murder, rape, and torture;

Whereas more than one million innocent civilians were murdered at Auschwitz alone;

Whereas Auschwitz symbolizes the brutality of the Holocaust;

Whereas Americans must ''never forget'' this terrible crime against humanity and must educate the generations to come so as to promote the understanding of the dangers of intolerance in order to prevent similar injustices from happening ever again; and

Whereas commemoration of the liberation of Auschwitz will instill in all Americans a greater awareness of the Holocaust: Now, therefore, be it

Resolved, That the Senate hereby—

(1) commemorates January 27, 1995, as the fiftieth anniversary of the liberation of the Auschwitz death camp by Allied Forces in the Second World War; and

(2) calls upon all Americans to remember the more than one million innocent victims who were murdered at Auschwitz as part of the Holocaust.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. BRADLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNFUNDED MANDATE REFORM ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 209

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the pending business be set aside and that we call up amendment No. 209.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Is there debate on amendment 209?

Mr. KEMPTHORNE. Mr. President, with regard to amendment No. 209, we have made the point repeatedly that S. 1 is not retroactive. This amendment simply provides language to clarify that it is not retroactive. It is language which is similar to what had been put in the House version also stating that clarification that this is not retroactive.

Mr. GLENN. Mr. President, I would like to explain my understanding of this amendment and its impact. I would also like to ask a few questions of my friend and colleague from Idaho, Senator KEMPTHORNE, about his understanding of this amendment and its impact, so that we can try to avoid any misunderstanding.

Throughout this debate, my colleague from Idaho and I have indicated that S. 1 does not cover mandates in existing law.

Thus, even if a Federal statute contains a large mandate, a bill to reauthorize or amend that statute is not subject to the detailed analysis and point-of-order requirements of S. 1—unless enactment of the bill would result in a net increase in aggregate direct costs of Federal mandates large enough to exceed the thresholds in S. 1.

The threshold for Federal intergovernmental mandates is $50 million per year, and for Federal private sector mandates it is $200 million per year.

Thus, the detailed analysis and point-of-order requirements of S. 1 would not apply to the reauthorization or amendment bill—unless the bill would establish new or additional duties beyond the duties in the preexisting statute, or unless the bill would reduce the authorization of Federal financial assistance below what is authorized in the preexisting statute, such that the net increase in the aggregate amount of direct costs would exceed the applicable threshold.

Is my understanding correct?

Mr. KEMPTHORNE. Yes, the Senator is correct. The requirements of S. 1 would apply to the bill only if the new or additional duties or reduced Federal financial assistance would impose a net increase in the aggregate amount of direct costs on State, local or tribal governments exceeding the $50 million per year threshold, or on the private sector exceeding the $200 million per year threshold.

Mr. GLENN. Second, as I understand this amendment, the requirements of S. 1 would not be triggered just because there is a lapse in the authorization of appropriations.

Even after the previous authorization of appropriations had lapsed, a bill that would only reauthorize the appropriations would not be covered under S. 1, because it would not increase the duties already established in the existing legislation.

Likewise, a bill that would reauthorize appropriations, and would thereby restore Federal financial assistance at the same level as before the lapse, would restore—not reduce—the Federal financial assistance available to be used to comply with the mandate.

Thus, even if the previous authorization of appropriations had lapsed, the reauthorization would not impose a net increase in the aggregate amount of direct costs exceeding the thresholds, and would therefore not be covered under S. 1.

Does the Senator from Idaho agree with my understanding?

Mr. KEMPTHORNE. Yes, I have this same understanding of the proposed legislation.

Mr. GLENN. Finally, when a bill would amend Federal legislation, S. 1 would apply only to the amount of net increase in the aggregate amount of direct costs that would result from enactment of the bill. This is true for reauthorization bills and for other bills that amend Federal statutes.

Let me give a couple of examples:

Suppose that a pre-existing Federal statute would require State governments to spend $40 million per year for the next 5 years to perform certain activities.

And suppose that a bill is proposed that would amend this Federal statute, by adding new requirements that would cost an additional $20 million per year for the next 5 years.

Such a bill would not trigger the point of order under S. 1. It is true that, if the bill is enacted, the amended statute will cost $60 million per year over the next 5 years.

But we must subtract $40 million per year, which is the amount that would be required by the pre-existing Federal statute in the next 5 years if it is not amended.

Thus, the net increase in the aggregate amount of direct costs that would be caused by the bill would be only $20 million per year. This is below the threshold of $50 million per year.

Does the Senator from Idaho agree with my analysis?

Mr. KEMPTHORNE. Yes I do.

Mr. GLENN. Now let me offer a slightly different example:

Again, suppose that a pre-existing Federal statute would require State governments to spend $40 million per year for the next 5 years to perform certain activities.

This time, though, suppose that a bill is proposed that would add a duty that would cost the States an additional $50 million per year for these same activities.

But suppose that the same bill would also reduce the duties that are already in the pre-existing statute, saving the States $5 million per year.

In other words, the pre-existing statute would cost $40 million per year for the next 5 years, if the statute were not amended, but enactment of the bill would reduce this amount to $35 million per year.

This $5 million saving is offset against the $50 million imposed by the new duty in the bill. Therefore, the net increase in the direct cost of the bill would only be $45 million per year, which is below the threshold.

This concept of net increase in the aggregate amount of direct costs is stated in the amendment now before us. This net increase approach is also required by the provisions in the definition of ''direct costs'' already contained in the S. 1.

Does the Senator from Idaho agree?

Mr. KEMPTHORNE. Yes, I agree with the description of the legislation as presented by the Senator from Ohio.

AMENDMENT NO. 225 TO AMENDMENT NO. 209

Mr. GLENN. Mr. President, I send to the desk an amendment in the second degree and ask for its consideration.

The PRESIDING OFFICER. The clerk will report the second-degree amendment.

The bill clerk read as follows:

The Senator from Ohio [Mr. GLENN] proposes an amendment numbered 225 to amendment No. 209.

Mr. GLENN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike page 1, line 2, through page 2, line 4, and insert the following:

''( ) CLARIFICATION OF APPLICATION.—(1) This section applies to any bill, joint resolution, amendment, motion, or conference report that reauthorizes appropriations, or that amends existing authorizations of appropriations, to carry out any statute, or that otherwise amends any statute, only if enactment of the bill, joint resolution, amendment, motion, or conference report—

''(A) would result in a net reduction in or elimination of authorization of appropriations for Federal financial assistance that would be provided to States, local governments, or tribal governments for use for the purpose of complying with any Federal intergovernmental mandate, or to the private sector for use to comply with any Federal private sector mandate, and would not eliminate or reduce duties established by the Federal mandate by a corresponding amount; or

''(B) would result in a net increase in the aggregate amount of direct costs of Federal intergovernmental mandates or Federal private sector mandates otherwise than as described in paragraph (1).

''(2) For purposes of this section, the direct cost of the Federal mandates in a bill, joint resolution, amendment, motion, or conference report that reauthorizes appropriations, or that amends existing authorizations of appropriations, to carry out a statute, or that otherwise amends any statute, means the net increase—

''(A) in the aggregate amount of direct costs of Federal mandates that would result under the statute if the bill, joint resolution, amendment, motion, or conference report is enacted,

''(B) over the aggregate amount of direct costs of Federal mandates that would result under the statute if the bill, joint resolution,

amendment, motion, or conference report were not enacted.''

Mr. GLENN. Mr. President, just a short statement regarding this amendment.

This amendment clarifies how the provisions of S. 1 will treat a reauthorization or other amendment of existing statutes that contain mandates. Our understanding all along, as Senator KEMPTHORNE said, with both of us is that S. 1, as did S. 993 last year, applies only to future mandates that add new costs. And this amendment clarifies that intent.

Basically, the amendment does the following. It ensures that reauthorizations which do not change existing laws but merely extend the authorization are not covered under S. 1.

So if an authorization is simply extended for several years without any substantive change, it is not covered.

Second, if a bill to reauthorize or amend a statute imposes new costs on State and local governments or the private sector, but in another part of that bill the cost of existing requirements are reduced, then those savings are credited against the new costs imposed. So direct costs are net costs. And if the savings outweighed the new costs, and the net costs do not exceed the threshold, then S. 1's points of order would not apply.

Finally, this language makes clear that in bills to reauthorize or amend a statute, it is new costs that will be scored, and the baseline of costs that would be imposed under the preexisting statute are not part of the CBO or Budget Committee calculation of costs.

I believe that this amendment is noncontroversial, and it has been accepted on the other side. It clarifies what has been our intent all along—that S. 1 apply to new mandates imposing new costs.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, I am prepared to accept the second-degree amendment as proposed by the Senator from Ohio.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 225) was agreed to.

The PRESIDING OFFICER. Is there further debate on the first-degree amendment as amended? If not, the question is on the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 209), as amended, was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. KEMPTHORNE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that when the Senate resumes the Boxer amendment No. 203, Senator KASSEBAUM be recognized to offer a second-degree amendment, and there be 20 minutes for debate to be divided in the usual form, and that Senator BOXER be recognized to offer a further second degree amendment which shall be debated during the same 20 minutes.

I further ask that following the conclusion or yielding back of time, the Senate proceed to vote on the Kassebaum amendment to be followed by a vote on or in relation to the Boxer second-degree amendment to be followed immediately by a vote on the Boxer amendment No. 203, as amended, if amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that at 8 o'clock tonight the Senate proceed to vote on the motion to table the Bingaman amendment to be followed by a vote on the Kassebaum amendment to be followed by a vote on or in relation to the Boxer second-degree amendment.

The PRESIDING OFFICER. Is there objection?

Mr. GLENN. Reserving the right to object, and I do not plan to object.

Mr. KEMPTHORNE. Mr. President, I ask that I be allowed to modify the unanimous consent request so that the Kassebaum amendment would occur first, followed by the Boxer second-degree amendment, then followed by the Bingaman amendment, to be tabled.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. May I ask a procedural question at this point? The Senator from California has introduced her amendment, is that correct? So it has been introduced and is at the desk?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 226 TO AMENDMENT NO. 203

(Purpose: To ensure that the President fully enforces laws against child pornography, child abuse, and child labor)

Mrs. KASSEBAUM. Mr. President, I send an amendment in the second degree to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM] proposes an amendment numbered 226 to amendment No. 203.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment, strike the language after ''(7)'' and insert the following: ''expresses the Sense of the Senate or the Sense of the House that the President should fully enforce existing laws against child pornography, child abuse, or child labor.''.

Mrs. KASSEBAUM. Mr. President, this amendment expresses the sense of the Senate that the President should fully enforce laws against child pornography, child abuse, and child labor.

During the 103d Congress, we passed a resolution opposing the administration's position before the Supreme Court in the Knox case that would have weakened our child pornography laws. My recollection is that the resolution passed with over 95 affirmative votes.

We sent a strong signal to the administration that we expect the Federal Government to take a tough stance against child pornography. I think we have an opportunity to re-send that signal to assure ourselves that the Justice Department received the message.

Mr. President, child abuse and pornography is a serious matter. It leaves scars that last a lifetime. Children who were abused sometimes grow up to become abusers themselves, and their personal relationships—with spouses, friends, and relatives—are rarely the same as they would otherwise have been.

The amendment I am offering today expresses the sense of the Senate that the administration should strongly enforce Federal laws designed to address child pornography. I urge my colleagues to support the amendment.

Mr. President, for just a moment I would like to speak on the underlying amendment of the Senator from California. While the first vote will be on the second-degree amendment, I have some serious concerns about the underlying amendment.

Just briefly, I would note that the amendment of the Senator from California would exempt unfunded mandate restrictions from future legislation dealing with child labor, which is an important and serious matter, there is certainly no question about that. But I point out that many of our child labor restrictions come from the Department of Labor regulations rather than by statute, and they address problems that are a long way from children working in the salt mines, which led to unfortunate abuses which we have tried to correct over the years.

Let me give an example. The Secretary of Labor, to his credit, allowed an exemption of our child labor laws so that children could work as bat boys at major league baseball games. By regulation, children ages 14 to 15 cannot work after 7 p.m. on school nights without a Labor Department exemption.

I think it is very important that whenever we consider legislation that we debate whether the benefits of the unfunded mandate outweighs the burden. We have seen countless examples where, indeed, it reaches absurd proportions.

That debate will only take place if we assure that child labor and other labor standards be included within the unfunded mandates bill. Weighing costs is an important part of the legislative

process, and for this reason I oppose excluding labor standards, even child labor standards, from S. 1.

Mr. President, to reiterate, we will be voting on the second degree amendment that I offered, but I want to comment for a moment on the underlying amendment offered by the Senator from California. I have serious concerns with the underlying amendment.

Let me provide another example of a Federal mandate regarding child labor restrictions. During the 102d Congress, the Labor Committee held a hearing on Senator METZENBAUM's child labor bill, S. 600, that required children under 16 years of age to obtain a certificate of employment from their State labor department before starting work.

Under the Metzenbaum bill, parents would have had to sign the certificate, and a responsible official at the child's school would have had to certify that the child was meeting the school's attendance requirements. Each State labor department would then send a copy to the child's parents and fulfill detailed reporting to the Federal Government regarding the number and type of certificates issued.

Mr. President, many school boards and State labor departments vigorously opposed this paperwork burden. School teachers want to teach, not fill out forms. State labor officials want to focus on real problems, rather than hiring clerical employees to analyze data to report to the Federal Government. If every farm kid in Kansas had to file these working papers, my State's labor department would be overwhelmed.

Thankfully, S. 600 never made it to the Senate floor during the 102d Congress. But in the future, if we consider this type of legislation, then the Senate should debate whether the benefit of the unfunded mandate outweighs the burden.

Mr. President, I will yield the remainder of the time I have to the Senator from Utah.

The PRESIDING OFFICER (Ms. SNOWE). The Chair recognizes the Senator from Utah.

Mr. HATCH. Madam President, I rise in support of Senator KASSEBAUM's amendment to Senator BOXER's amendment. This amendment will bolster enforcement of our Nation's laws against child pornography, child abuse, and child labor.

What we need even more than new laws against child pornography, child abuse and child labor, is full enforcement of the good laws that are already on the books by the President and by the Justice Department. In this regard, sense-of-the-Senate and sense-of-the-House resolutions urging the President to enforce existing laws, I think, can prove to be invaluable.

Take, for example, the case of Knox versus United States. As all of my colleagues will remember, in that case the Clinton Justice Department adopted a bizarre interpretation of a Federal child pornography law in which they supported the pornographer over the child. That interpretation, which was not faithful to the intent of Congress, would have undermined that important child pornography law and would have left many victims of child pornography without protection.

On November 4, 1993, by a vote of 100 to zip, 100 to nothing, the Senate condemned the Clinton Justice Department's efforts to weaken that child pornography law. On April 20, 1994, the House, by a vote of 425 to 3, also condemned the Clinton Justice Department's misreading of the law and their interpretation of the law.

Having gotten the message from Congress, the Clinton Justice Department ultimately reversed field and corrected its reading of the child pornography law. Within the last week or so, the Supreme Court denied Knox's petition for review, therefore making his conviction final. That is what should have been done from the beginning.

What this series of events shows us is that the resolutions by the Senate and the House can prevent Presidents from failing to enforce existing laws against child pornography, child abuse, and child labor. And that is the way to do it. Senator KASSEBAUM's amendment would exempt these resolutions from the scope of S. 1 and would ensure that enforcement of these important laws remain vigorous.

It is the way to do it. I commend the distinguished Senator from Kansas for making the effort to do this the right way.

I would like to see her amendment pass overwhelmingly. I hope that we can then vote against the amendment of my good friend, the distinguished Senator from California.

I reserve the remainder of the time to the distinguished Senator from Kansas.

Mrs. KASSEBAUM. I thank the Senator. Mr. President, I appreciate the comments of the Senator from Utah.

Madam President, how much time is left?

The PRESIDING OFFICER. The Senator has 4 minutes and 20 seconds remaining.

Mrs. KASSEBAUM. I reserve the remainder of my time for a few moments, if the Senator from California would like to use some of her time.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

Mrs. BOXER. Thank you, Madam President.

AMENDMENT NO. 227 TO AMENDMENT NO. 203

(Purpose: To ensure that nothing in this Act threatens child pornography, child abuse, and child labor laws)

Mrs. BOXER. Madam President, in accordance with the unanimous-consent agreement, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California [Mrs. BOXER], for herself and Mr. DODD, proposes an amendment numbered 227 to amendment numbered 203.

Mrs. BOXER. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, add the following:

''( ) is intended to study, control, deter, prevent, prohibit or otherwise mitigate child pornography, child abuse and illegal child labor.''.

Mrs. BOXER. Madam President, I would appreciate it if you would tell me when I have about 4 minutes left of my time. This is not going to be a prolonged debate.

I am very fortunate to have had a chance to express myself on this matter, and I will do so once again.

First, I want to make the point that I am fully supportive of the amendment offered by my friend from Kansas, Senator KASSEBAUM. I think there is nothing in that amendment that conflicts with my underlying amendment. I am going to proudly support both. I hope that the Members of the U.S. Senate will do the same and I will explain why.

I also want to tell the Senator from Kansas how much I appreciate her working with me so that we can each have a vote on our respective amendments, or at least on the motion to table. I think it is very important that the Senate have a chance to express itself on both of these concepts.

The amendment from the Senator from Kansas says that it is the sense of the Senate that the President should fully enforce existing laws against child pornography, child abuse, or child labor. I could not agree more with that. We have laws on the books, and they should in fact be fully and completely enforced. And as you know, Madam President, together we called on the Attorney General to fully enforce the laws to protect health clinics as well.

But I think we need to go beyond existing laws because we are talking about S. 1. S. 1 is about future law, Madam President. The reason I have kept this chart here throughout the debate on S. 1 is to make sure Senators understand the kind of legislative hurdles that we are going to be putting many of our bills through. There are reasons for this. There are many in the U.S. Senate who want to slow up the process; they do not want to see us pass bills that have to be enforced by the States and locals without adequate funding. I share that view. I liked last year's bill better because I thought it was less bureaucratic. I thought it treated us more like legislators. It did not take us into a situation where we may have our hands tied.

That is why the exceptions clause of this bill is so important. The authors of the bill say there are certain things that are so important—and they named

bills to secure civil rights, prevent discrimination, and to implement international treaties—those things are so important they said, that these would be exceptions to S. 1, that those bills would not have to go through the legislative hurdles which I have described over and over again on the Senate floor.

I guess I need to ask my friends who may be considering voting against the Boxer amendment, do you think that our children are as important as our international treaties? International treaties will be exempted from S. 1's point of order, but not our children. I say, further, that as we look around the country, and we look at the issues of child abuse, illegal child labor, and child pornography, we have serious problems in these areas.

In 1992, 2.9 million children were reported abused or neglected, about triple the number reported in 1980. Among substantiated and indicated victims of child maltreatment, 49 percent suffered neglect, 23 percent physical abuse, 14 percent sexual abuse, 5 percent emotional abuse, and 3 percent endured medical neglect.

We also have problems in the workplace. By law businesses are prohibited from hiring children younger than 14 and teens between the ages of 14 and 16 may work after school only in nonhazardous jobs. This is a mandate, I say to my colleagues, to protect our children. That is why I support the Kassebaum amendment.

Yes. We should fully enforce the law. But what if we feel the laws are not going far enough? Do we want to capture these future amendments and bills in this bureaucratic maze? Again, as I have said before, the CBO are fine people. They are represented here on the chart in red. They can stop an amendment or a bill if they tell us that it is over $50 million. The green here on the chart applies to the role of the Parliamentarians. We love our Parliamentarians. But they were not elected. They can stop, Madam President, a bill that you have written or an amendment that you have written. And I think it is time for us to stand up for the children, and say, if that bill involves child pornography, sexual abuse, or child labor laws, it should be added to the exceptions in S. 1 which include international treaties.

I know a lot of people who think GATT is important. I was one of them. It is very important. NAFTA is very important. But, my goodness, our children are important too.

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mrs. BOXER. I retain the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kansas.

Mrs. KASSEBAUM. Thank you, Madam President.

I would like to respond for a moment to the Senator from California. In fact, I think comparing international treaty exemptions with that of child pornography, child abuse, and child labor laws is a little bit like comparing apples and oranges. International treaties involve other countries. There are some very complicated legal reasons why there should be and has to be an exemption for those international laws. I think we would all agree that the areas which the Senator from California would like to exempt are very special areas. My sense-of-the-Senate second-degree amendment does not diminish the seriousness of the areas that have been addressed by the Senator from California.

Clearly, child abuse and child pornography are serious matters to all of us. It leaves scars that last a lifetime. We have passed legislation to address these concerns to try to end child abuse. Nevertheless, in many instances, what we need to do is to make sure that those laws that are already on the books are strictly enforced. The Senator from California has agreed with that. But I think when we pass new legislation, all I am saying is that we need to carefully evaluate the costs and the benefits.

Every one of us could find areas which we think should be exempted because they are special. We have already voted on a number of those in the last couple of days. Some of us have voted against issues that we care about deeply because creating special categories in this unfunded mandates legislation bill will only place other important issues at risk.

I think that it is very important for us as we vote to separate our own concerns about the seriousness of the issue which the Senator from California raised, and our own concern that those issues be addressed in a thoughtful way. And the fact that the Senator's amendment carves out yet another exemption, which would in many ways put other important things at risk, leads to the question, if we do this, what is the next area that we would wish to exempt?

I think we have to look at our obligations, and as we look at legislation, we must weigh the costs and benefits. That is why it seems to me the better alternative is the second degree amendment, which we could all agree addresses very important and serious concerns. Yet, at the same time, there are other things that should not be carved out as special exemptions at a time when we are trying to address a serious concern regarding unfunded mandates.

Madam President, I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

Mrs. BOXER. Madam President, how much time is left on the other side?

The PRESIDING OFFICER. There is 46 seconds remaining on the other side.

Mrs. BOXER. I ask that I may retain 1 minute, and I will take 3 at this time.

The PRESIDING OFFICER. The Senator is recognized.

Mrs. BOXER. Madam President, I say to the Senator from Kansas thank you for offering your amendment. It is a terrific amendment. But it absolutely, positively has nothing to do with my amendment. My amendment recognizes that there is, in fact, already an exception clause in this bill. I am not adding it, I say to the Senator from Kansas; it is there. Yes, there is an exception for international treaties, but there is also one for civil rights.

Now, let us talk about that. Who is protected under the civil rights laws? Women, against sex discrimination; the elderly, against age discrimination; and, of course, there are laws to prevent racial discrimination. We want to make sure that any law that deals with racial discrimination, discrimination based on age, and sex discrimination, are in fact not going to get trapped in the hurdles of S. 1. I am not adding a new exemption clause in the bill. Civil rights is already exempted. I support that, and I am certain that my friend from Kansas does, as well.

What I am saying simply is, if protections for women are very important to this society, if protections for the elderly are very important to this society, if protections for ethnic minorities are very important to this society, if we are all important to this society as human beings, then my goodness, let us add laws that protect our children to this list.

According to the National Center for Missing and Exploited Children, Kansas, Florida, and Georgia have no laws criminalizing the distribution of child pornography. Mississippi and Michigan have no laws making it a crime to possess child pornography. Congress might well find that not a lot of States have enacted child pornography laws and require States to do so. I think we ought to be able to act fast in that case.

There is a new form of child pornography: the computer bulletin board. My friend from Kansas says the President should enforce all of the existing laws. She is right. We should vote 100 to zero on her amendment. But technologies are changing. There are some new laws that may well need to be placed on the books. On the computer bulletin board, pornographic images are transmitted by computers, and some adults have used on-line communications to lure young children and abuse them.

The following incident was reported in the April 18, 1994, issue of Newsweek: A 27-year-old computer engineer in California used his computer to prey upon a 14-year-old boy. After many on-line conversations, he persuaded the boy to meet him in person. I do not want to go into the horrible experience this child had. But this is an area we have not legislated upon.

If you listen to my friends from Utah and Kansas, you would think, well, we have all the laws we are going to have; let us enforce them. I am saying that this is a serious problem to the children of our Nation and we, as parents, should do something about it. I hope

we will support both of these amendments. They are both important.

I will reserve my time.

Mrs. KASSEBAUM. Madam President, I will briefly say that pointing out that Kansas does not have laws against child pornography is the very reason we need to enforce the Federal laws.

I yield the remaining time I have to the Senator from Utah.

Mr. HATCH. Madam President, let me bring it down to a simple statement. The Boxer amendment—our colleague from California—would create special exemptions from S. 1 for child pornography, child labor, and child abuse laws.

Her approach is strongly opposed, as I understand it, by the Governors, State legislators, and mayors. The Kassebaum approach would encourage the President to fully enforce the laws that already exist on the books against child porn, child abuse, and child labor. That is the difference. I think we should vote for the Kassebaum amendment.

The PRESIDING OFFICER. The Senator from California has 33 seconds remaining.

Mrs. BOXER. Madam President, this feels a little bit like the House of Representatives, because we have to speak so fast. But I am going to conclude.

I think this has been a good debate. I think we can all agree that this is a horrible problem. The question is: are children special? And that, in fact, if there is a bill we want to bring up here that deals with stopping child pornography in Kansas, or California, or anywhere else, it does not get trapped by the parliamentary or CBO requirements in S.1.

I think it is worth a ''yes'' vote. I hope we will come together, Republicans and Democrats, and vote for both the Kassebaum amendment and the Boxer amendment.

I thank my colleagues. I have enjoyed having this chance to discuss this amendment. Thank you, Madam President.

I yield the floor.

Mr. HATCH. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KEMPTHORNE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 184

Mr. KEMPTHORNE. Madam President, I ask unanimous consent that the Senate now turn to the consideration of Graham amendment No. 184; that Senator GRAHAM be recognized to modify his amendment and there be 10 minutes equally divided in the usual form, with no second-degree amendments in order; and that, following the conclusion or yielding back of time, the vote be postponed to occur following the last stacked rollcall vote occurring at 8 p.m. tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEMPTHORNE. Madam President, I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

AMENDMENT NO. 184, AS MODIFIED

Mr. GRAHAM. Madam President, pursuant to the unanimous consent agreement, I send to the desk a modification of amendment No. 184.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 184), as modified, is as follows:

On page 6, strike line 3 and all that follows through line 10, and insert the following:

(ii) would reduce or eliminate the amount of authorization of appropriations for—

(I) Federal financial assistance that would be provided to States, local governments, or tribal governments for the purpose of complying with any such previously imposed duty unless such duty is reduced or eliminated by a corresponding amount; or

(II) the control of borders by the Federal Government; or reimbursement to states, local governments, or tribal governments for the net cost associated with illegal, deportable, and excludable aliens, including court-mandated expenses related to emergency health care, education or criminal justice; when such a reduction or elimination would result in increased net costs to States, local governments, or tribal governments in providing education or emergency health care to, or incarceration of, illegal aliens; provided that this subparagraph shall not be in effect with respect to a State government, local government, or tribal government, to the extent that such government has not fully cooperated in the efforts of the Federal government to locate, apprehend, and deport illegal aliens;

Mr. GRAHAM. Madam President, as I outlined in a statement which accompanied amendment No. 184 when it was originally proposed, the purpose of this amendment is to deal in a fair and equitable manner with another form of unfunded mandate. That form of unfunded mandate occurs when the Federal Government has the sole, singular constitutional responsibility to carry out a function of Government and where its failure to carry out that function of Government inevitably leads to significant costs to State, local, or tribal governments.

The specific function to which this amendment goes is the issue of immigration and specifically illegal immigration. The amendment utilizes the same procedures that we have been discussing for the past several days relative to other forms of unfunded mandates. It provides that that procedure will be available in basically two categories.

The first is where there is a proposal to reduce or eliminate the amount of authorization of appropriations for the control of borders by the Federal Government; that is, where there is a proposal to reduce the capacity of the Federal Government to carry out its constitutional responsibility to enforce our national borders through immigration and other border control responsibilities. Or, second, where there is a proposal to reduce or eliminate the amount of authorization for reimbursement to States, local governments, or tribal governments for the net cost associated with three categories of illegal aliens: first, criminal justice activity; second, emergency health care; and, third, education of the children of illegal aliens.

There is a provision also in this amendment which states that, in order for a State, local government, or tribal government to be eligible for this, they must demonstrate that they have cooperated with the Federal Government to locate, apprehend, and deport illegal aliens. That is to say, a unit of government at the State, local, or tribal level must indicate that it has cooperated in the national effort to arrest or control this problem as a condition of being able to meet the test necessary to activate this procedure.

Madam President, I recognize that this sounds somewhat complex, but I believe that it is straightforward.

I offer this amendment, Madam President, with the cosponsorship of my colleague Senator MACK. And I want to express my appreciation to Senator KYL and to Senator SIMPSON and their staffs for their assistance.

Having stated the amendment just briefly, what is the nature of the problem?

There are in the United States today an estimated 3.5 million illegal aliens. These are people who are in the country because of some failure of our capacity to control our borders. Those 3.5 million illegal aliens pose very serious financial burdens on States, local governments, and tribal governments.

In the case of the State of Florida, for instance, it is estimated that illegal aliens within our State prison system cost the taxpayers of the State of Florida each year approximately $55 million to $60 million. That is the 1-year cost of incarcerating the illegal aliens who are in our State prison system.

A year ago, under leadership of Senator HUTCHISON, of Texas, Congress adopted a bill in which the Federal Government will begin to provide some share of the cost of incarcerating illegal aliens.

This legislation would, for instance, come into play if there were an effort made to reduce the level of authorization of that legislation or similar legislation that relates to control of the borders, emergency health, or education of the children of illegal aliens.

Madam President, that is the thrust of this amendment.

I believe it is totally consistent with the objective of this bill. That is, to have the Federal Government accept its responsibility when it mandates—in this case, mandates—by inaction or failure, a cost on State, local governments or tribal governments.

Madam President, I reserve the balance of my time.

Mr. KEMPTHORNE. Madam President, I want to commend the Senator from Florida, who certainly has raised a critically important issue to this and certainly to States that have experienced this. He has been thoughtful and diligent in his pursuit of this. I think, also, the long history of the Senator from Wyoming, Senator SIMPSON, who has worked with this issue for so many years. Senator MACK was also very helpful in crafting the language of this amendment.

At this point, I yield time to the Senator from Wyoming but would acknowledge that we certainly and strongly support this amendment as modified.

The PRESIDING OFFICER. The Senator has four minutes.

Mr. SIMPSON. Madam President, I thank the Chair. I just want to acknowledge the work of Senator GRAHAM, Senator MACK, Senator KYL, and Senator KEMPTHORNE, who have been very helpful.

Let me just be sure that we all understand that we are going to do a great deal on immigration in this session of Congress. We have a good committee, good subcommittee. We will do it in a bipartisan fashion. Members will be working diligently to assure that this amendment really never comes into effect.

I hope we can do that. It makes clear that the State and local jurisdictions must cooperate with the Immigration Service in efforts to control illegal immigration if they expect the Federal Government to assist them with the costs they incurred due to illegal immigration. I think that is imminently fair.

This amendment will certainly encourage the Government to carry out our sovereign duty, which is to control our borders. I recommend Senators to the sweeping legislative bill I presented the other day, the Immigration Control and Financial Responsibility Act. Take a good look at that. I seek your cosponsorship as we proceed in this very important field. I thank the Chair.

Mr. GRAHAM. Madam President, I ask unanimous consent to indicate those who are cosponsors of this amendment. The amendment as originally submitted, number 184, has cosponsors Senators MACK, BOXER, BRYAN, and REID. In addition to those, I would also add Senators MCCAIN, KYL, and HUTCHISON.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEMPTHORNE. Madam President, I ask unanimous consent that my name also be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEMPTHORNE. Also, Madam President, this morning we had a good discussion about this issue of immigration. The Senator from California, who provided an amendment, and also the Senator from Arizona, Senator KYL, who, again, articulated many of the concerns that he, too, was instrumental in forging this agreement. So a number of people in a bipartisan effort have accomplished this.

If there are no others wishing to speak on this, I reserve the balance of my time.

Mr. GLENN. Madam President, I, too, want to congratulate the Senator from Florida for working this out. We started out quite a ways apart on this and by a lot of negotiation, with Senator SIMPSON's help, I think we have resolved this in a fine way. We are happy to accept it on this side.

Madam President, parliamentary inquiry. I believe under the current unanimous-consent agreement there would be a rollcall vote on this amendment unless it was vitiated; is that correct?

The PRESIDING OFFICER. The rollcall vote would have to occur unless vitiated.

Mr. GLENN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. KEMPTHORNE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEMPTHORNE. I ask unanimous consent that the Senator from California, Senator FEINSTEIN, be added as a cosponsor to amendment numbered 184.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEMPTHORNE. Madam President, I yield back any remaining time and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KEMPTHORNE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAMM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

Mr. GRAMM. Madam President, we are waiting for amendments to go through the distillation process, hopefully to complete this bill. And as a result, I would like to say a few words about action that just occurred in the House of Representatives. The House has yet to cast final passage on the balanced budget amendment to the Constitution. But in the vote that determined which version of the balanced budget amendment to the Constitution would be put before the full House for adoption, the House of Representatives just cast enough votes to assure the passage of a balanced budget amendment to the Constitution of the United States.

I think this is a historic vote. I served in the House in 1982, when the U.S. Senate adopted a balanced budget amendment in August of that year and sent it to the House. As some who now serve in this Chamber will remember, we spent from August to October trying to get the requisite number of House Members to sign a discharge petition because the balanced budget amendment to the Constitution was being held off the floor by the Democratic majority leader and by the Democratic Speaker.

I remember vividly that every time we would get close to getting 218 people to sign the discharge petition, the Speaker and the majority leader would get Members to go down and take their names off.

I remember vividly the day that we got Vice President Bush to come down, we got roughly 20 Members of the House together and we all marched in and, at the same time, had them sign the discharge petition. At that point, names could not be taken off, and we had a vote on the balanced budget amendment to the Constitution.

I am disappointed to say that in 1982, the House of Representatives did not have the votes to adopt the balanced budget amendment to the Constitution. I think the history of our country would be different if we had had those votes. I think long-term interest rates would be in the range of 3 to 4 percent. I think the economy would be growing more rapidly. I think serving in Government would be part of the real world because, like every family and every business in America, we would have to say no and we would have to say it often. The difference is, in families people are saying no to those they love. In business, people are making hard decisions. But we do not make those decisions here in Congress because we are not forced to.

Thomas Jefferson, when he came back from France and saw the Constitution for the first time—he had been Minister to France when the Constitution was written—he said that if he could make one change in the Constitution, it would be a change that would limit the ability of the Federal Government to borrow money.

I am obviously proud tonight, as I know many of our colleagues are, that the House of Representatives, at long last and for the first time ever, has adopted a balanced budget amendment to the Constitution to fix a problem with the Constitution that no less authority than Thomas Jefferson recognized over 200 years ago.

We will have an opportunity next week to have a vote on the balanced budget amendment to the Constitution in the Senate. If we adopt it, it does not go to the President. He has no voice in a constitutional amendment. If we can adopt it, it will take 67 votes of the Senate. If we get 67 votes on that amendment, it will go to the States

and, when ratified by the States, it will become the law of the land. It will then force us to make hard decisions. It will force us to say no. It will change our country.

For those who came to Washington, in the House or the Senate, to change America, in the 15 years that I have had the pleasure of serving in the House and the Senate, this will be the first real vote that I will have ever cast that I believe will permanently change American history.

So I look forward to casting that vote. I think the House has now defined what the language should be. We have had a long debate over what should be included in the amendment.

I personally favored a three-fifths vote to raise taxes. I thought setting out a clear preference to control spending versus raising taxes to deal with the deficit was preferable. But the House of Representatives set out an amendment that does not have that provision. I think our chances of adopting this amendment now come down to our ability to get 67 votes for the amendment that passed the House.

I am very much for that amendment. I intend to vigorously support it. And if every Member of the Senate votes on that amendment the way they have voted in the past, and if our new Members who were Members of the House or who have taken a public position on it vote the same way they have in the House, that amendment will be adopted and it will be sent to the States.

I think there is always a question as to how people are going to vote now that we are shooting with real bullets, now that our individual votes might be the difference between having a balanced budget amendment to the Constitution and not having it.

I think, obviously, we as Members of the Senate have a right to be proud of our colleagues in the House. I think it does show that elections have consequences. Our House colleagues wrote a Contract With America, and in that contract, they said they would bring up a balanced budget amendment to the Constitution. They not only did it, but tonight they passed it. I am proud of them, and I long for next week when we will get an opportunity to join them in changing America and changing it for the better.

I yield the floor and suggest the absence of a quorum.

Mr. BRYAN addressed the Chair.

Mr. GRAMM. Madam President, I withdraw my request in suggesting the absence of a quorum.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada.

UNFUNDED MANDATE REFORM ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 184

Mr. BRYAN. I thank the Chair. Madam President, I want to speak for just a moment in support of the amendment offered by the distinguished senior Senator from Florida, Senator GRAHAM, dealing with the issue of immigration. I am proud to be a cosponsor of that amendment. I am proud to have worked with him on a number of immigration issues in the previous Congress.

As a former Governor and attorney general, I have long had deep concerns for the excessive Federal mandates that have placed a terrible strain on State and local resources.

I have felt firsthand the frustration that State and local government officials feel when Federal mandates require compliance, without regard to their own needs or financial priorities. The passage of both the immigration amendment and the unfunded mandate legislation will be an important step in restoring some of the confidence and trust in Congress that has been lost by State and local officials over the years.

I feel strongly that the relationship between the Federal, State, and local governments must be improved by limiting the level of financial and administrative burdens that Federal mandates impose. My colleagues, Senators GLENN of Ohio and KEMPTHORNE of Idaho, both members of the Senate Government Affairs Committee, worked long and hard with State and local officials to fashion a bill that would gain a broad base of support in the Senate.

One area, however, that has not been taken into account in the legislation before us is the impact upon our State and local governments of the Federal Government's immigration policy, or should I say lack of policy and enforcement. Senator GRAHAM's immigration amendment ensures that when the Senate is considering legislation containing a potential unfunded mandate in the area of immigration policy, that a budget point of order will be raised.

Although immigration policy is solely a Federal concern, States are required to provide emergency health care and education to undocumented immigrants who reside in our States, and pay for the costs of incarcerating undocumented alien criminals.

Last July I joined with Senator GRAHAM and others in approving funds to reimburse States for the costs associated with incarcerating illegal immigrants.

Without more responsible action from the Federal Government on this issue, the States are fighting a losing battle and the lives of all our citizens are directly impacted.

Our amendment last July and our amendment today should be sending a strong message to the Administration, to the INS, to the Justice Department and to the Congress: State and local governments will no longer pay for a failed Immigration Policy and Enforcement Program.

A reformed immigration policy and greatly improved enforcement effort are long overdue. This is not an issue that will quietly go away. Not when the problem grows bigger every day. Not when State governments are going broke because of failed Federal policies. I look forward to working more with Senator GRAHAM and Senator SIMPSON to push the needed reforms through this Congress.

VOTE ON AMENDMENT NO. 226

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

Mr. KEMPTHORNE. Madam President, I ask for the yeas and nays on the vote that is about to occur.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 226 offered by the Senator from Kansas [Mrs. KASSEBAUM] to amendment numbered 203. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 53 Leg.]

YEAS—99

Abraham	Feingold	Lugar
Akaka	Feinstein	Mack
Ashcroft	Ford	McCain
Baucus	Frist	McConnell
Bennett	Glenn	Mikulski
Biden	Gorton	Moseley-Braun
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boxer	Grams	Murray
Bradley	Grassley	Nickles
Breaux	Gregg	Nunn
Brown	Harkin	Packwood
Bryan	Hatch	Pell
Bumpers	Hatfield	Pressler
Burns	Heflin	Pryor
Byrd	Hollings	Reid
Campbell	Hutchison	Robb
Chafee	Inhofe	Rockefeller
Coats	Inouye	Roth
Cochran	Jeffords	Santorum
Cohen	Johnston	Sarbanes
Conrad	Kassebaum	Shelby
Coverdell	Kempthorne	Simon
Craig	Kennedy	Simpson
D'Amato	Kerrey	Smith
Daschle	Kerry	Snowe
DeWine	Kohl	Specter
Dodd	Kyl	Stevens
Dole	Lautenberg	Thomas
Domenici	Leahy	Thompson
Dorgan	Levin	Thurmond
Exon	Lieberman	Warner
Faircloth	Lott	Wellstone

NOT VOTING—1

Helms

So the amendment (No. 226) was agreed to.

Mr. KEMPTHORNE. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE. Madam President, I move to table the Boxer amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho to lay on the table the amendment of the Senator from California. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 54 Leg.]

YEAS—53

Abraham	Gorton	Murkowski
Ashcroft	Gramm	Nickles
Bennett	Grams	Nunn
Bond	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Roth
Chafee	Hatfield	Santorum
Coats	Hutchison	Shelby
Cochran	Inhofe	Simpson
Cohen	Jeffords	Smith
Coverdell	Kassebaum	Snowe
Craig	Kempthorne	Specter
D'Amato	Kyl	Stevens
DeWine	Lott	Thomas
Dole	Lugar	Thompson
Domenici	Mack	Thurmond
Faircloth	McCain	Warner
Frist	McConnell	

NAYS—46

Akaka	Feingold	Levin
Baucus	Feinstein	Lieberman
Biden	Ford	Mikulski
Bingaman	Glenn	Moseley-Braun
Boxer	Graham	Moynihan
Bradley	Harkin	Murray
Breaux	Heflin	Pell
Bryan	Hollings	Pryor
Bumpers	Inouye	Reid
Byrd	Johnston	Robb
Campbell	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
Daschle	Kerry	Simon
Dodd	Kohl	Wellstone
Dorgan	Lautenberg	
Exon	Leahy	

NOT VOTING—1

Helms

So, the motion to lay on the table was agreed to.

Mr. KEMPTHORNE. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

VOTE ON AMENDMENT NO. 203, AS AMENDED

Mr. KEMPTHORNE. Madam President, would the next order be voting on the amendment as amended?

The PRESIDING OFFICER. That is correct.

The question now occurs on the Boxer amendment No. 203, as amended.

The amendment (No. 203), as amended, was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 194, AS MODIFIED

Mr. KEMPTHORNE. Madam President, I move to table the next amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. KEMPTHORNE. I also ask unanimous consent that the next two votes be a 10-minute vote each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question now occurs on the motion of the Senator from Idaho [Mr. KEMPTHORNE] to table amendment No. 194, as modified, offered by the Senator from New Mexico [Mr. BINGAMAN]. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 62, nays 37, as follows:

[Rollcall Vote No. 55 Leg.]

YEAS—62

Abraham	Glenn	Mikulski
Ashcroft	Gorton	Murkowski
Baucus	Gramm	Nickles
Bennett	Grams	Nunn
Bond	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Robb
Chafee	Hatfield	Roth
Coats	Heflin	Santorum
Cochran	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Jeffords	Smith
Craig	Kassebaum	Snowe
D'Amato	Kempthorne	Specter
DeWine	Kohl	Stevens
Dole	Kyl	Thomas
Domenici	Lott	Thompson
Faircloth	Lugar	Thurmond
Feingold	Mack	Warner
Feinstein	McCain	Wellstone
Frist	McConnell	

NAYS—37

Akaka	Dorgan	Levin
Biden	Exon	Lieberman
Bingaman	Ford	Moseley-Braun
Boxer	Graham	Moynihan
Bradley	Harkin	Murray
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Byrd	Kennedy	Rockefeller
Campbell	Kerrey	Sarbanes
Conrad	Kerry	Simon
Daschle	Lautenberg	
Dodd	Leahy	

NOT VOTING—1

Helms

So the motion to lay on the table the amendment (No. 194), as modified, was agreed to.

Mr. KEMPTHORNE. Madam President, I move to reconsider the vote.

Mr. GLENN. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KEMPTHORNE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM. Madam President, I ask unanimous consent that we vitiate the next rollcall vote.

Mr. GRAMM. Reserving the right to object, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 184

The PRESIDING OFFICER. The question occurs on agreeing to amendment No. 184, as modified, offered by the Senator from Florida [Mr. GRAHAM].

An attempt was made to vitiate the yeas and nays, but an objection was made.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER (Mr. BENNETT). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 93, nays 6, as follows:

[Rollcall Vote No. 56 Leg.]

YEAS—93

Abraham	Dodd	Kennedy
Akaka	Dole	Kerrey
Ashcroft	Domenici	Kerry
Baucus	Dorgan	Kohl
Bennett	Exon	Kyl
Bingaman	Faircloth	Lautenberg
Bond	Feingold	Leahy
Boxer	Feinstein	Lieberman
Bradley	Ford	Lott
Breaux	Frist	Lugar
Brown	Glenn	Mack
Bryan	Graham	McCain
Bumpers	Gramm	McConnell
Burns	Grams	Mikulski
Byrd	Grassley	Moseley-Braun
Campbell	Gregg	Moynihan
Chafee	Harkin	Murkowski
Coats	Hatch	Murray
Cochran	Hatfield	Nickles
Cohen	Hollings	Packwood
Conrad	Hutchison	Pell
Coverdell	Inhofe	Pressler
Craig	Inouye	Pryor
D'Amato	Johnston	Reid
Daschle	Kassebaum	Robb
DeWine	Kempthorne	Rockefeller

Roth	Simpson	Thomas
Santorum	Smith	Thompson
Sarbanes	Snowe	Thurmond
Shelby	Specter	Warner
Simon	Stevens	Wellstone

NAYS—6

Biden	Heflin	Levin
Gorton	Jeffords	Nunn

NOT VOTING—1

Helms

So the amendment (No. 184), as modified, was agreed to.

Mr. KEMPTHORNE. Mr. President, I move to reconsider the vote.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, I have a question to pose to the managers of the unfunded mandates bill. From my reading of the bill, a voluntary Federal program that is not under entitlement authority cannot fall within the definition of what is a Federal mandate under the pending bill. Am I correct in my reading?

Mr. KEMPTHORNE. That is correct.

Mr. ROTH. That is correct.

Mr. BIDEN. Let me pose an example, just to make sure I understand. Last year, the Congress passed the Violent Crime Control and Law Enforcement Act of 1994.

I was the principal author of the crime legislation and I included in the law a number of grant programs under which Federal funds would become available to those States and localities who choose to participate in the programs.

For example, title 1 of the crime law provides $8.8 billion to the States for the hiring of new police officers. The program requires those States and localities that voluntarily choose to participate, to provide matching funds as a requirement of obtaining Federal dollars.

Were this program offered in legislative form after the unfunded mandates bill becomes effective, it would not fall within the definition of a Federal mandate under the unfunded mandate bill's definition, because the police title is a voluntary program, is that correct?

Mr. KEMPTHORNE. As the Senator has described the program that is correct.

Mr. ROTH. That is correct.

Mr. BIDEN. Let me pose another example. Title 2 of the crime law provides $7.9 billion to the States to build and operate new boot camps for traditional prisons.

The program requires those States that voluntarily choose to participate to provide matching funds as a requirement of obtaining the Federal dollars.

It also requires those States that choose to participate to meet certain standards with regard to the length of time they keep violent prisoners behind bars.

Were this program offered in legislative form after the pending unfunded mandates bill becomes effective, it would not fall within the definition of a Federal mandate under the bill's definition, because the prison grant title is a voluntary program, is that correct?

Mr. KEMPTHORNE. If it is a voluntary Federal program that is correct.

Mr. ROTH. I concur.

Mr. BIDEN. Let me pose a third example.

Title 4 of the bill provides $1.62 billion to States and localities, for a variety of programs to combat rape, family violence, and the terrible effects they have primarily on the women of our Nation.

Most of these programs require those States or localities that choose to participate to provide matching funds as a requirement of obtaining the Federal dollars.

Some of these programs also require those States that choose to participate to meet certain standards with regard to the criminal justice policies relating to rape and family violence.

Were these programs offered in legislative form after the pending bill becomes effective, it would not fall within the definition of a Federal mandate under the bill's definition, because the violence against women grants are voluntary programs, is that correct?

Mr. KEMPTHORNE. As the Senator has described the program, that is correct.

Mr. ROTH. I concur.

Mr. BIDEN. Let me pose a fourth example. In titles 3 and 5, and in several other titles, the crime law provides Federal funds to States and localities for a variety of programs to prevent crime.

Many of these programs require those States or localities that choose to participate to provide matching funds as a requirement for obtaining the Federal dollars.

Some of these programs also require those States that choose to participate to meet certain standards with regard to the criminal justice policies relating to rape and family violence.

Were these programs offered in legislative form after the pending bill becomes effective—it would not fall within the definition of a Federal mandate under the bill's definition, because the prevention grants are voluntary programs, is that correct?

Mr. KEMPTHORNE. As the Senator has described the programs, that is correct.

Mr. ROTH. I concur.

Mr. BIDEN. Let me pose a final example. The crime law contains other grant programs in titles 18, 20, 21, 22, 23, 24, and 25, the crime law provides Federal funds to States and localities for a variety of law enforcement programs.

Some of these programs require those States or localities that choose to participate to provide matching funds as a requirement for obtaining the Federal dollars.

Some of these programs also require those States that choose to participate to meet certain conditions in carrying out the program.

Were these programs offered in legislative form after the unfunded mandates bill becomes effective, it would not fall within the definition of a Federal mandate under the bill's definition, because these are voluntary programs, is that correct?

Mr. KEMPTHORNE. That is correct. S. 1 is quite clear that a duty arising from participation in a voluntary Federal program, except under certain conditions in entitlement programs that exceed $500,000,000 or more provided annually to States, local governments and tribal governments, are not defined as mandates.

Mr. ROTH. I concur in the explanation made by the Senator from Idaho.

Mr. KEMPTHORNE. I ask unanimous consent that my responses to the questions from Senator LEVIN of yesterday be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESPONSES TO SENATOR LEVIN'S QUESTIONS

Many of the questions raised by Senator Levin will depend on how the Senate applies the new point of order established in S. 1. This new point of order, like all rules of the Senate, will be interpreted and applied based on the precedents of the Senate.

EFFECTIVE DATE

1. When is a mandate effective?

This is best answered in the proposed new section 408(1)(B) of the bill regarding CBO's duties in making cost estimates. Clause (i) of this subparagraph addresses the issue of the effective date by stating:

''(i) If the Director estimates that the direct cost of all Federal intergovernmental mandates in the bill or joint resolution will equal or exceed $50,000,000 (adjusted annually for inflation) in the first fiscal year in which any Federal intergovernmental mandate in the bill or joint resolution (or in any necessary implementing regulation) would first be effective or in any of the 4 fiscal years following such fiscal year, the Director shall so state, specify the estimate, and briefly explain the basis of the estimate.''

This language indicates that the effective date is based on whatever is stated in a mandate bill. If a mandate bill is unclear on the effective date, then the parenthetical regarding implementing regulations suggests that the effective date would be based on when the implementing regulations would take effect. In the case of spending estimates, CBO often makes a determination on when a bill would cause spending, generally, assuming an October 1 enactment. We expect that CBO would make a similar determination in the case of Federal mandates in order to produce a cost estimate.

2. If that is determined on a case by case basis, then who makes the decision and when is that decision made?

The first decision-maker would be the authorizing committee. That committee could, in the legislative language, determine the effective date. Where the effective date is unclear, CBO, based on the legislation and information from the responsible agency or department, will make a determination on the effective date and so state that in their estimate. CBO currently makes such determinations in relation to spending bills.

In cases where there is no formal cost estimate, the language will be the first indicator. We expect the Presiding Officer to determine the application of the Act, based on the determination of the Federal mandate levels by the Budget Committee after consulting with CBO, and after consultation with the Governmental Affairs Committee. That determination will, by implication, include assumptions about the effective date. Ultimately, the full Senate will decide.

RANGE

1. Can the CBO estimate be a range? For purposes of the threshold? For purposes of the total cost estimate?

As discussed by the managers the other day, the intent of the authors is that CBO provide a point estimate on the direct costs of any Federal intergovernmental mandate. While nothing prevents CBO from giving a range on such estimated, we expect a range that straddles the threshold will be unlikely. First, CBO is aware that the threshold has procedural consequences and, second, CBO has several years of experience in estimating State and local costs.

2. If CBO reports a range, what is the ''specific dollar amount'' for purposes of the point of order? Who makes that decision?

The determination of mandate levels are based on estimates made by the Budget Committee, based on estimates from CBO. We expect CBO to provide point estimates. However, the report accompanying S. 1 expressed our intent that a presumption would arise that a point of order would apply to a measure if CBO estimates the direct costs as covering a range that straddles the threshold. Ultimately the Senate will decide.

AMENDMENTS

1. Are the direct costs of an amendment, added to a bill in committee, to be included in the estimate of direct costs of the bill as reported?

Yes. If the committee originated a bill, then any committee amendments would be incorporated as part of the original bill as reported. Therefore, the cost estimate would reflect the direct costs of the bill, as reported, including amendments adopted in committee.

Where the committee reports the bill with committee amendments, CBO produces cost estimates on the bill as reported including the amendments proposed by the committee. This is current practice.

2. What if the Senate rejects the committee amendment?

This question cannot be answered unless an assumption is made about the cost of the underlying bill and the effect of the committee amendment on the cost of the bill.

If the committee amendment would cause the threshold to be exceeded, then the defeat of the amendment would make the bill in order.

If the committee amendment would cause the bill to fall below the threshold, then the defeat of the amendment would cause the bill to be subject to a point of order.

3. Is an amendment offered on the floor subject to a point of order based on the estimate of direct costs of the amendment, alone, or the amendment if added to the bill?

The point of order is applicable against an amendment, if adoption of that amendment would cause the bill to exceed the threshold.

EXCLUSIONS

1. Who will decide whether a bill is subject to one of the exclusions?

Based on the compromise worked out between the Budget and Governmental Affairs Committees, the Presiding Officer is required to consult with the Governmental Affairs Committee, to the extent practicable, regarding the application of the point of order. This would include the determinations of whether legislation met one of the exclusions. As has already been stated ultimately the Senate decides the application of the rules.

2. What will specifically be required to meet the terms of the bill with respect to a finding of emergency?

The exclusion for emergencies (section 4(6)) is similar to provisions in the Budget Enforcement Act. In practice, in order for legislation to be exempt from a Budget Act point of order, the President must designate the funding as an emergency. This takes the form of a letter to the Congress. Next, Congress must include a provision in the bill designating the legislation as an emergency.

LENGTH OF ESTIMATE

1. Is the estimate for purposes of the threshold limited to direct costs in the first five years?

Yes, the first fiscal year the mandate takes effect and the subsequent four years.

2. Is the estimate for purposes of the point of order required to include direct costs over the entire life of the mandate?

Under the duties of CBO, the cost estimate is limited to the five year time-frame. Since determinations will be made based on CBO estimates, then the point of order will be based on the cost of the mandate for the first fiscal year the mandate takes effect and the subsequent four fiscal years.

EXPLANATION OF VOTE ON ROLL CALL VOTE NUMBER 24

Mrs. HUTCHISON. Mr. President, on Thursday, January 18, I voted against the Bradley/Chafee amendment expressing the sense of the Senate that mandates not funded by the Federal Government should not be passed on to local governments by the States in the form of higher property taxes.

I was one of five Senators to vote against the amendment, so it passed overwhelmingly, but I feel very strongly that the Federal Government has no right to tell the States what they should or should not do. It is one of the reasons we're trying to pass S. 1, legislation to curb Federal interference in the spending priorities of State and local governments.

Local governments were created by State governments and as such, States are uniquely charged with the responsibility for setting the terms of the existence of local governments.

A sense-of-the-Senate resolution, even though it is not binding, sends the wrong signal to States, and therefore I opposed the amendment.

AMENDMENT NO. 215, AS MODIFIED

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent to send to the desk a modification to amendment No. 215, and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 21, between lines 13 and 14, insert the following:

''(2) AMENDED BILLS AND JOINT RESOLUTIONS: CONFERENCE REPORTS.—If a bill or joint resolution is passed in an amended form (including if passed by one House as an amendment in the nature of a substitute for the text of a bill or joint resolution from the other House) or is reported by a committee of conference in amended form, and the amended form contains a federal mandate not previously considered by either House or which contains an increase in the direct cost of previously considered federal mandate, then the committee of conference shall ensure, to the greatest extent practicable, that the Director shall prepare a statement as provided in paragraph (1) or a supplemental statement for the bill or joint resolution in that amended form.''

Mr. KEMPTHORNE. Mr. President, I do not know that there is further debate on this issue. I believe that both sides have agreed to accept this amendment.

Mr. GLENN. Mr. President, that is correct. We are prepared to accept it on our side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 215), as modified, was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote.

Mr. KEMPTHORNE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KEMPTHORNE. Mr. President, it is our intent that this evening we will have a debate concerning an amendment between Senator GLENN and Senator DOMENICI, and other Senators who may wish to participate.

Prior to that, I ask unanimous consent that we yield 6 minutes to the Senator from Texas so that she may introduce an issue.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Texas is recognized for 6 minutes.

Mrs. HUTCHISON. I thank the Chair.

(The remarks of Mrs. HUTCHISON pertaining to the introduction of S. 287 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 94–304, as amended by Public Law 99–7, appoints the Senator from New York [Mr. D'AMATO] to serve as cochairman of the Commission on Security and Cooperation in Europe.

MORNING BUSINESS

TRIBUTE TO JUDGE JAMES HARDIN FAULKNER

Mr. HEFLIN. Mr. President, a fine friend of mine, Judge James Hardin Faulkner, passed away last December.

I had the opportunity to get to know Judge Faulkner well during the 4 years we served together on the Alabama Supreme Court. He was a distinguished jurist with a wonderful outlook on life.

James was originally from Louisville, MS. Upon graduation from high school, he enlisted in the U.S. Marine Corps out of love for his country. His

patriotism can be seen through the various medals he earned while in the service. These medals include the Silver Star, the Distinguished Flying Cross, the Soldiers Medal, the Air Medal with oak leaf clusters, and the Greek Military Cross and Presidential Citation.

Upon discharge from the service, James attended San Diego State College and the University of Alabama, from which he received his law degree. He went on to get his master's in law in 1983.

His career includes an appointment to the U.S. Treasury Department where he was a trust officer with the Birmingham Trust National Bank. Additionally, he served as a recorder's court judge and Montevallo city attorney. He then served in the Alabama Supreme Court until his retirement in 1986.

Judge Faulkner was known by many through his affiliations with the Episcopal Church of the Advent, the Masonic Order, Phi Alpha Delta Law Fraternity, and the Bar Association of Alabama.

My deepest condolences are extended to Judge Faulkner's wife, Eleanor Jane Wyatt Faulkner; his daughter Kate Margaret Brown; and his son, James Christopher Faulkner.

TRIBUTE TO RICHARD B. ''DICK'' BIDDLE

BE A GOOD AMERICAN; BE AN INFORMED AMERICAN

Mr. HEFLIN. Mr. President, this was the distinctive TV editorial sign-off used in every commentary by a leading Alabamian, Richard B. (Dick) Biddle on WOWL–TV of Florence, AL. Dick took every opportunity to encourage others to stay abreast of current events and become solid, responsible citizens. In this area, he was a man who actively practiced what he preached. I am therefore saddened to notify you that Dick Biddle, civic leader and television broadcasting pioneer, died during the Congressional recess, at his home in Florence, AL, at the age of 76.

He is remembered for his tremendous work and creativity in broadcasting and for his years of dedication to uniting and promoting the Shoals. Over the years, he served as president of the Alabama Broadcasters Association, chairman and founder of the Alabama Citizen of the Year Committee, and chairman of the Northwest Alabama Film Commission. Dick played a large part in organizing Junior Achievement in the area and was a charter member in the Regional Environmental Quality Council. He was named Alabama Broadcaster of the Year in 1982, Kappa Sigma Alumnus Advisor of the Year in 1984, and Shoals Citizen of the Year in 1992. As impressive as this resume is, it is only a brief listing of his many activities and honors.

Professionally, Mr. Biddle leaves behind a legacy in WOWL–TV, which he founded in 1957. However, he is remembered just as well for being one to help those in need in the community and for giving many people their start in broadcasting.

Dick Biddle will be missed greatly by the broadcasting community and by all who knew him, myself included.

My sincerest condolences are extended to his family, the Shoals community and the citizens of Alabama, who will miss the charity and commitment of this fine man.

MRS. ROSE KENNEDY

Mr. HATCH. Mr. President, when we think of national treasures, we usually consider marble monuments, history-altering documents, or profound words inscribed on walls or safeguarded in archives.

I rise today to pay tribute to another national treasure—the life of Rose Fitzgerald Kennedy. Although her death diminishes us all a little, her life and the profound legacy she leaves will outshine that loss and continue to act as an inspiration for millions.

Mrs. Kennedy built her life on the twin pillars of family and faith. She considered the abundance she was born into a responsibility and an obligation. Accordingly, she turned affluence into influence, carefully teaching her posterity the virtues of public service. She used her position not to elevate herself, but rather as a platform from which to reach out to millions in compassion. She ennobled and enriched lives that otherwise may not have been thus blessed.

When crushing tragedy came into her own life, she triumphed; and she did so through service. She overcame by reaching out. She lived her faith. She embodied her ideals. She worked tirelessly to bring comfort to others, whose problems were often less grievous than her own.

Mrs. Kennedy's legacy lives on. More enduring than words inscribed in stone or public monuments, Mrs. Kennedy's memory will continue to thrive because it will be reborn innumerable times in the ongoing contributions of her children, grandchildren and great grandchildren and in the enhanced lives of countless other beneficiaries of her good works.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS SAID YES

Mr. HELMS. Mr. President, I doubt that there have been many, if any, candidates for the Senate who have not pledged to do something about the enormous Federal debt run up by the Congress during the past half-century or more. But Congress, both House and Senate, have never up to now even toned down the deficit spending that sent the Federal debt into the stratosphere and beyond.

We must pray that this year will be different, that Federal spending will at long last be reduced drastically. Indeed, if we care about America's future, there must be some changes.

You see, Mr. President, as of the close of business yesterday, January 25, the Federal debt stood (down to the penny) at exactly $4,800,103,843,645.88. This means that on a per capita basis, every man, woman and child in America owes $18,211.28 as his or her share of the Federal debt.

Compare this, Mr. President, to the total debt about 2 years ago—January 5, 1993—when the debt stood at exactly $4,167,872,986,583.67—or averaged out, $15,986.56 for every American. During the past 2 years—that is, during the 103rd Congress—the Federal debt increased over $6 billion.

This illustrates, Mr. President, the point that so many politicians talk a good game—at home—about bringing the Federal debt under control, but vote in support of bloated spending bills when they get back to Washington. If the Republicans do not do a better job of getting a handle on this enormous debt, their constituents are not likely to overlook it 2 years hence.

APPOINTMENT OF CONGRESSIONAL TRADE ADVISERS

Mr. THURMOND. Mr. President, I rise to announce that pursuant to section 161(a) of the Trade Act of 1974 (Public Law 93–618), as amended by the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100–418), and upon the recommendation of the chairman of the Senate Committee on Finance, the following members of the Committee on Finance have been designated by the President pro tempore of the Senate as congressional advisers on trade policy and negotiations: Senator BOB PACKWOOD of Oregon, Senator ROBERT DOLE of Kansas, Senator WILLIAM ROTH of Delaware, Senator DANIEL MOYNIHAN of New York, and Senator MAX BAUCUS of Montana.

The Senators designated shall provide advice on the development of trade policy and priorities for the implementation thereof.

The United States Trade Representative has been notified of this action. Under the governing statute, the designated Senators shall be accredited by the United States Trade Representative on behalf of the President as official advisers to the U.S. delegations to international conferences, meetings, and negotiating sessions relating to trade agreements.

IN HONOR OF SUE WAGNER

Mr. REID. Mr. President, I would like to take this time to pay tribute to an exceptional Nevadan. On Tuesday, January 31st, Sue Wagner, of Reno, will receive the Women Executives in State Government's ''Breaking the Glass Ceiling'' award. There is no one more deserving than Sue Wagner, for she has never allowed a gender barrier to limit her.

Sue Wagner followed her passion for helping people to the political arena in 1973 when she began a successful career in the Nevada Legislature culminating in the job of Lieutenant Governor in 1990. She is the first woman to hold this position in Nevada.

More important than her exceptional accomplishments is the manner in which they were achieved. Sue has exemplified statesmanship, always acting with common sense, compassion, and competence. In this generation, when the public is often justifiably skeptical of public officials, it is important to recognize and emulate the honest and enthusiastic ways Sue has served the public. She has unselfishly championed issues that transcend partisanship like ethics in politics and human rights.

Sue Wagner's devotion to Nevada and her family has never waned despite the tragedies that have plagued her over the last decade. Fourteen years ago, Sue lost her husband to a plane crash. Four years ago, while campaigning for Lieutenant Governor, Sue was also in a plane crash. This time the crash claimed the life of her friend, Judy Seale, and caused serious injury to herself requiring her spine to be fused. Even today, Sue suffers from severe pain and fatigue.

Despite these hardships, she has continued to vigorously serve Nevada and be a loving parent. Her son Kirk will soon receive a law degree from the University of Arizona and her daughter Kristina recently finished her graduate degree from Thunderbird.

I have great respect for Sue Wagner, and admire her courage and perseverance. I am pleased the Women Executives in State Government is honoring her with the ''Breaking the Glass Ceiling'' award.

RULES OF THE COMMITTEE ON ARMED SERVICES

Mr. THURMOND. Mr. President, today I am reporting to the Senate the rules of the Armed Services Committee as provided for in Rule 26.2 of the Standing Rules of the Senate. These rules were unanimously adopted by the committee in open session on January 10, 1995, and I ask that they be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

ARMED SERVICES COMMITTEE RULES OF PROCEDURE

1. Regular Meeting Day and Times. In accordance with Senate rules, the Committee shall meet at least once a month. Regular meeting day of the committee shall be Tuesday and Thursday at 9:30 a.m., unless the chairman directs otherwise.

2. Additional Meetings. The chairman may call such additional meetings as he deems necessary.

3. Special Meetings. Special meetings of the committee may be called by a majority of the members of the committee in accordance with paragraph 3 of Rule XXVI of the Standing Rules of the Senate.

4. Open Meetings. Each meeting of the committee, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the committee or a subcommittee thereof on the same subject for a period of no more than fourteen (14) calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated below in clauses (a) through (f) would require the meeting to be closed, followed immediately by a record vote in open session by a majority of the members of the committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(a) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(b) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(c) will tend to charge an individual with a crime or misconduct, to disgrace or injury the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy or will represent a clearly unwarranted invasion of the privacy of an individual;

(d) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(e) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(1) an act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(f) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

5. Presiding Officer. The chairman shall preside at all meetings and hearings of the committee except that in his absence the ranking majority member present at the meeting or hearing shall preside unless by majority vote the committee provides otherwise.

6. Quorum. (a) A majority of the members of the committee are required to be actually present to report a matter or measure from the committee. (See Standing Rules of the Senate 26.7(a)(1).

(b) Except as provided in subsections (a) and (c), and other than for the conduct of hearings, seven members of the committee shall constitute a quorum for the transaction of such business as may be considered by the committee.

(c) Three members of the committee, one of whom shall be a member of the minority party, shall constitute a quorum for the purpose of taking sworn testimony, unless otherwise ordered by a majority of the full committee.

(d) Proxy votes may not be considered for the purpose of establishing a quorum.

7. Proxy Voting. Proxy voting shall be allowed on all measures and matters before the committee. The vote by proxy of any member of the committee may be counted for the purpose of reporting any measure or matter to the Senate if the absent member casting such vote has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. Proxy must be given in writing.

8. Announcement of Votes. The results of all roll call votes taken in any meeting of the committee on any measure, or amendment thereto, shall be announced in the committee report, unless previously announced by the committee. The announcement shall include a tabulation of the votes cast in favor and votes cast in opposition to each such measure and amendment by each member of the committee who was present at such meeting. The chairman may hold open a roll call vote on any measure or matter which is before the committee until no later than midnight of the day on which the committee votes on such measure or matter.

9. Subpoenas. Subpoenas for attendance of witnesses and for the production of memoranda, documents, records, and the like may be issued by the chairman or any other member designated by him, but only when authorized by a majority of the members of the committee. The subpoena shall briefly state the matter to which the witness is expected to testify or the documents to be produced.

10. Hearings. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the committee, or any subcommittee thereof, at least 1 week in advance of such hearing, unless the committee or subcommittee determines that good cause exists for beginning such hearings at an earlier time.

(b) Hearings may be initiated only by the specified authorization of the committee or subcommittee.

(c) Hearings shall be held only in the District of Columbia unless specifically authorized to be held elsewhere by a majority vote of the committee or subcommittee conducting such hearings.

(d) Witnesses appearing before the committee shall file with the clerk of the committee a written statement of their proposed testimony prior to the hearing at which they are to appear unless the chairman and the ranking minority member determine that there is good cause not to file such a statement. Witnesses testifying on behalf of the Administration shall furnish an additional 50 copies of their statement to the Committee. All statements must be received by the Committee at least 48 hours (not including weekends or holidays) before the hearing.

(e) Confidential testimony taken or confidential material presented in a closed hearing of the committee or subcommittee or any report of the proceedings of such hearing shall not be made public in whole or in part or by way of summary unless authorized by a majority vote of the committee or subcommittee.

(f) Any witness summoned to give testimony or evidence at a public or closed hearing of the committee or subcommittee may be accompanied by counsel of his own choosing who shall be permitted at all times during such hearing to advise such witness of his legal rights.

(g) Witnesses providing unsworn testimony to the committee may be given a transcript of such testimony for the purpose of making minor grammatical corrections. Such witnesses will not, however, be permitted to alter the substance of their testimony. Any question involving such corrections shall be decided by the chairman.

11. Nominations. Unless otherwise ordered by the committee, nominations referred to the committee shall be held for at least seven (7) days before being voted on by the committee. Each member of the committee shall be furnished a copy of all nominations referred to the committee.

12. Real Property Transactions. Each member of the committee shall be furnished with

a copy of the proposals of the Secretaries of the Army, Navy, and Air Force, submitted pursuant to 10 U.S.C. 2662 and with a copy of the proposals of the Director of the Federal Emergency Management Agency, submitted pursuant to 50 U.S.C. App. 2285, regarding the proposed acquisition or disposition of property of an estimated price or rental of more than $50,000. Any member of the committee objecting to or requesting information on a proposed acquisition or disposal shall communicate his objection or request to the chairman of the committee within thirty (30) days from the date of submission.

13. Legislative Calendar. (a) The clerk of the committee shall keep a printed calendar for the information of each committee member showing the bills introduced and referred to the committee and the status of such bills. Such calendar shall be revised from time to time to show pertinent changes in such bills, the current status thereof, and new bills introduced and referred to the committee. A copy of each new revision shall be furnished to each member of the committee.

(b) Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

14. Except as otherwise specified herein, the Standing Rules of the Senate shall govern the actions of the committee. Each subcommittee of the committee is part of the committee, and is therefore subject to the committee's rules so far as applicable.

15. Powers and Duties of Subcommittees. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–263. A communication from the Chairman of the Commission on the Social Security ''Notch'' Issue, transmitting, pursuant to law, the final report of the Commission; to the Committee on Finance.

EC–264. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the memorandum of justification relative to Serbia and Montenegro; to the Committee on Foreign Relations.

EC–265. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the Presidential Determination relative to Peru; to the Committee on Foreign Relations.

EC–266. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the Presidential Determination relative to the U.S. Emergency Refugee and Migration Assistance Fund; to the Committee on Foreign Relations.

EC–267. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the Presidential Determination relative to the Newly Independent States of the Former Soviet Union; to the Committee on Foreign Relations.

EC–268. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, the report of the texts of international agreements, other than treaties, and background statements; to the Committee on Foreign Relations.

EC–269. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the Presidential Determination relative to the New Independent States of the Former Soviet Union; to the Committee on Foreign Relations.

EC–270. A communication from the Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, the report of the Secretarial Plan for the Grand Coulee Dam Settlement Agreement; to the Committee on Indian Affairs.

EC–271. A communication from the Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, the report of a recommendation relative to the Community Enterprise Board; to the Committee on Indian Affairs.

EC–272. A communication from the Chief Administrative Officer of the Postal Rate Commission, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC–273. A communication from the Chairman of the Federal Mine Safety and Health Review Commission, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC–274. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on progress in achieving the performance goals relative to the Prescription Drug User Fee Act; to the Committee on Labor and Human Resources.

EC–275. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report on the implementation of the Voluntary National Child Abuse and Neglect Data System for calendar year 1993; to the Committee on Labor and Human Resources.

EC–276. A communication from the Chairman of the Barry M. Goldwater Scholarship and Excellence In Education Foundation, transmitting, pursuant to law, the annual report for fiscal year 1994; to the Committee on Labor and Human Resources.

EC–277. A communication from the Secretary of Labor, transmitting, pursuant to law, notice of an intention to award a sole-source contract; to the Committee on Labor and Human Resources.

EC–278. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 92-04; to the Committee on Appropriations.

EC–279. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 93-12; to the Committee on Appropriations.

EC–280. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 94-04; to the Committee on Appropriations.

EC–281. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report of the certification of the Board for International Broadcasting; to the Committee on Appropriations.

EC–282. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, the annual report for fiscal year 1994; to the Committee on Banking, Housing, and Urban Affairs.

EC–283. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the annual report of the National Space Grant College and Fellowship Program for calendar year 1993; to the Committee on Commerce, Science, and Transportation.

EC–284. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the annual report for calendar year 1993; to the Committee on Commerce, Science, and Transportation.

EC–285. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report on the application of Tiltrotor technology to U.S. Coast Guard missions; to the Committee on Commerce, Science, and Transportion.

EC–286. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled ''Information Superhighway: An Overview of Technology Challenges''; to the Committee on Commerce, Science, and Transportation.

EC–287. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, the report entitled ''Annual Energy Outlook 1995''; to the Committee on Energy and Natural Resources.

EC–288. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the report of progress on Superfund implementation in fiscal year 1994; to the Committee on Environment and Public Works.

EC–289. A communication from the Chairman of the National Mediation Board, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1994; to the Committee on Governmental Affairs.

EC–290. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the annual report for calendar year 1994; to the Committee on Governmental Affairs.

EC–291. A communication from the Director of the Office of Congressional Affairs, U.S. Arms Control and Disarmament Agency, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1994; to the Committee on the Judiciary.

EC–292. A communication from the National Women's Business Council, transmitting, pursuant to law, the annual report for calendar year 1994; to the Committee on Small Business.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS:

S. 278. A bill to authorize a certificate of documentation for the vessel *Serenity;* to the Committee on Commerce, Science, and Transportation.

S. 279. A bill to authorize a certificate of documentation for the vessel *Why Knot;* to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 280. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide that the definition of ''local government'' includes certain nonprofit camp meeting associations that maintain public facilities, and for other purposes; to the Committee on Environment and Public Works.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 281. A bill to amend title 38, United States Code, to change the date for the beginning of the Vietnam era for the purpose of veterans benefits from August 5, 1964, to December 22, 1961; to the Committee on Veterans Affairs.

By Mr. BRADLEY (for himself, Mr. HATFIELD, and Mr. WELLSTONE):

S. 282. A bill to authorize the Secretary of Health and Human Services to award grants and contracts to establish domestic violence community response teams and a technical assistance center to address the development and support of such community response teams, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 283. A bill to extend the deadlines under the Federal Power Act applicable to two hydroelectric projects in Pennsylvania, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DOLE (for himself and Mr. INHOFE):

S. 284. A bill to restore the term of patents, and for other purposes; to the Committee on the Judiciary.

By Mr. MCCAIN (for himself, Mr. INOUYE, Mr. CAMPBELL, Mr. SIMON, and Mr. THOMAS):

S. 285. A bill to grant authority to provide social services block grants directly to Indian tribes, and for other purposes; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. INOUYE, Mr. CAMPBELL, Mr. THOMAS, and Mrs. KASSEBAUM):

S. 286. A bill to amend the Solid Waste Disposal Act to grant State status to Indian tribes for purposes of the enforcement of such Act, and for other purposes; to the Committee on Indian Affairs.

By Mrs. HUTCHISON (for herself, Ms. MIKULSKI, Mr. ABRAHAM, Mr. ASHCROFT, Mr. BENNETT, Mr. BOND, Mr. BROWN, Mr. BURNS, Mr. COATS, Mr. COCHRAN, Mr. COHEN, Mr. COVERDELL, Mr. CRAIG, Mr. D'AMATO, Mr. DEWINE, Mr. DOLE, Mr. DOMENICI, Mr. FAIRCLOTH, Mr. FRIST, Mr. GORTON, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. GREGG, Mr. HATCH, Mr. HATFIELD, Mr. HELMS, Mr. INHOFE, Mrs. KASSEBAUM, Mr. KEMPTHORNE, Mr. KYL, Mr. JEFFORDS, Mr. LOTT, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRESSLER, Mr. ROTH, Mr. SANTORUM, Mr. SHELBY, Mr. SIMPSON, Mr. SMITH, Ms. SNOWE, Mr. STEVENS, Mr. THOMAS, Mr. THOMPSON, Mr. THURMOND, Mr. WARNER, Mr. BREAUX, Mrs. FEINSTEIN, Mr. JOHNSTON, Mr. MOYNIHAN, Mrs. MURRAY, Mr. REID, Ms. MOSELEY-BRAUN, and Mr. SIMON):

S. 287. A bill to amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. WARNER, and Mr. ROBB):

S. 288. A bill to abolish the Board of Review of the Metropolitan Washington Airports Authority, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. FEINGOLD (for himself, Mr. MCCAIN, Mrs. FEINSTEIN, Mr. CAMPBELL, and Mrs. KASSEBAUM):

S. 289. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to limit consideration of nonemergency matters in emergency legislation; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mr. KEMPTHORNE (for Mr. DOLE (for himself, Mr. THOMPSON, and Mr. INHOFE)):

S. 290. A bill relating to the treatment of Social Security under any constitutional amendment requiring a balanced budget; read the first time.

By Mr. KENNEDY (for himself, Mr. AKAKA, Mr. BAUCUS, Mr. BINGAMAN, Mrs. BOXER, Mr. BRADLEY, Mr. CAMPBELL, Mr. CHAFEE, Mr. COHEN, Mr. DASCHLE, Mr. DODD, Mr. DORGAN, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. GLENN, Mr. HARKIN, Mr. HATFIELD, Mr. HOLLINGS, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LIEBERMAN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mrs. MURRAY, Mr. PACKWOOD, Mr. PELL, Mr. ROBB, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SIMON, Ms. SNOWE, Mr. SPECTER, and Mr. WELLSTONE):

S.J. Res. 25. A joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BRADLEY (for himself, Mr. D'AMATO, Mr. DOLE, Mr. DASCHLE, Mr. PELL, Mr. HELMS, Mr. SPECTER, Mr. LAUTENBERG, Mr. FEINGOLD, Mr. HARKIN, Mr. BAUCUS, and Ms. MIKULSKI):

S. Res. 74. A resolution commemorating the fiftieth anniversary of the liberation of the Auschwitz death camp in Poland; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS:

S. 278. A bill to authorize a certificate of documentation for the vessel *Serenity;* to the Committee on Commerce, Science, and Transportation.

TRADING PRIVILEGES LEGISLATION

● Mr. HOLLINGS. Mr. President, I am introducing a bill today to direct that the vessel *Serenity*, official number 1021393, be accorded coastwise trading privileges and be issued a certificate of documentation under section 12103 of title 46, United States Code.

The *Serenity* was constructed in Taiwan in 1981 as a recreational vessel. It is 31 feet in length, 10.3 feet in breadth, has a depth of 6.3 feet, and is self-propelled.

The vessel was purchased in 1994 by John McGlynn of Mount Pleasant, SC, who purchased it with the intention of chartering the vessel for short sailing tours of the Charleston harbor. Due to the fact that the vessel was foreign built, it did not meet the requirements for coastwise trading privileges in the United States.

The owner of the *Serenity* is seeking a waiver of the existing law because he wishes to use the vessel for charters. His desired intentions for the vessel's use will not adversely affect the coastwise trade in U.S. waters. If he is granted this waiver, it is his intention to comply fully with U.S. documentation and safety requirements. The purpose of the legislation I am introducing is to allow the *Serenity* to engage in the coastwise trade and the fisheries of the United States.●

By Mr. HOLLINGS:

S. 279. A bill to authorize a certificate of documentation for the vessel *Why Knot*; to the Committee on Commerce, Science, and Transportation.

TRADING PRIVILEGES LEGISLATION

● Mr. HOLLINGS. Mr. President, I am introducing a bill today to direct that the vessel *Why Knot*, official number 688570, be accorded coastwise trading privileges and be issued a certificate of documentation under section 12103 of title 46, U.S. Code.

The *Why Knot* was constructed in Taiwan in 1985 as a recreational vessel. It is 44 feet in length, 13.5 feet in breadth, has a depth of 7.8 feet, and is self-propelled.

The vessel was purchased by Keith Rogerson of Isle of Palms, South Carolina, who purchased it with the intention of chartering the vessel for short sailing tours of the Charleston harbor. Due to the fact that the vessel was foreign built, it did not meet the requirements for coastwise trading privileges in the United States.

The owner of the *Why Knot* is seeking a waiver of the existing law because he wishes to use the vessel for charters. His desired intentions for the vessel's use will not adversely affect the coastwise trade in U.S. waters. If he is granted this waiver, it is his intention to comply fully with U.S. documentation and safety requirements. The purpose of the legislation I am introducing is to allow the *Why Knot* to engage in the coastwise trade and the fisheries of the United States.●

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 280. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide that the definition of ''local government'' includes certain nonprofit camp meeting associations that maintain public facilities, and for other purposes; to the Committee on Environment and Public Works.

THE STAFFORD ACT AMENDMENT ACT OF 1995

● Mr. LAUTENBERG. Mr. President, I am pleased to introduce legislation that would ensure eligibility for disaster assistance for a New Jersey

beachfront community that, because of a loophole in current law, cannot receive Federal funding should a storm destroy its beach. I am delighted that my friend and colleague from New Jersey, Senator BILL BRADLEY, joins me as a cosponsor.

The Ocean Grove Camp Meeting Association, located in Neptune, NJ, is a private nonprofit association with a rich history of community involvement. Its beach is open to the public and is operated as a separate utility, like all other municipalities along the New Jersey shore.

Mr. President, if a storm were to hit New Jersey tomorrow and destroy the Ocean Grove community, FEMA would be able to assist the communities to the north and to the south of its beach, but not Ocean Grove, merely because the title to the beach is owned by a private nonprofit. If a municipality owned title, the beach would be operated in exactly the same manner, and would be eligible for Federal funding—therein lies the dilemma.

Mr. President, Ocean Grove is a unique situation. I have crafted the language to ensure that this dilemma is fairly resolved. My bill does not expand the eligibility for a whole class of facilities. It allows a private nonprofit in name only to be afforded the same protection from storms as every other beach/front community.

The Ocean Grove Camp Meeting Association boasts a rich history that was recognized by the Federal Government when it granted it a national historic district. Founded in 1869 to provide a respite from the urban and industrial growth that, even then, was threatening New Jersey's remaining open spaces, the camp was originally established as a meeting ground for members of the Methodist Episcopal Church.

Today, Ocean Grove is one of the few camp meeting sites left that remains true to its original goals, and still holds camp meetings every summer. The association hosts speakers and town meetings, and is an integral part of the surrounding community. The camp, and its beach, is certainly not operated as a private beach—it is open and embraced by the public.

Mr. President, this bill establishes fairness to this small New Jersey community, by ensuring eligibility for disaster assistance. Without this eligibility, Ocean Grove alone would be required to foot the entire bill to rebuild the community's facilities, should disaster strike.

Ocean Grove suffered severe damage to its facilities during the 1992 nor'easter. FEMA provided 75 percent of the funding for repair. Due to recent changes in the statute, Ocean Grove would no longer be eligible. Should another storm strike, Ocean Grove would not be able to rebuild its facilities on its own.

Mr. President, the Ocean Grove Camp Meeting Association operates its beach as if it were a municipality—it's open, it's public, it's part of the community. It is no different from any other Jersey shore community, and should be afforded the same protection.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 280

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITION OF LOCAL GOVERNMENT.

Section 102(6) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(6)) is amended—

(1) by striking ''government' means (A) any'' and inserting the following: ''government'—

''(A) means any'';

(2) by striking ''organization, and (B) includes any'' and inserting the following: ''organization; and

''(B) includes—

''(i) any'';

(3) by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following:

''(ii) any nonprofit camp meeting association, in existence on the date of enactment of this clause, that maintains 1 or more public facilities.''.●

● Mr. BRADLEY. Mr. President, I am pleased today to join my friend and colleague Senator FRANK LAUTENBERG in introducing legislation to protect a unique community along the shore of New Jersey. Under current law, the community is being punished for the very attributes we should be striving to preserve.

The Ocean Grove Camp Meeting Association was founded in the late 1800's, as a meeting ground for members of the Methodist Episcopal Church. It was an escape from the pressures of urban life then, and it remains so today for the hundreds of tourists who visit its beach and its historic sites every summer.

But if a storm were to hit the coast of New Jersey, Mr. President, there would be no more visitors to the boardwalk and no more vacationers on the beach. While the Federal Emergency Management Agency would be able to assist every municipality along the coast in rebuilding its recreational facilities, Ocean Grove would be excluded. It would not be excluded because the beach isn't public—Ocean Grove's beach is as indiscriminately open to the public as any other beach along the shore. It would be excluded, Mr. President, because Ocean Grove's proud history means that they are a private, non-profit organization.

Under new FEMA regulations, recreational services of such organizations are no longer eligible for disaster assistance. If a storm were to hit the coast of New Jersey, Ocean Grove—and only Ocean Grove—would not be able to turn to the Federal Government for help.

We have already recognized the importance of Ocean Grove by declaring it a national historic district, and anyone who visits the community and walks its streets will see why. Structures like the Great Auditorium, built in 1894, and the Continental Cottage, restored by the Historical Society of Ocean Grove to its original gothic style of 1874, contribute to what is the largest aggregate of Victoriana in the country. The government now needs to recognize that the facilities of such a unique community deserve to be protected, should disaster strike.

During the storm that hit the coast of New Jersey in 1992, Ocean Grove suffered severe damage. it was able to repair its facilities only due to the assistance of FEMA. Now the rules have been changed, and Ocean Grove is to be excluded from this assistance. We need to recognize this as an unfair punishment for a community's unique history, and change that rule. That is what this legislation will do.●

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 281. A bill to amend title 38, United States Code, to change the date for the beginning of the Vietnam era for the purpose of veterans benefits from August 5, 1964, to December 22, 1961; to the Committee on Veterans' Affairs.

VIETNAM VETERANS' LEGISLATION

● Mr. D'AMATO. Mr. President, you do not have to be a history major to wonder at how Congress settled on August 5, 1964, as the date of the beginning of the Vietnam war for the purposes of veterans benefits. August 5, 1964, is the day after the wrapup of the Tonkin Gulf incident, and 2 days before the passage of the Tonkin Gulf resolution. It has an arbitrariness about it that could only have been driven by the political sensitivities of the time.

For a variety of reasons, few in government during the early 1960's wanted to admit the depth and breadth of American involvement in the war in Vietnam. Thirty years later, the practical result of that reticence is that hundreds of members of the Armed Forces continue not to have their service in Vietnam recognized.

To put an end to this injustice, the senior Senator from New York [Mr. MOYNIHAN] and I have introduced legislation changing the date of the Vietnam war for the purposes of veterans benefits from August 5, 1964, to December 22, 1961. The significance of December 22, 1961, is as follows.

Prior to late 1961, the United States had kept South Vietnam at arm's length, providing assistance and training personnel, but avoiding combat. In November 1961, responding to the recommendations of a fact-finding mission to Saigon led by Gen. Maxwell Taylor, Secretary of State Dean Rusk, and Secretary of Defense Robert McNamara provided President Kennedy with a joint memorandum urging that ''[t]he United States should commit itself to the clear objective of preventing the fall of South Viet-Nam to Communism.''

That memorandum, incorporated into NSAM 111, changed the character of American involvement in the war from a purely advisory role to one of ''limited partnership,'' as General Taylor put it. American military personnel became direct participants in the conflict. On December 22, 1961, Spec. 4 James T. Davis was killed in a firefight, the first U.S. ground combat casualty of the war.

It is in recognition of Specialist 4 Davis' sacrifice, and the sacrifice of the many who followed, living and dead, between December 22, 1961, and August 5, 1964, that we offer our legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101(29) of title 38, United States Code, is amended by striking out ''August 5, 1964'' and inserting in lieu thereof ''December 22, 1961.''●

By Mr. BRADLEY (for himself, Mr. HATFIELD, and Mr. WELLSTONE):

S. 282. A bill to authorize the Secretary of Health and Human Services to award grants and contracts to establish domestic violence community response teams and a technical assistance center to address the development and support of such community response teams, and for other purposes; to the Committee on Labor and Human Resources.

THE DOMESTIC VIOLENCE COMMUNITY RESPONSE TEAM ACT OF 1995

Mr. BRADLEY. Mr. President, I rise today, with my distinguished colleagues, Senator HATFIELD and Senator WELLSTONE, to introduce the Domestic Violence Community Response Team Act of 1995. It is a bill designed to fortify America's front lines in the fight against spousal abuse and domestic violence in America. Those front lines are not found here in Washington, but in community-based organizations throughout the country.

Domestic violence is a social sickness, and women and children are its most common casualties. Violence against women in the home is a heinous crime being committed behind locked doors and pulled shades in cities and towns across America. America's dark little secret, however, is slowly coming out into the open.

Mr. President, the physical abuse suffered by Nicole Brown Simpson in Los Angeles, as detailed in the infamous 911 call that was broadcast on television, will forever remind us of the fear many women live with day to day. In many ways, this case has prompted an entire nation to come to terms with our crisis of domestic violence.

Mr. President, a policeman recently said, ''The most dangerous place to be is in one's home between Saturday night at 6 p.m. and Sunday at 6 p.m.'' He forgot to add, ''Especially if you're a woman.'' a 10-year study found that in cases where the identity of the killer is known, over one-half of all women murdered in America were killed by a current or former male partner or by a male family member. Studies have also shown that violence against women in the home causes more total injuries to women than rape, muggings, and car accidents combined.

In my home State of New Jersey, there were 66,248 domestic violence offenses reported by the police in 1993. Overall, women were the victims in 83 percent of all domestic violence offenses. Mr. President, 41 women lost their lives as a result of domestic violence disputes in my home State in 1993. These are not nameless, faceless statistics, Mr. President, these are women who endured torture and abuse during their marriages and were violently murdered.

Mr. President, these are women like Denise Alaouie, who was axed to death in her New Jersey home while her two daughters slept. Her husband surrendered to police shortly after he allegedly took a 14-inch ax and committed the murder. Four months before Denise Alaouie's death, her husband put a knife to her neck and threatened to kill her if she went through with a divorce. He then threatened to commit suicide. Denise Alaouie decided not to leave her husband because he threatened to withhold money for rent and child support. She is now dead—another tragic victim of domestic violence.

These are women like Kathleen Quagliani, whose husband smashed her skull with a baseball bat because she planned to divorce him. Six weeks before her death, she wrote to her attorney that during her 18-year marriage, the abuse was so devastating that it drove her to attempt suicide. The Catholic-school teacher had vowed to end her marriage to save her two sons from a devastating cycle of violence. However, her 12-year-old son watched her mother's body being smashed by the brutal blows on the kitchen floor. Her husband is currently serving a life sentence for the murder.

Mr. President, these are women like Valerie Van Dunk, Virginia Burghardt, Katherine Gallagher, Pamela Dare, Carmen Sanchez, and Joan Oppenheimer. These are women that could possibly have been saved if resources were available to assist them in getting out of violent domestic situations.

Mr. President, I know that it is hard to listen to these tragic stories; indeed, it is difficult for me to stand here and tell these tales of horror. However, if we continue to turn our heads, avert our eyes, and pretend that this problem does not exist, the brutality will continue and there will be more Kathleen Quagliani's, more Denise Alaouie's, and more children who will be motherless.

Mr. President, to counter domestic violence, we need to get it out of the closet and then help women find a way out of a brutal environment. When a women is a victim of domestic violence, she needs to have a place to go. She needs someone who knows what her legal rights are, and how to prevent future beatings from occurring. She needs counseling and protection for herself and her children, and she needs support.

I have said again and again that much of what must be done to counter the rising tide of violence in America lies beyond the reach of the Federal Government. The responsibility is shared and the fight must be won by individuals and communities across this country. Mr. President, nothing provides a better example of this than the community-based organizations that work with local law enforcement agencies every day to protect the rights—and the lives—of battered women.

Mr. President, our police do an outstanding job of fighting crime in our communities, but often they don't have the resources or the time to provide domestic violence victims with the special attention they need. Community response teams work in tandem with police to help victims of domestic violence right when a crisis occurs. By working together, community response teams and police can provide victims with the services so essential to them after they have been battered or beaten in their home. The bill I am introducing today will increase the ability of communities to coordinate all the resources available to citizens who are victims of domestic abuse.

The cooperation between volunteers and law enforcement groups is essential to providing services to victims of domestic violence. Such programs exist today, and they work. They are working in towns like South River, N.J. There, the community has come together with the local police, led by Chief Frank Eib, to form a community response team that has made a tremendous difference to the well-being of families in the community. With the help of people like Paula Bollentin, a police dispatcher who also volunteers her time to help with a community response team, South River is winning its fight against domestic violence.

Mr. President, an increasing number of jurisdictions in the State of New Jersey are employing community response teams. For example, in Middlesex County, which includes South River, there are currently five jurisdictions with community response teams. South River, with a population of approximately 15,000, has a community response team employing 7 community volunteers. In Woodbridge, a community response team of approximately 30 volunteers is serving a population of 100,000. These community response teams, serving both large and small communities, are effectively assisting

women who are suffering physical and mental abuse.

Mr. President, it is through partnerships such as the ones that exist in New Jersey between police and community response teams that communities can best combat the scourge of violence in the home. Women in my State are increasingly able to find shelter, obtain medical treatment, receive counseling, and protect their children from the violent rage of spouses—all due to the efforts of strong community-based programs. Through them, women can see that they are not alone.

Mr. President, the legislation I am introducing today will increase the ability of communities to pool their resources in the fight against violence in the home. The Domestic Violence Community Response Team Act of 1995 will provide funding to establish new partnerships between community response teams and police, and will enable existing ones to grow. An effective partnership will provides police action to enforce the law and hold batterers criminally liable, and CRT community advocates to provide information and support to victims. Through this legislating, law enforcement officials will be able to help more women in more big cities and small towns across America.

This bill enables the Secretary of the Department of Health and Human Services to award grants and contracts to organizations whose primary purpose involves working with police to intervene in cases of domestic violence. These teams will have the ability to respond to the specific needs of different racial and ethnic communities across the country. Most importantly, they will work closely with police to provide services to victims of domestic violence.

This bill will also establish a national technical assistance center to provide community-based organizations with information, training, and materials on the development and support of community response teams. This national facility will provide much-needed support to community programs, including help to local groups in starting new programs.

Mr. President, this bill does not require a massive outlay of Federal dollars or the creation of an extensive Federal bureaucracy. This bill simply requires an appropriation of seed money which will assist community residents in creating and strengthening local community response teams. This bill empowers local communities to take the initiative and become involved in solving a problem of tragic proportions.

Mr. President, if domestic violence is to be obliterated in our society, we need to provide communities with the resources they need to prevent instances of violence and protect victims from further abuse. The Domestic Violence Community Response Team Act of 1995, by strengthening the partnerships that exist between community response teams and local police, will help to provide those resources. By doing so, it will strengthen the lines of defense that already exist within our communities.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 282

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Domestic Violence Community Response Team Act of 1995''.

SEC. 2. PURPOSE.

The purposes of the Act are to—

(1) establish and strengthen the partnership between law enforcement and community groups in order to assist victims of domestic violence;

(2) provide early intervention and followup services in order to prevent future incidents of domestic violence; and

(3) establish a central technical assistance center for the collection and provision of programmatic information and technical assistance.

SEC. 3. GRANTS AUTHORIZED FOR COMMUNITY RESPONSE TEAMS.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this Act as the ''Secretary''), is authorized to award grants to encourage eligible entities to serve as community response teams to assist in the prevention of domestic violence. Grants awarded under this section shall be awarded in a manner that ensures geographic and demographic diversity.

(b) MAXIMUM AMOUNT.—The Secretary shall not award a grant under this section in an amount that exceeds $500,000.

(c) DURATION.—The Secretary shall award grants under this section for periods of not to exceed 3 years.

(d) ELIGIBILITY ENTITY.—

(1) IN GENERAL.—For purposes of this section, the term ''eligible entity'' means a nonprofit, community-based organization whose primary purpose involves domestic violence prevention, and who has demonstrated expertise in providing services to victims of domestic violence and collaborating with service providers and support agencies in the community.

(2) ADDITIONAL REQUIREMENTS.—In order to be considered an eligible entity for purposes of this section, an entity shall—

(A) have an understanding of the racial, ethnic, and lingual diversity of the community in which such entity serves as a community response team;

(B) be able to respond adequately to such community; and

(C) to the extent practicable, include personnel that reflect the racial ethnic, and lingual diversity of such community.

(e) ROLE OF COMMUNITY RESPONSE TEAMS.—Community response teams established pursuant to this section shall—

(1) provide community advocates to work (in conjunction with local police) with victims, immediately after incidents of domestic violence;

(2) educate victims of domestic violence about the legal process with respect to restraining orders and civil and criminal charges;

(3) discuss with such victims immediate safety arrangements and child care needs, and educate victims about resources provided by local agencies;

(4) provide for followup services and counseling with local support agencies;

(5) educate victims regarding abuse tactics, including increased incidence of violence that occurs after repeated episodes of violence; and

(6) act in partnership with local law enforcement agencies to carry out the purposes of this Act.

(f) APPLICATIONS.—

(1) IN GENERAL.—Applications for grants under this section shall be submitted to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

(A) include a complete description of the eligible entity's plan for operating a community-based partnership between law enforcement officials and community organizations;

(B) demonstrate effective community leadership, commitment to community action, and commitment to working with affected populations;

(C) provide for periodic project evaluation through written reports and analysis in order to assist in applying successful programs to other communities; and

(D) demonstrate an understanding of the population to be served, including an understanding of the racial, ethnic, and socioeconomic characteristics that influence the roles of women and affect treatment.

(g) ADMINISTRATIVE EXPENSES.—Of the amount made available under section 5 for a grant under this section for a community response team, not more than 5 percent of such amount may be expended to cover the administrative expenses of the community response team.

SEC. 4. TECHNICAL ASSISTANCE CENTER.

(a) IN GENERAL.—The Secretary is authorized to award a contract to an eligible entity to serve as a technical assistance center under this Act. The technical assistance center shall—

(1) serve as a national information, training, and material development source for the development and support of community response teams nationwide; and

(2) provide technical support and input to community programs, including assisting local groups in the establishment of programs and providing training to community volunteer staff persons.

(b) ELIGIBLE ENTITY.—For purposes of this section, the term ''eligible entity'' means a nonprofit organization with a primary focus on domestic violence prevention and demonstrated expertise in providing technical assistance, information, training, and resource development on some aspect of domestic violence service provision or prevention. An eligible entity shall be selected by the Secretary under this section based on competence, experience, and a proven ability to conduct national-level organization and program development. In order to be considered an eligible entity for purposes of this section, an entity shall provide the Secretary with evidence of support from community-based domestic violence organizations for the designation of the entity as the technical assistance center.

(c) ADMINISTRATIVE EXPENSES.—Of the amount made available under section 5 for a contract under this section for a technical assistance center, not more than 5 percent of such amount may be expended to cover the administrative expenses of the technical assistance center.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $5,000,000 for fiscal years 1996, 1997, and 1998 to carry out the provisions of this Act, of which $300,000 shall be made available for a contract under section 4.

Mr. HATFIELD. Mr President, I am pleased to join my colleague from New Jersey in cosponsoring the Domestic Violence Community Response Team Act, and commend him for his work on this issue. Violence in the home is an insidious blight on our society. In Oregon, crisis hotlines receive over 50,000 phone calls each year. The vast pain caused by this problem cries out for creative approaches such as this.

Over the years, I have had occasion to view various proposals to reduce crime and violence, and have noticed that most of the truly successful ideas are rooted in the local communities where crimes occur. Government entities will never be able to stop crime by themselves, and certainly can not come into the millions of American homes where violence has ripped apart the fabric of family security.

I believe that the bill we introduce today can build upon a proposal that I introduced last year called the Domestic Violence Community Initiative Act, which passed as part of the crime bill. That new law will encourage cooperation among the education community, health care providers, the justice system, the religious community, business and civic leaders, State children's services divisions, and domestic violence program advocates. The idea for this approach came out of meetings I had on the topic of domestic violence with various community groups who needed more coordination in their attack on this pervasive problem.

The bill introduced today would allow the Secretary of HHS to make small grants for pilot projects for communities to link with local police to provide early intervention and follow-up services to victims of domestic violence by trained volunteers. The idea is to form a partnership with the police who perform the law enforcement and the advocates who do the victim counseling in these cases. This could be an excellent model for other communities, and is an example of making a little bit of money go a long way by forming alliances within communities.

Guarding against violence in our communities is a responsibility we all share. Without promoting widespread individual involvement, any attempts by government to stem the tide of domestic violence will fail. The Domestic Violence Community Response Team Act of 1995 deserves quick action in the Senate because it provides an innovative way to promote individual assistance to victims who badly need this help.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 283. A bill to extend the deadlines under the Federal Power Act applicable to two hydroelectric projects in Pennsylvania, and for other purposes; to the Committee on Energy and Natural Resources.

THE FEDERAL POWER ACT AMENDMENT ACT OF 1995

● Mr. SPECTER. Mr. President, I am pleased to introduce this legislation, which would extend the deadline for construction of two Pennsylvania hydroelectric power projects. These extensions are necessary because the Allegheny North Council of Governments and the borough of Cheswick (Project No. 4474) and the Potter Township Power Authority (Project No. 7041) received licenses from the Federal Energy Regulatory Commission and must commence construction prior to April 15, 1995, or face the loss of their licenses under section 13 of the Federal Power Act. On many occasions, Congress has granted similar noncontroversial extensions to licensees for projects in other States. I would further note that on October 5, 1994, the Senate adopted by voice vote an amendment extending the license for the Allegheny North Project No. 4474. That legislation passed the Senate, but failed to clear both houses prior to adjournment last year.

I am advised that the licensees for these two projects have been negotiating on power sales agreements, but have not yet been able to finalize these arrangements. This legislation would provide additional time for the municipal licensees to conclude their negotiations with potential power purchasers. In introducing this legislation, I am attempting to ensure that an arbitrary statutory deadline will not be the ultimate factor deciding the future of these projects. I am not expressing any personal views on whether the projects should go forward or on how the projects should be funded; that is clearly the responsibility of the municipal licensees and the residents of the boroughs and townships involved.

The Allegheny River project and the Ohio River project are two of several projects licensed for development in western Pennsylvania. Construction of these licensed power plants could permit Pennsylvania to use previously untapped hydroelectric energy, creating substantial environmental benefits and jobs for local residents.

I urge my colleagues to support this legislation and ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF DEADLINE FOR PROJECT NUMBER 4474.

Notwithstanding the time limitations of section 13 of the Federal Power Act, the Federal Energy Regulatory Commission (referred to in this Act as the 'Commission'), upon the request of the licensees for Commission Project No. 4474, is authorized, in accordance with the good faith, due diligence, and public interest requirements of section 13 of the Federal Power Act and the Commission's procedures under such section, to extend until April 15, 2001, the time required for the licensees to commence construction of such project.

SEC. 2. EXTENSION OF DEADLINE FOR PROJECT NUMBER 7041.

Notwithstanding the time limitations of section 13 of the Federal Power Act, the Federal Energy Regulatory Commission (referred to in this Act as the 'Commission'), upon the request of the licensee for Commission Project No. 7041, is authorized, in accordance with the good faith, due diligence, and public interest requirements of section 13 of the Federal Power Act and the Commission's procedures under such section, to extend until April 15, 2001, the time required for the licensees to commence construction of such project.●

By Mr. DOLE (for himself and Mr. INHOFE):

S. 284. A bill to restore the term of patents, and for other purposes; to the Committee on the Judiciary.

THE TERM OF PATENTS ACT OF 1995

Mr. DOLE. Mr. President, I rise today to introduce, with my distinguished colleague Senator INHOFE, legislation that will remedy one of the problems created by the implementing bill for the GATT, which passed this body on December 1, 1994.

The implementing bill changed the length of time that a patent is protected under U.S. law. Prior to the change, the period of protection ran 17 years from the date of the grant of the patent. The new period of protection under the GATT bill runs 20 years from date of filing.

My legislation gives patent applicants the best of both worlds: Protection will run from the longer of 17 years from grant or 20 years from filing.

The change in patent term under the GATT bill threatens to actually shorten the period of protection. This is due to the sometimes inordinate amount of time a patent application can languish during the approval process. For example, if a patent is delayed 5 years from filing until final disposition, an applicant would effectively be denied 2 years of protection under the new rule.

My legislation also addresses the problem of submarine patents. Continuing patent applications on the same invention will result in publication of the original patent application after 5 years.

Mr. President, I have heard from inventor groups, from biotechnology groups and pharmaceutical groups—all in support of this change. Five former Commissioners of Patents and Trademarks of the United States have written to me in support of this change. What is more, this change does not conflict with the obligations the United States undertook as part of the Uruguay round of the GATT.

I know the administration has a different view of the appropriate length of a patent term. Nevertheless, during the weeks leading up to the GATT vote, I discussed this issue with Ambassador Kantor and others and I obtained a commitment that the administration would not oppose legislation to achieve

a change if the 104th Congress pursues the matter.

Mr. President, I would simply say in conclusion that our inventors and creative Americans all over the country deserve the maximum protection of their intellectual property. We should not jeopardize their investment in ideas. The new rule recently passed threatens that investment, and I urge my colleagues to consider the change I am proposing today, to restore the most important aspect of an inventor's livelihood: the period of time he owns his invention.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objecton, the bill was ordered to be printed in the RECORD, as follows:

S. 284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PATENT TERMS.

(a) AMENDMENT.—Section 154 of title 35, United States Code (as added by the Uruguay round Agreements Act), is amended—

(1) in paragraph (2) of subsection (a), by striking ''and ending'' and all that follows through the end of the paragraph and inserting ''and ending on the later of—

''(A) 17 years from the date of the grant of the patent; or

''(B) 20 years from the date on which the application for the patent was filed in the United States, except that if the application contains a specific reference to an earlier filed application or applications under section 120, 121, or 365(c) of this title, 20 years from the date on which the earliest such patent application was filed.'';

(2) by amending subsection (b) to read as follows:

''(b) PATENT DISCLOSURE.—In the event that a continuing patent application is filed that claims the benefit of the filing date of a prior application that was filed more than 60 months earlier, notices of the original patent application and of the continuing patent application shall be published and the public shall be permitted to inspect and copy the original patent application and the continuing patent application.''; and

(3) in paragraph (1) of subsection (c), by striking ''shall be the greater of the 20-year term as provided in subsection (a), or 17 years from grant'' and inserting ''shall be the term provided in subsection (a)''.

(b) TECHNICAL AMENDMENT.—Section 534(b) of the Uruguay Round Agreements Act is amended by striking paragraph (3).

By Mr. MCCAIN (for himself, Mr. INOUYE, Mr. CAMPBELL, Mr. SIMON, and Mr. THOMAS):

S. 285. A bill to grant authority to provide social services block grants directly to Indian tribes, and for other purposes; to the Committee on Finance.

SOCIAL SERVICES BLOCK GRANTS LEGISLATION

● Mr. MCCAIN. Mr. President, today I am introducing a bill that would make title XX social services block grant programs directly available to Indian tribal governments and organizations. I am pleased that my colleagues on the Indian Affairs Committee, Senators DANIEL K. INOUYE, BEN NIGHTHORSE CAMPBELL, CRAIG THOMAS, and PAUL SIMON, have joined me as original cosponsors of this bill. The legislation we are introducing today authorizes the Secretary of Health and Human Services to make contracts or grants with Indian tribal governments to design and administer tribal social services programs. The legislation requires that 3 percent of title XX funds are to be made available to fund contracts or grants to Indian tribes or tribal organizations. The Secretary is also required to establish a base funding formula similar to that required by the Child Care and Development Block Grant Act.

In its current form, the title XX social services block grant is an entitlement program that is available only to State and Territorial governments. This program provides State and Territorial governments with flexible resources to establish locally tailored and administered social services programs. Unfortunately, Indian tribal governments have not been provided with the opportunity to share in these resources. I believe this legislation will provide a new sense of hope to the highly dedicated individual social service personnel, both Indian and non-Indian, who must confront a panoply of health and social problems affecting American Indians with extremely limited resources.

A report issued last August by the office of the inspector general revealed that although States may share title XX funding with tribal child welfare agencies, 15 of the 24 States with the largest Native American populations did not provide title XX funds to Indian tribes from 1989 to 1993. The inspector general's report indicated that the principal reason that Indian tribes were not receiving title XX funds was that Congress, during its initial consideration of the title XX Social Service Block Program, provided no authority to award title XX funds directly to tribes. Under the current program States are neither required nor encouraged to share funds with Indian tribes. I can only believe that this was a grave oversight on the part of the legislators at the time the title XX Social Block Grants Program was considered.

Mr. President, one half of all Indian children under the age of 6 live in poverty, approximately 50 percent of the Indian families headed by females live in poverty compared to a national rate of 31.1 percent, reports of Indian child abuse continue to increase, and Indians suffer among the highest unemployment rates. I realize that time and time again I have provided this body with these sad statistics, and I will continue to recite these grim statistics because I believe there is a great misconception about the services provided to Indians by the Federal Government. Recent news articles and documentaries are replete with evidence of the day-to-day realities faced by Indian people and the failure of the Federal Government to live up to its trust, treaty, and legal obligations to the American Indian. Clearly, the Indian policy statements of former Presidents Nixon, Reagan, and Bush which called for Indian self-determination, self-governance, and the fulfillment of the Federal Government's trust responsibility to the Nation's Indian population can no longer be ignored. More specifically, we should heed the advice of President Reagan who stated in his Indian policy statement of January 24, 1993, that the Title XX Social Services Block Grants Program should be amended to provide direct funding to Indian tribal governments. I believe it is time that we move Indian people and the Federal Government into the 20th century with real change, and I believe that this legislation will help to accomplish this.

Mr. President, I ask unanimous consent that the full test of the bill and the accompanying section-by-section appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 285

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY TO PROVIDE SOCIAL SERVICES BLOCK GRANTS DIRECTLY TO INDIAN TRIBES.

(a) IN GENERAL.—Section 2003 of the Social Security Act (42 U.S.C. 1397b) is amended—

(1) in subsection (a), by striking ''and the Northern Mariana Islands'' the first place it appears and inserting ''the Northern Mariana Islands, and any participating Indian tribe or tribal organization, as defined in subsection (e)(3),'';

(2) in subsection (b), by striking ''and the Northern Mariana Islands'' each place it appears and inserting ''the Northern Mariana Islands, and any participating Indian tribe or tribal organization, as defined in subsection (e)(3),''; and

(3) by adding at the end the following new subsections:

''(d)(1) Of the amounts specified in subsection (c), 3 percent shall be available for grants made or contracts entered into with Indian tribes or tribal organizations in accordance with this subsection.

''(2) The Secretary shall make grants to or enter into contracts with Indian tribes or tribal organizations for planning and carrying out programs and activities under this title.

''(3) The Secretary shall establish criteria for the review and approval of applications for grants or contracts under this subsection.

''(4)(A) Not later than 180 days after the date of enactment of this subsection, the Secretary, with the full participation of Indian tribes and tribal organizations, shall establish and promulgate by regulation, a base funding formula similar to the formula established under section 658O of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858M).

''(B) In developing the funding formula, the Secretary may consider such additional factors as the Secretary determines appropriate, including unique geographic and demographic conditions of the tribal reservation and service area.

''(5) Funds that are not distributed to Indian tribes and tribal organizations during a fiscal year shall be available in subsequent fiscal years for reallocation to eligible tribes and tribal organizations.

''(6) In any case in which a contract is entered into or grant made to a tribal organization to perform services benefiting more than one Indian tribe, the approval of each such Indian tribe shall be a prerequisite to entering into the contract or making the grant.

''(7) Nothing in this subsection shall be construed to—

''(A) serve as an authorization to limit the eligibility of any individual to participate in any program offered by a State or subdivision thereof;

''(B) modify any requirement imposed upon a State by any provision in this title; or

''(C) preclude or discourage an agreement between any Indian tribe and any State that facilitates the provision of services by the Indian tribe to the service population of the Indian tribe.

''(e) For purposes of this section—

''(1) the term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

''(2) the term 'tribal organization' means—

''(A) the recognized governing body of any Indian tribe; and

''(B) any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body or which is democratically elected by the adult members of the Indian community to be served by such organization and which includes the maximum participation of Indians in all phases of its activities; and

''(3) the term 'participating Indian tribe or tribal organization' means an Indian tribe or tribal organization that receives a grant or enters into a contract under subsection (d).''.

(b) CONFORMING AMENDMENT.—The fifth sentence of section 1101(a)(1) of such Act (42 U.S.C. 1301(a)(1)) is amended by striking ''and the Northern Mariana Islands'' and inserting ''the Northern Mariana Islands, and any participating Indian tribe or tribal organization, as such term is defined in section 2003(e)(3)''.

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall take effect on the first day of the first fiscal year beginning after the date of enactment of this Act.

SECTION-BY-SECTION ANALYSIS

SECTION 1. AUTHORITY TO PROVIDE SOCIAL SERVICES BLOCK GRANTS DIRECTLY TO INDIAN TRIBES

Subsection (a)(1) amends Section 2003 of the Social Security Act to include ''Indian tribe or tribal organization''.

Subsection (a)(3) amends Section 2003 by adding subsections (d)(1) through (d)(7) as follows:

Subsection (d)(1) provides that 3 percent of Title XX Social Services Block Grant funds shall be available to fund grants or contracts entered into by an Indian tribe or Indian organization for planning and carrying out social services programs and activities.

Subsection (d)(4) states that no later than 180 days after the date of enactment of this subsection, the Secretary, with the participation of Indian tribes and tribal organizations shall establish and promulgate regulations for a base funding formula similar to section 6580 of the Child Care and Development Block Grant. Subsection (d)(4) further provides the Secretary with discretion to consider other factors including the unique geographic and demographic conditions of tribal reservations and service areas in developing the regulations required by this subsection.

Subsection (d)(5) provides that funds that are not distributed to Indian tribes and tribal organizations during a fiscal year shall be available for reallocation to eligible tribes and tribal organizations in subsequent fiscal years.

Subsection (d)(6) provides that the approval of each Indian tribe shall be a prerequisite to entering into a contract entered into or grant made to a tribal organization to perform services benefiting more than one Indian tribe.

Subsection (d)(7) provides that nothing in this subsection shall be construed to serve as an authorization to limit the eligibility of any individual to participate in any program offered by a State or subdivision thereof; modify any requirement imposed upon a State by any provision of this title; or preclude or discourage an agreement between any Indian tribe and any State that facilitates the provision of services by the Indian tribe to the service population of the Indian tribe.

Subsection (e)(1) defines the terms ''Indian tribe,'' ''tribal organization'' and ''participating Indian tribe or tribal organization'' for purposes of this section.

SECTION 2. EFFECTIVE DATE

Section 2 provides that the amendments made by section 1 shall take effect on the first day of the first fiscal year beginning after the date of enactment of this Act.●

● Mr. INOUYE. Mr. President, I join Chairman JOHN MCCAIN of the Senate Committee on Indian Affairs in introducing a long-awaited and necessary bill which would provide direct title XX social services block grant funding to Indian tribal governments.

Over the past 5 years, our committee has worked diligently to ensure that a direct allocation be made available to tribal governments for the provision of the same federally funded social services programs which are available to the States.

The Administration for Children and Families [ACF] within the U.S. Department of Health and Human Services provides funding to States but only a very few tribal child welfare programs under three titles of the Social Security Act. Title XX supports State social services, including child welfare services. While States may share these moneys with tribal child welfare agencies, very few do and only to a very limited degree. Title IV–E supports State Foster Care and Adoption Assistance Programs. Title IV–B supports States' and some tribes' child welfare programs and family preservation and support services.

In spring 1993, the committee called upon the Department of Health and Human Services, Office of Inspector General to conduct a study to identify opportunities for the administration for children and families to strengthen the provision of child welfare services and protections to American Indian and Alaska Native children.

A survey was conducted of those 24 States with the largest native American populations as to the level of funding which is shared between the States and tribal governments for social services programs. The Inspector General's office also reviewed data on ACF funding made available directly to State and tribal governments. They conducted a review of relevant Federal legislation and conducted interviews and discussions with child welfare experts and administrators in the ACF, the Bureau of Indian Affairs, State and tribal child welfare agencies, and Native American child welfare organizations.

The Inspector General's report entitled ''Opportunities for ACF to Improve Child Welfare Services and Protections for Native American Children'' was released in August 1994. The report reveals that most tribal governments have received little title XX, title IV–E, and title IV–B child welfare funding. In addition, while the ACF has monitored the tribal provision of child welfare protections required by the Adoption Assistance and Child Welfare Act, few tribal records have been reviewed. Furthermore, neither the ACF nor any other Federal agency has ensured State compliance with the child welfare protections required by the Indian Child Welfare Act.

More specifically, in 15 of the 24 States with the largest Native American populations, eligible tribes received neither title XX nor title IV–E funds from 1989 to 1993. Among the factors which limit access by tribes to title XX and title IV–E funds are several Federal requirements. Current law provides no authority for the ACF to award title XX and title IV–E funding directly to the tribes, nor does existing legislation either require or encourage States to share funding with tribal governments.

In the remaining nine States that made funding available to tribal governments for title XX and title IV–E purposes, it is important to keep in mind the proportion of funding made available for Indian people as compared to their percentage of the population in their respective States as a whole.

In 1993, in the States of Arizona, Colorado, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, Oregon, and South Dakota, Indian people made up 4.36 percent of the population. But in 1993, only 1.38 percent—$2,800,000—of the $203,462,000 made available to these States was made available to tribal governments to carry out social services programs.

Since the scope of the Inspector General's study did not analyze the entire $2.9 billion in Title XX funding provided for all 50 States, it can be assumed that proportionately, even less money is making its way to tribal governments to carry out vitally needed child welfare and other social services programs. This is particularly troubling because Native American communities experience higher unemployment rates and suffer extensive poverty-related conditions including unequalled high rates of hunger, alcoholism, suicide, abuse, and family disruption.

The Inspector General also found that in 1993, 471 of the 542 federally recognized tribes received no title IV–B funds from the ACF. Once again several Federal regulations constrain the tribal access to title IV–B funding.

On a positive note, the Inspector General's report identifies options that can be taken by the administration for children and families to facilitate tribal governmental access to child welfare and social services funding and to better ensure the provision of federally mandated child welfare protections for Native American children. I look forward to joining Chairman MCCAIN in analyzing this study and learning from Indian country of the solutions they believe would be effective in improving services available to Indian children and their families.

I am hopeful that my colleagues on the Senate Finance Committee will work closely with the Senate Committee on Indian Affairs in ensuring that equity in social services funding is provided to tribal governments. I am also hopeful that agencies who are associated with the coalition of public nonprofit organizations, Generations United, will work with both committees in addressing the profound needs of tribal governments in providing social services to their communities. I believe this bill which provides direct funding to tribal governments can meet these needs and will work to ensure that even greater title XX funding is available to accommodate both tribal and State governments.●

By Mr. MCCAIN (for himself, Mr. INOUYE, Mr. CAMPBELL, Mr. THOMAS, and Mrs. KASSEBAUM):

S. 286. A bill to amend the Solid Waste Disposal Act to grant State status to Indian tribes for purposes of the enforcement of such Act, and for other purposes; to the Committee on Indian Affairs.

THE SOLID WASTE DISPOSAL ACT OF 1995

● Mr. MCCAIN. Mr. President, I am pleased to introduce legislation to amend the Solid Waste Disposal Act to authorize the Environmental Protection Agency to treat Indian tribes as States. I am very pleased to be joined by my good friend, the distinguished vice-chairman of the Committee on Indian Affairs, Senator INOUYE and Senators CAMPBELL, KASSEBAUM, and THOMAS as original cosponsors of this legislation. This legislation is similar to provisions which have already been included in the Clean Air Act, the Clean Water Act, and the Safe Drinking Water Act. These Federal environmental laws were all amended in the 1980's to provide for the treatment of Indian tribes as States.

Unfortunately, when we first began enacting our national environmental laws we either neglected to include Indian tribal governments or included them as municipalities. This latter practice is completely inconsistent with our usual practice of maintaining a direct government-to-government relationship between the Federal and tribal governments. By the mid-1980's it was clear that tribal environmental concerns were being almost completely ignored by State and Federal officials. The States had demonstrated an unwillingness or inability to assist Indian tribes and the Environmental Protection Agency claimed that it lacked legal authority to deal directly with Indian tribal governments. Since that time, considerable progress has been made toward assisting Indian tribal governments to develop and implement environmental regulatory programs. Under the Clean Water Act over 40 Indian tribes have been certified by EPA as eligible for treatment as States.

The Solid Waste Disposal Act is the only remaining major environmental law which fails to provide for the treatment of Indian tribal governments as States. This has made it difficult for EPA and the Indian tribal governments to address a variety of solid and hazardous waste problems on Indian lands, including the problem of leaking underground storage tanks. The bill we are introducing today is intended to correct this situation. The provisions of this legislation will allow Indian tribal governments the same opportunities that are available to States to build program capacity and fully develop tribal environmental protection programs under the authority of the Solid Waste Disposal Act. The bill will enable Indian tribal governments to effectively plan and develop a reservation specific approach to environmental protection in the same manner that State environmental programs have been encouraged to develop and plan. The Environmental Protection Agency must provide consistent treatment to Indian tribal governments across all environmental media areas. This legislation will provide Indian tribal governments with the tools necessary to plan and develop sound environmental policies and programs. I urge all our colleagues to join with us to ensure prompt enactment of this legislation.

Mr. President, I ask unanimous consent that the full text of the bill and the accompanying section-by-section analysis appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 286

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY TO GRANT STATE STATUS TO INDIAN TRIBES FOR ENFORCEMENT OF SOLID WASTE DISPOSAL ACT.

(a) DEFINITIONS.—Section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903) is amended—

(1) in paragraph (13)(A), by striking ''or authorized tribal organization or Alaska Native village or organization,'';

(2) in paragraph (15), by inserting after ''State,'' the following: ''Indian tribe,''; and

(3) by adding at the end the following new paragraphs:

''(42) The term 'Indian country' means—

''(A) all land within the limits of any Indian reservation under the jurisdiction of the Federal Government (including any right-of-way running through the reservation), notwithstanding the issuance of any patent;

''(B) all dependent Indian communities within the borders of the United States, including dependent Indian communities—

''(i) within the original territory or territory that is subsequently acquired; and

''(ii) within or without the limits of a State; and

''(C) all Indian allotments with respect to which the Indian titles have not been extinguished, including rights-of-way running through the allotments.

''(43) The term 'Indian tribe' means any Indian tribe, band, group, or community, including any Alaska Native village, organization, or regional corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)) that—

''(A) is recognized by the Secretary of the Interior; and

''(B) exercises governmental authority within Indian country.''.

(b) TREATMENT OF INDIAN TRIBES AS STATES.—Subtitle A of such Act (42 U.S.C. 6901 et seq.) is amended by adding at the end the following new section:

''SEC. 1009. INDIAN TRIBES.

''(a) IN GENERAL.—Subject to subsection (b), the Administrator may—

''(1) treat an Indian tribe as a State for the purposes of this Act;

''(2) delegate to an Indian tribe primary enforcement responsibility for programs and projects established under this Act; and

''(3) provide Indian tribes grant and contract assistance to carry out functions of a State pursuant to this Act.

''(b) ENVIRONMENTAL PROTECTION AGENCY REGULATIONS.—

''(1) IN GENERAL.—

''(A) TREATMENT.—Not later than 18 months after the date of the enactment of this section, the Administrator shall issue final regulations that specify the manner in which Indian tribes shall be treated as States for the purposes of this Act.

''(B) AUTHORIZATION.—Under the regulations issued by the Administrator, the treatment of an Indian tribe as a State shall be authorized only if—

''(i) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

''(ii) the functions that the Indian tribe will exercise pertain to land and resources that are—

''(I) held by the Indian tribe, the United States in trust for the Indian tribe, or a member of the Indian tribe (if the property interest is subject to a trust restriction on alienation); or

''(II) are otherwise within Indian country; and

''(iii) in the judgment of the Administrator, the Indian tribe is reasonably expected to be capable of carrying out the functions to be exercised in a manner consistent with the requirements of this Act (including all applicable regulations).

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—If, with respect to a provision of this Act, the Administrator determines that the treatment of an Indian tribe in the same manner as a State is inappropriate, administratively infeasible, or otherwise inconsistent with the purposes of this Act, the Administrator may include in the regulations issued under this section a mechanism by which the Administrator directly implements and carries out the provision in lieu of the Indian tribe.

''(B) STATUTORY CONSTRUCTION.—Subject to subparagraph (C), nothing in this section is

intended to permit an Indian tribe to assume or maintain primary enforcement responsibility for programs established under this Act in a manner that is less protective of human health and the environment than the manner in which a State may assume or maintain the responsibility.

''(C) CRIMINAL ENFORCEMENT.—An Indian tribe shall not be required to exercise jurisdiction over the enforcement of criminal penalties.

''(c) COOPERATIVE AGREEMENTS.—In order to ensure the consistent implementation of the requirements of this Act, an Indian tribe and each State in which the lands of the Indian tribe are located may, subject to review and approval by the Administrator, enter into a cooperative agreement to cooperatively plan and carry out the requirements of this Act.

''(d) REPORT.—Not later than 2 years after the date of enactment of this section, the Administrator, in cooperation with the Secretary of the Interior, the Director of the Indian Health Service, and Indian tribes, shall submit to Congress a report that includes—

''(1) recommendations for addressing hazardous and solid wastes and underground storage tanks within Indian country;

''(2) methods to maximize the participation in, and administration of, programs established under this Act by Indian tribes;

''(3) an estimate of the amount of Federal assistance that will be required to carry out this section; and

''(4) a discussion of proposals by the Administrator concerning the provision of assistance to Indian tribes for the administration of programs and projects pursuant to this Act.

''(e) TRIBAL HAZARDOUS WASTE SITE INVENTORY.—

''(1) INVENTORY.—Not later than 2 years after the date of enactment of this section, the Administrator shall undertake a continuing program to establish an inventory of sites within Indian country at which hazardous waste has been stored or disposed of.

''(2) CONTENTS OF INVENTORY.—The inventory shall include—

''(A) the information required to be collected by States pursuant to section 3012; and

''(B) sites located at Federal facilities within Indian country.''.

(c) TECHNICAL AMENDMENT.—The table of contents for subtitle A of such Act (contained in section 1001 of such Act (42 U.S.C. prec. 6901)) is amended by adding at the end the following new item:

''Sec. 1009. Indian tribes.''.

SEC. 2. LEAKING UNDERGROUND STORAGE TANK TRUST FUND.

Section 9508(c)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Except as provided'' and inserting the following:

''(A) PURPOSES.—Except as provided''; and

(2) by adding at the end the following new subparagraph:

''(B) SET ASIDE FOR INDIAN TRIBES.—Notwithstanding any other provision of law, for each of fiscal years 1996 through 2000, the Secretary shall reserve an amount equal to not less than 3 percent of the amounts made available to States pursuant to subparagraph (A). Such amount shall be used only by Indian tribes (as defined in section 1004(43) of the Solid Waste Disposal Act) to carry out the purposes referred to in subparagraph (A).''.

SECTION-BY-SECTION ANALYSIS

SECTION ONE

Section 1 amends section 1004 of the Solid Waste Disposal Act to include definitions for the terms ''Indian Country'' and ''Indian tribe''. It also inserts the term ''Indian tribe'' after ''State'' in paragraph (15) of section 1004 of the Act and deletes the phrase ''or authorized tribal organization or Alaska Native village or organization,'' from paragraph (13)(A) of the Act.

Subsection (b) amends subtitle A of the Solid Waste Disposal Act by adding the following new section 1009 to the Act:

''Section 1009 provides that the Administrator may treat an Indian tribe as a State for purposes of the Act and may delegate primary enforcement authority to an Indian tribe for any programs and projects established under this Act. It also provides that the Administrator may provide grants and contract assistance to an Indian tribe to carry out their responsibilities under the Act.

Subsection (b) of Section 1009 requires the Administrator to issue final regulations for the treatment of Indian tribes as States under the Act within 18 months from the date of enactment of this section. These regulations shall provide that an Indian tribe may be treated as a State under the Act if the Indian tribe has a governing body carrying out substantial governmental duties and powers, the functions to be carried out by the tribe pertain to trust lands or lands which are subject to a restriction on alienation, or are otherwise within Indian country, and in the judgment of the Administrator, the tribe is reasonably expected to be capable of carrying out functions in a manner consistent with the requirements of the Act.

Subsection (b) also provides that if the Administrator determines that the treatment of an Indian tribe as a State is inappropriate, administratively infeasible or otherwise inconsistent with the purposes of this Act, then the Administrator may promulgate regulations to enable the Administrator to directly implement and carry out the Act in lieu of the Indian tribe. It also provides that nothing in this section is intended to permit an Indian tribe to maintain primary enforcement responsibility in a manner less protective of human health and the environment than a State. An Indian tribe shall not be required to exercise jurisdiction over the enforcement of criminal penalties.

Subsection (c) of Section 1009 authorizes Indian tribes and States to enter into cooperative agreements subject to the review and approval of the Administrator.

Subsection (d) of Section 1009 authorizes the Administrator, in cooperation with the Secretary of the Interior, the Director of the Indian Health Service, and Indian tribes, to submit a report to Congress not later than 2 years after the date of enactment. The report shall include recommendations addressing underground storage tanks and the disposal of hazardous and solid waste within Indian country.

Subsection (e) of Section 1009 requires the Administrator to conduct an inventory of hazardous waste sites within Indian country not later than 2 years after the date of enactment. The inventory shall include information required pursuant to section 3012 of the Act and sites located at Federal facilities within Indian country.''

SECTION TWO

Section 2 amends Section 9508(c)(1) of the Internal Revenue Code of 1986 to include a three (3) percent set aside in the Leaking Underground Storage Tank Trust Fund for Indian tribes to carry out the purposes referred to in subparagraph (A) of the Act.●

● Mr. INOUYE. Mr. President, I am pleased to join the new chairman of the Committee on Indian Affairs, Senator JOHN MCCAIN, as a cosponsor of legislation that would recognize the important role that tribal governments must play in the enforcement of the Solid Waste Disposal Act on Indian lands.

In the 103d Congress, I introduced similar legislation which would have amended the Solid Waste Disposal Act to grant a status equal to that of State governments to Indian tribal governments. I am pleased that Chairman MCCAIN has seized the initiative to again introduce this important legislation and thereby continue the committee's efforts to address an earlier oversight by the Congress in failing to include Indian tribal governments in the only remaining major environmental law which does not provide for the treatment of Indian tribes as States.

The Congress has attempted to improve the environmental quality of lands within Indian country by enacting provisions authorizing tribal governments to assume primary responsibility in certain circumstances for implementing the full array of environmental laws, including the Clean Air Act, Safe Drinking Water Act and the Clean Water Act.

This bill would simply extend the same status to tribal governments as that which is recognized under these other laws, by authorizing tribal governments to assume primary responsibility for programs under the Resource Conservation and Recovery Act.

This bill would also acknowledge and affirm the inherent authority of Indian tribes to regulate the development, operation and maintenance of solid waste and other waste facilities on Indian lands consistent with the Environmental Protection Agency's Indian policy and the overall Federal policy of Indian self-determination that arises out of the United States' Government-to-Government relationship with the Indian nations.

Further, this bill will eliminate any confusion as to the authority of tribal governments to regulate environmental quality on Indian lands by clarifying that tribal governments are to be treated as States under the Resource Conservation and Recovery Act in the same manner as they currently are treated under all other major environmental acts.

Mr. President, this is an important bill. Indian tribal governments have made it clear to the Committee on Indian Affairs that this legislation is of critical importance and concern. I call upon my fellow colleagues to give this measure their careful review and favorable consideration. I look forward to working with Chairman MCCAIN to ensure passage of this measure in the 104th Congress.●

By Mrs. HUTCHISON (for herself, Ms. MIKULSKI, Mr. ABRAHAM, Mr. ASHCROFT, Mr. BENNETT, Mr. BOND, Mr. BROWN, Mr. BURNS, Mr. COATS, Mr. COCHRAN, Mr. COHEN, Mr. COVERDELL, Mr. CRAIG, Mr. D'AMATO, Mr. DEWINE, Mr.

DOLE, Mr. DOMENICI, Mr. FAIRCLOTH, Mr. FRIST, Mr. GORTON, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. GREGG, Mr. HATCH, Mr. HATFIELD, Mr. HELMS, Mr. INHOFE, Mrs. KASSEBAUM, Mr. KEMPTHORNE, Mr. KYL, Mr. JEFFORDS, Mr. LOTT, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRESSLER, Mr. ROTH, Mr. SANTORUM, Mr. SHELBY, Mr. SIMPSON, Mr. SMITH, Ms. SNOWE, Mr. STEVENS, Mr. CRAIG THOMAS, Mr. THOMPSON, Mr. THURMOND, Mr. WARNER, Mr. BREAUX, Mrs. FEINSTEIN, Mr. JOHNSTON, Mr. MOYNIHAN, Mrs. MURRAY, Mr. REID, Ms. MOSELEY-BRAUN, and Mr. SIMON):

S. 287. A bill to amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction; to the Committee on Finance.

IRA EQUITY LEGISLATION

Mrs. HUTCHISON.

Mrs. HUTCHISON. Mr. President, I rise today along with Senator MIKULSKI and 55 other cosponsors to introduce a bill, S. 287, that will allow the homemakers of this country to make fair, fully deductible individual retirement account contributions. This bill will allow equal IRA contributions by Americans who work at home—women and a growing number of men who have suffered unfairly under our out-of-date section of the Tax Code.

Under the current IRA rules, single-income married couples are limited to deductible IRA contributions of $2,250 a year—$2,000 for the working spouse and $250 for the homemaker. But if both spouses in a household work outside the home, each is permitted to contribute up to $2,000 annually to an IRA. That is a combined contribution of $4,000.

Under current law, a single-income married couple saving $2,250 each year for 30 years will have $188,000 for retirement at 6 percent interest. If that couple, Mr. President, is permitted to save $4,000 a year, after 30 years they will have $335,000, an increase in savings of $150,000.

Now, Mr. President, I think it is obvious that work inside the home is every bit as important to our society as the work done outside the home. I do not think the homemakers who choose to stay home and raise children should have the added disadvantage of retiring with less retirement security.

I do not think that this is fair. That is why 57 Members of the U.S. Senate have signed on to a bill that will correct this inequity. It is very important that we say to every working American, whether your work is inside the home or outside the home, that we want you to have an incentive to save. Not only is it the right thing to do, it is also going to help build capital formation. It will help us give incentives for savings. Of all the industrialized countries, we have the lowest savings rate. If we would save more, we would have more capital investments, which would create more jobs.

I do not see how anyone could oppose this bill. But it is very important that we push for its enactment. S. 287 will give more retirement security to as many as 16 million Americans who are treated unfairly, and it will not really cost the Government anything.

There is a $267 million price tag over a 5-year period, which is a little bit over $50 million a year. But don't think the bill will actually reduce revenues. I think it is going to increase revenues because if we have more capital formation and create more jobs, revenue will increase.

Mr. President, I hope we will have swift action on S. 287 because I do not want one more year to pass in this country without the right of our homemakers to start the retirement savings that will accrue to their benefit and to the benefit of their families.

Mr. President, I ask unanimous consent that letters from the Family Research Council, the Christian Coalition, the American Association of University Women, and the National Women's Political Caucus in support of IRA equity be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD as follows:

CHRISTIAN COALITION,
CAPITOL HILL OFFICE,
January 26, 1995

Hon. KAY BAILEY HUTCHISON,
U.S. Senate, Washington, DC.

Dear SENATOR HUTCHISON: On behalf of the 1.5 million members and supporters of the Christian Coalition, we wish to express our strong support for the Individual Retirement Account Equity Bill that you and Senator Mikulski have introduced.

This legislation corrects the tax code's inequitable treatment of retirement income of women and men who work inside the home. Currently, the tax code allows two spouses who work outside the home to put more money into an Individual Retirement Account than is allowed for a couple where one spouse is a homemaker. The IRA Equity Bill will permit deductible IRA contributions of up to $2,000 by spouses who work inside the home. If enacted, single-income couples would have the opportunity to save $4,000 a year towards retirement.

Today, America suffers from a ''family time famine' because parents are unable to spend time with their children. We should work to make tax policy more ''family friendly'' to enable parents to attend to the needs of their children. The IRA Equity Bill is an important step in the direction of this objective. Furthermore, this would be an important deletion of just *one* of the many marriage penalties found throughout our tax code. We applaud your leadership on behalf of tax fairness for America's families.

Sincerely,

MARSHALL WITTMANN,
Director, Legislative Affairs.
HEIDI SCANLON,
Director, Governmental Affairs.

FAMILY RESEARCH COUNCIL,
Washington, DC, January 26, 1995.

Hon. KAY BAILEY HUTCHISON,
U.S. Senate, Washington, DC.

Dear SENATOR HUTCHISON: Thank you for your leadership in sponsoring legislation to amend the Internal Revenue Code of 1986 to allow homemakers to get a full IRA deduction.

American families today face a multitude of challenges and pressures as they struggle to keep their family life protected and intact. ''Family time'' is a precious commodity and many parents are opting for one spouse to stay at home, realizing that time with their children is short and children are adults before they realize it. We think it is important to ensure these parents are not penalized by the tax code. Your bill is a major step in the right direction.

One area of concern is the issue of the present income ceiling of $50,000 which allows IRA deductions to benefit one-income or two-income families within this category. FRC believes that this ceiling should be lifted or increased because it encourages savings among some families, but discourages others who desire to save for the future.

FRC supports a ''level playing field'' of equity between those women who work in the marketplace and those who work at home. By eliminating the existing inequity and by raising or lifting the income threshold, lawmakers would establish support for family savings, increase the pool of women who will benefit from IRA savings and deductions and end the existing discrimination.

We support your efforts and look forward to working with you and your colleagues on this important issue.

Sincerely,

GARY L. BAUER,
President.

AMERICAN ASSOCIATION OF UNIVERSITY WOMEN,
Washington, DC, December 15, 1994.

Hon. KAY BAILEY HUTCHISON,
U.S. Senate, Washington, DC.

DEAR SENATOR HUTCHISON: On behalf of the 150,000 members of the American Association of University Women, we support your effort to economically empower non-working women. AAUW supports the Hutchison/Mikulski legislation, S. 1669.

AAUW believes that women must have the same opportunities as men to protect their personal finances. The current law governing IRAs discriminates against women by limiting an unsalaried married woman's deductible IRA contribution to $250, while allowing her husband a deductible contribution of $2,000. Current law specifically penalizes unsalaried women who may work in family businesses or who have chosen to stay at home. It also assumes that unsalaried women will remain married and will continue to have access to their husbands' finances. Current law does not account for the 500,000 marriages that end in divorce each year, leaving men with their accumulated deductible IRA contribution and women with a possible loss of $500,000 or more in retirement income. Permitting a $2,000 deductible IRA contribution for all women will give women the means to protect their futures.

We appreciate your concern for women's financial independence and we look forward to working with you in the 104th Congress. Should you or your staff have any questions, please contact Nancy Zirkin, director of government relations in the Program and Policy Department at (202) 785–7720.

Sincerely,

JACKIE DEFAZIO,
President.

NATIONAL WOMEN'S POLITICAL CAUCUS,
December 2, 1994.

Hon. KAY BAILEY HUTCHISON,
U.S. Senate, Washington, DC.

DEAR SENATOR: On behalf of the National Women's Political Caucus, I'm pleased to commit our support for IRA Equity legislation.

As you know, NWPC joined this effort early on because our grassroots members recognize the cost to society when we fail to properly value the contribution of women at home.

Too many women have been left impoverished in their older years. One reason is their inability to make use of a retirement account like IRA that is available to those who are considered salaried.

We appreciate your leadership in the effort to correct this situation and will alert our membership to support the legislation.

Sincerely,

HARRIETT WOODS,
President.

● Ms. MIKULSKI. Mr. President, I am delighted to work on a bipartisan basis with Senator HUTCHISON again to pass IRA equity legislation.

Work is work, whether it is done inside the home or outside the home. And we should reward work. With this legislation we do.

I like this legislation because it reflects our values; it gives help to those who practice self-help.

It acknowledges the value of motherhood and it acknowledges that work done in the home is important to American society. Not all work is done in the marketplace. A substantial amount of the most important work of America goes on in the home.

This legislation will provide the same IRA tax deduction to stay-at-home moms and dads as is available now to those who earn an income.

Current law allows workers to set aside up to $2,000 a year in an IRA—but only if they get an income. So two-income couples can contribute $4,000.

But one-earner couples, where one spouse stays home to raise the kids, well, the best they can contribute to their IRA each year is $2,250.

Our IRA equity bill says every couple gets the full $4,000 contribution. Period.

Motherhood has always been important. Today we're seeing it's absolutely important.

I believe that when we say honor your father and your mother it should not only be a commandment, but a public policy. The law should be clear that mom and dad will not only be rewarded now, but in the future, in their retirement years.

For someone whose work is as a full-time mom, it is not only an occupation, it is a preoccupation.

When we are talking about productivity in the workplace we need to remember that the work of mothers today is preparing America's workers and leaders of tomorrow.

Often in our society we do not count what counts. We look at the gross domestic product, we look at what is done in the marketplace, but what is not counted is what is done in the home or what is done as volunteer work.

I happen to believe that one of the most important areas of productivity is the work that goes on in the home.

The current rules of government do not support this. We see this in the rules governing pension plans. And we continue to see inequity for women in the workplace in many ways, like bringing home smaller paychecks.

This is important pro-family legislation. It truly acknowledges the value of the family. It gives help to those who practice self-help. And it builds strong communities.

It also acknowledges the pattern of women as they work in and out of the marketplace. Many women do not have linear careers, with glittering resumes, tickets being punched and revolving rolodexes that take them on the path to glory.

Most women do the ordinary with enthusiasm, whether its raising their family or raising the productivity of the private sector in the marketplace. But because they work, and have their children, and return to the marketplace, often their pension plans are spotty, erratic, and most often, skimpy.

That is not a recipe for a relaxing retirement, but a plan for poverty.

Passing this legislation not only offers a measure of fairness and hope, it just makes good sense. It boosts our national savings, helps women have the opportunity for a comfortable retirement, and strengthens our commitment to family values.

I support this legislation because I want to put our values into pragmatic public policy, and I am pleased to join with my colleagues on a bipartisan basis to reward hard-working Americans.

I will continue to fight for passage of IRA equity because it's time Congress puts the law where our values are.●

By Mr. MCCAIN (for himself, Mr. WARNER, and Mr. ROBB):

S. 288. A bill to abolish the Board of Review of the Metropolitan Washington Airports Authority, and for other purposes; to the Committee on Commerce, Science, and Transportation.

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY LEGISLATION

● Mr. MCCAIN. Mr. President, I introduce legislation on National and Dulles Airports which will abolish several of the most egregious examples of Congressional interference in the highly competitive, deregulated airline industry. This legislation, which I am introducing with my colleagues Senator JOHN WARNER and Senator CHUCK ROBB, would: abolish the Metropolitan Washington Airports Authority [MWAA] Board of Review; eliminate the perimeter rule at National Airport—this law imposes a 1,250-mile limitation on air travelers from which no nonstop flight between National and another airport is allowed—and, eliminate reserved parking spaces for Members of Congress and other top Government officials.

On Monday, the Supreme Court, for the second time in less than 4 years, ruled that Congress had exceeded its authority by exercising veto power over key decisions at National and Dulles airports. In fact, National and Dulles airports are the only two airports out of nearly 600 with commercial service that are under Federal supervision.

On June 7, 1987, Washington Dulles International and Washington National Airports were transferred from the Federal Aviation Administration [FAA] to the Airports Authority under a 50-year lease authorized by the Metropolitan Washington Airports Act of 1986. All property was transferred to the Airports Authority and the Federal Government holds title to the lease. Prior to the transfer, the airports were owned and operated by the Federal Aviation Administration in the U.S. Department of Transportation. Pursuant to its lease with the Federal Government, the Board of Review as established.

Congress created the Board and gave it the power to operate ''outside the ordinary legislative process,'' to both make the laws and control how those laws are implemented in regard to National and Dulles Airports, in effect, eliminating the powers of the Executive office. Congress also created a mechanism for thumbing its nose at the courts, rendering the Airport Authority impotent if the Board were ever declared unconstitutional, effectively, eliminating the powers of the judiciary.

The D.C. Circuit Court also recognized the potential for abuse of the Board of Review. The court said this statutory scheme provides Congress with ''a blueprint for expanding legislative power beyond its constitutionally-confined role in virtually every aspect of our national policy.''

In the past, Congress tried to get around the court's objections by fiddling with the details of the act. Those half measures have failed to resolve the constitutional questions. Eliminating the Board will eliminate this unconstitutional problem completely.

The Supreme Court's ruling supported three previous rulings that such oversight violates the constitutional separation of powers doctrine. The fact that Congress has continued its direct oversight in this matter, with only minor changes, displays again the lack of regard that the Congress continues to hold for the people who have sent them to Washington to represent them.

As it stands now, due to the Supreme Court's ruling, the Airports Authority can take no actions which require Board of Review submittal. Not only is the Airports Authority unconstitutional because it violates the separation of powers principles, it also violates the appointments clause of the U.S. Constitution.

Under the appointments clause, only the President is authorized to appoint

principal officers of the United States, with the advice and consent of the Senate. The power to appoint non-principal officers is vested solely in the President. The Board of Review violates this clause, where the Airports Authority selects the members from lists provided by the Speaker of the House of Representatives and the President pro tempore of the Senate.

This legislation would also prohibit the Airports Authority from providing reserved parking spaces free-of-charge to Members of Congress and other government officials at National Airport and Dulles Airport. This amendment states that a new parking policy should be established at National and Dulles Airports that provides equal access to the public, and does not accord preferential parking privileges to Members of Congress and other government officials.

The time has come ending our exclusive use of prime parking spaces at Washington's two airports. This exclusive parking privilege for Members of Congress is unfair and unjustified.

Providing exclusive parking spaces to members of Congress completely free of charge carries with it a considerable cost to the Airports Authority itself. At National and Dulles, the parking spaces that are reserved for Members of Congress are located very close to the terminals. These spaces are equivalent to the short term spaces that cost our constituents up to $26 per day to use. There are approximately 124 parking spaces reserved for Members of Congress and other top government officials at National Airport, and 51 reserved congressional spaces at Dulles.

If the 124 spaces at National were opened to the public and fully utilized at the current rates charged to our constituents, they would garner over $1,175,000 a year in revenues. If the congressional lot at Dulles was opened to the public and utilized to capacity, it would generate $484,000 a year in new revenues. This means that over $1.6 million in potential parking revenues to the Airports Authority is being lost each year because choice lots are being unjustly cordoned off to the public.

Just today, Mr. Charles Barclay, president of the American Association of Airport Executives met with me. For those of you who may not remember, Chuck Barclay was one of the members on President Clinton's National Airline Commission—a Commission charged with making recommendations to ensure a better more competitive aviation industry. Chuck Barclay expressed to me his strong concern regarding the future of Airport grant funding in the appropriations process this fiscal year and his equally strong concern for the future of airport modernization in an atmosphere of dwindling resources.

Mr. President, the loss of revenues caused by the Congressional parking park is occurring at a time when the Airports Authority is receiving millions of dollars of taxpayer funds each year. Instead of raising the substantial amounts of revenue that could alleviate some of the need for more taxpayer dollars, the Airports Authority is apparently content to preserve the unsatisfactory status quo.

Finally, Mr. President this legislation strikes the provision in law which imposes on National Airport the only federally enforced perimeter rule which restricts the public's right to travel. In 1986, when discussions were underway to transfer National and Dulles Airports from the Federal Government to the Airports Authority, the Congress overstepped its authority by prohibiting non-stop flights between Washington National Airport and any other airport that is more than 1,250 miles away. Congress wrote the legislation so that Dulles Airport would become a successful air transportation hub for longer-range air traffic and not have to compete for air carrier service at National.

Such a construct is at odds with the fundamental principals of airline deregulations. The guiding principles of the Deregulation Act were that the market place would decide demand. This is yet another example of wrongful Federal Government interference in the marketplace. No airport should have service restrictions imposed on it. With airline deregulation and a market-based economy, service patterns should be dictated by demand within the confines of technology. No Government should interfere with the marketplace on pure economic matters. Artificial limits imposed by the Congress on an airport which are anticompetitive in nature have no place in a deregulated industry.

Mr. President, this legislation is a clear step to abolishing unnecessary perks and ending nearly 10 years of unconstitutional congressional review and oversight. I intend to examine the Airports Authority's policies at National and Dulles Airports in Aviation Subcommittee hearings. For those people who do not understand my motivation let me make my intentions perfectly clear, National and Dulles Airports are not congressional airports, nor should they be.●

● Mr. WARNER. Mr. President, I join my colleagues Senators MCCAIN and ROBB in introducing legislation to abolish the Board of Review of the Metropolitan Washington Airports Authority.

On June 7, 1987, Washington Dulles International Airport and Washington National Airport were transferred to the Airports Authority under a 50-year lease authorized by the Metropolitan Washington Airports Act of 1986, title VI of Public Law 99–500. All property was transferred to the Airports Authority and the Federal Government holds title to the lease. Prior to the transfer, the airports were owned and operated by the Federal Aviation Administration in the U.S. Department of Transportation. Pursuant to its lease with the Federal Government, the Board of Review was established.

This past Monday, the United States Supreme Court ruled for the second time in less than four years that the Congress has exceeded its authority by exercising veto power over key decisions at Washington National and Dulles International Airports.

Mr. President, prompt enactment of this legislation is critical to prevent the improvements underway at Washington National and Dulles from coming to an abrupt halt.

In 1985, I served on a Commission appointed by Secretary of Transportation Elizabeth Dole to make recommendations of how to manage the modernization of the airports of the National Capital. The Commission was known as the Holton Commission after the Chairman Linwood Holton, former Governor of Virginia. Upon my recommendation, the Holton Commission adopted the so-called Warner plan for a review board to oversee the activities of the airport authority. Under the Warner plan, no Member of Congress would have served on the Review Board.

The recommendations of the Holton Commission resulted in the enactment of legislation to lease Washington National and Washington Dulles International Airports to a newly created agency, the Metropolitan Washington Airports Authority. The Authority was jointly created by the Commonwealth of Virginia and the District of Columbia to finance the reconstruction of National and the expansion of Dulles.

Unfortunately, the Congress refused to go along with the Warner plan for the Review Board. If it had, we would not be back here today introducing this legislation.

At the time the 1986 legislation was debated some in Congress opposed the airport transfer on the basis that a local airport authority—particularly a brandnew one—might unduly favor local interests over the interests of airport users. The Act, therefore, required a Board of Review, made up of Senators and Members of Congress, that could veto decisions of the new Authority's Board of Directors.

Mr. President, if this legislation is promptly approved by the Congress, the Washington Metropolitan Airports Authority will be allowed to move forward with its projects to improve the facilities of both airports.

Mr. President, I am confidant that passage of this legislation will result in two modern airports that will serve the Nation's Capital efficiently.●

● Mr. ROBB. Mr. President, I am pleased to join Senator MCCAIN in introducing legislation removing congressional oversight from the operations at Washington National and Dulles Airports.

The Metropolitan Washington Airports Authority has consistently shown the skill and expertise necessary to run

Dulles and National Airports. The Airports Authority has been able to handle the increased volume of passengers at both facilities with a minimum of inconvenience to passengers and to residents of the area.

Currently, the Airports Authority is supervising the expansion of facilities at National Airport, and the work is progressing well. However, if this legislation is not enacted soon, work will have to cease on the expansion due to a recent Supreme Court holding. The Supreme Court has upheld a lower court ruling that the Congressional oversight panel violates the Constitutional separation of legislative and executive powers. The decision indicated that either the Airports Authority or Congress must have sole jurisdiction over operations at the airports.

This legislation removes the Federal Government from what should be a local decisionmaking process, and I urge quick consideration and passage of this measure.●

By Mr. KENNEDY (for himself, Mr. AKAKA, Mr. BAUCUS, Mr. BINGAMAN, Mrs. BOXER, Mr. BRADLEY, Mr. CAMPBELL, Mr. CHAFEE, Mr. COHEN, Mr. DASCHLE, Mr. DODD, Mr. DORGAN, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. GLENN, Mr. HARKIN, Mr. HATFIELD, Mr. HOLLINGS, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LIEBERMAN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mrs. MURRAY, Mr. PACKWOOD, Mr. PELL, Mr. ROBB, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SIMON, Ms. SNOWE, Mr. SPECTER, and Mr. WELLSTONE):

S.J. Res. 25. A joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men; to the Committee on the Judiciary.

EQUAL RIGHTS AMENDMENT

Mr. KENNEDY. Mr. President, it is an honor to introduce the Equal Rights Amendment in the new Congress, on behalf of myself and thirty-eight other Senators. In doing so, we reaffirm our strong commitment to making the ERA part of the Constitution of the United States.

Ratification of the ERA is essential to ensure equality for women in the law and the life of our land. Existing statutory prohibitions against sex discrimination have failed to give women basic educational and employment opportunities equal to those available to men in our society. The need for a Constitutional guarantee of equal rights for all citizens thus remains compelling.

In the absence of the ERA, too little change has occurred on women's rights, especially in the area of economic opportunity. An unconscionable gap between the earnings of men and women persists in the workforce. In 1993, women earned 71 cents for every dollar earned by a man. While this wage gap has narrowed over the past 10 years, it remains unacceptable.

Sex discrimination continues to permeate many areas of the economy. Although women with college degrees have made significant advances in many professional and managerial occupations in recent years, most women are still clustered in a narrow range of traditionally female, traditionally low-paying occupations, such as clerical jobs, waitressing, retail sales, nursing, child care, and elementary school teaching.

Female-headed households continue to dominate the bottom rungs of the economic ladder. Poverty rates are higher at every age for women who live alone or with non-relatives than for their male counterparts. And when a family with children is headed by a woman, the likelihood is high that the family is living in poverty; in 1991, 47% of all families headed by single mothers lived below the poverty line. This dismal situation is getting worse instead of better.

Plainly, much remains to be done to secure equal opportunity for women. Enactment of the equal rights amendment alone will not undo generations of economic injustice, but it will encourage women in all parts of the country in their efforts to obtain redress under the nation's laws and in the courts.

We know from the ratification experience of the 1970's and early 1980's that the road to adoption of the ERA will not be easy. But the extraordinary importance of the effort requires us to persevere.

Mr. President, I ask unanimous consent that the text of the joint resolution may be printed in the RECORD.

There being no objection, the joint resolution ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

S.J. RES. 25

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

''ARTICLE —

''SECTION 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

''SEC. 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

''SEC. 3. This amendment shall take effect two years after the date of ratification.''.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. DASCHLE, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 8, a bill to amend title IV of the Social Security Act to reduce teenage pregnancy, to encourage parental responsibility, and for other purposes.

S. 12

At the request of Mr. BREAUX, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 12, a bill to amend the Internal Revenue Code of 1986 to encourage savings and investment through individual retirement accounts, and for other purposes.

S. 45

At the request of Mr. FEINGOLD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 45, a bill to amend the Helium Act to require the Secretary of the Interior to sell Federal real and personal property held in connection with activities carried out under the Helium Act, and for other purposes.

S. 111

At the request of Mr. DASCHLE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 111, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase to 100 percent, the deduction of self-employed individuals for health insurance costs.

S. 170

At the request of Mr. DASCHLE, the names of the Senator from Washington [Mrs. MURRAY] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 170, a bill to amend the Public Health Service Act to provide a comprehensive program for the prevention of Fetal Alcohol Syndrome, and for other purposes.

S. 171

At the request of Mr. DASCHLE, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 171, a bill to amend title XIX of the Social Security Act to provide for coverage of alcoholism and drug dependency residential treatment services for pregnant women and certain family members under the medicaid program, and for other purposes.

S. 205

At the request of Mrs. BOXER, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 205, a bill to amend title 37, United States Code, to revise and expand the prohibition on accrual of pay and allowances by members of the Armed Forces who are confined pending dishonorable discharge.

S. 219

At the request of Mr. NICKLES, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 219, a bill to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes.

S. 239

At the request of Mr. SHELBY, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 239, a bill to require certain Federal agencies to protect the right of private property owners, and for other purposes.

S. 275

At the request of Mr. GRASSLEY, the names of the Senator from Utah [Mr. HATCH], the Senator from Utah [Mr. BENNETT], the Senator from Wyoming [Mr. THOMAS], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 275, a bill to establish a temporary moratorium on the Interagency Memorandum of Agreement Concerning Wetlands Determinations until enactment of a law that is the successor to the Food, Agriculture, Conservation, and Trade Act of 1990, and for other purposes.

SENATE JOINT RESOLUTION 17

At the request of Mr. KEMPTHORNE, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Senate Joint Resolution 17, a joint resolution naming the CVN–76 aircraft carrier as the U.S.S. *Ronald Reagan*.

SENATE JOINT RESOLUTION 23

At the request of Mr. MCCONNELL, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of Senate Joint Resolution 23, a joint resolution proposing an amendment to the Constitution of the United States to repeal the twenty-second amendment relating to Presidential term limitations.

SENATE RESOLUTION 37

At the request of Mr. PACKWOOD, the names of the Senator from Nevada [Mr. BRYAN], the Senator from Colorado [Mr. CAMPBELL], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from California [Mrs. BOXER], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Delaware [Mr. ROTH], the Senator from Washington [Mr. GORTON], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Wyoming Mr. [THOMAS], the Senator from Iowa [Mr. GRASSLEY], the Senator from Tennessee [Mr. FRIST], the Senator from Vermont [Mr. JEFFORDS], the Senator from Missouri [Mr. ASHCROFT], the Senator from Michigan [Mr. ABRAHAM], the Senator from Kentucky [Mr. FORD], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Louisiana [Mr. BREAUX], the Senator from South Dakota [Mr. PRESSLER], the Senator from Oklahoma [Mr. INHOFE], the Senator from Georgia [Mr. COVERDELL], the Senator from Montana [Mr. BURNS], the Senator from Nebraska [Mr. EXON], the Senator from Maine [Ms. SNOWE], the Senator from Connecticut [Mr. DODD], the Senator from New Hampshire [Mr. GREGG], the Senator from North Carolina [Mr. HELMS], the Senator from Hawaii [Mr. INOUYE], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Delaware [Mr. BIDEN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Colorado [Mr. BROWN], the Senator from Utah [Mr. HATCH], the Senator from Idaho [Mr. CRAIG], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Virginia [Mr. ROBB], the Senator from North Dakota [Mr. CONRAD], the Senator from Maryland [Ms. MIKULSKI], the Senator from Illinois [Mr. SIMON], the Senator from New York [Mr. D'AMATO], the Senator from Michigan [Mr. LEVIN], the Senator from Virginia [Mr. WARNER], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Texas [Mrs. HUTCHISON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Alaska [Mr. STEVENS], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Resolution 37, a resolution designating February 2, 1995, and February 1, 1996, as ''National Women and Girls in Sports Day.''

AMENDMENT NO. 184

At the request of Mr. GRAHAM the names of the Senator from Florida [Mr. MACK], the Senator from California [Mrs. BOXER], the Senator from Nevada [Mr. BRYAN], the Senator from Nevada [Mr. REID], the Senator from Arizona [Mr. MCCAIN], the Senator from Arizona [Mr. KYL], the Senator from Texas [Mrs. HUTCHISON], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from New York [Mr. D'AMATO], and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of amendment No. 184 proposed to S. 1, a bill to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal mandates on State, local, and tribal governments without adequate funding, in a manner that may displace other essential governmental priorities; and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations; and for other purposes.

AMENDMENT NO. 204

At the request of Mr. WELLSTONE the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of amendment No. 204 proposed to S. 1, a bill to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal mandates on State, local, and tribal governments without adequate funding, in a manner that may displace other essential governmental priorities; and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations; and for other purposes.

SENATE RESOLUTION 74—COMMEMORATING THE FIFTIETH ANNIVERSARY OF THE LIBERATION OF THE AUSCHWITZ DEATH CAMP IN POLAND

Mr. BRADLEY (for himself, Mr. D'AMATO, Mr. DOLE, Mr. DASCHLE, Mr. PELL, Mr. HELMS, Mr. SPECTER, Mr. LAUTENBERG, Mr. FEINGOLD, Mr. HARKIN, Mr. BAUCUS, and Ms. MIKULSKI) submitted the following resolution; which was considered and agreed to.

S. RES. 74

Whereas on January 27, 1945, the Auschwitz extermination camp in Poland was liberated by Allied Forces after almost five years of murder, rape, and torture;

Whereas more than one million innocent civilians were murdered at Auschwitz alone;

Whereas Auschwitz symbolizes the brutality of the Holocaust;

Whereas Americans must ''never forget'' this terrible crime against humanity and must educate the generations to come so as to promote the understanding of the dangers of intolerance in order to prevent similar injustices from happening ever again; and

Whereas commemoration of the liberation of Auschwitz will instill in all Americans a greater awareness of the Holocaust; Now, therefore, be it

Resolved, That the Senate hereby—

(1) commemorates January 27, 1995, as the fiftieth anniversary of the liberation of the Auschwitz death camp by Allied Forces in the Second World War; and

(2) calls upon all Americans to remember the more than one million innocent victims who were murdered at Auschwitz as part of the Holocaust.

AMENDMENTS SUBMITTED

THE UNFUNDED MANDATE REFORM ACT OF 1995

BOXER AMENDMENT NO. 223

Mrs. BOXER proposed an amendment to amendment No. 201 proposed by her to the bill (S. 1) to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal mandates on State, local, and tribal governments without adequate funding, in a manner that may displace other essential governmental priorities; and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations, and for other purposes; as follows:

In the amendment strike all after ''(e) IMMIGRATION'' and insert the following:

REPORT.—Not later than 3 months after the date of enactment of this act, the Advisory Commission shall develop a plan for reimbursing State, local and tribal governments for costs associated with providing

services to illegal immigrants based on the best available cost and revenue estimates, including—

(1) education;

(2) incarceration; and

(3) health care.

(f) The appropriate federal agencies shall be authorized to expend such sums as are necessary to fulfill the plan for reimbursement described in section 302(e).

HARKIN AMENDMENT NO. 224

Mr. HARKIN proposed an amendment to amendment No. 224 proposed by him to the bill S. 1, supra; as follows:

At the end of the amendment add the following:

(a) FINDINGS.—The Senate finds that—

(1) social security is a contributory insurance program supported by deductions from workers' earnings and matching contributions from their employers that are deposited into an independent trust fund;

(2) over 42,000,000 Americans, including over 3,000,000 children and 5,000,000 disabled workers and their families, receive social security benefits;

(3) social security is the only pension program for 60 percent of older Americans;

(4) almost 60 percent of older beneficiaries depend on social security for at least half of their income and 25 percent depend on social security for at least 90 percent of their income;

(5) without social security an additional 15,000,000 Americans, mostly senior citizens, would be thrown into poverty;

(6) 138,000,000 American workers participate in the social security system and are insured in case of retirement, disability, or death;

(7) social security is a contract between workers and the Government;

(8) social security is a self-financed program that is not contributing to the current Federal budget deficit; in fact, the social security trust funds currently have over $400,000,000,000 in reserves and that surplus will increase during fiscal year 1995 alone by an additional $70,000,000,000;

(9) this surplus is necessary to pay monthly benefits for current and future beneficiaries;

(10) recognizing that social security is a self-financed program, Congress took social security completely ''off-budget'' in 1990; however, unless social security is explicitly excluded from a balanced budget amendment to the United States Constitution, such an amendment would, in effect, put the program back into the Federal budget by referring to all spending and receipts in calculating whether the budget is in balance;

(11) raiding the social security trust funds to reduce the Federal budget deficit would be devastating to both current and future beneficiaries and would further undermine confidence in the system among younger workers;

(12) the American people in poll after poll have overwhelmingly rejected cutting social security benefits to reduce the Federal deficit and balance the budget; and

(13) social security beneficiaries throughout the nation are gravely concerned that their financial security is in jeopardy because of possible social security cuts and deserve to be reassured that their benefits will not be subject to cuts that would likely be required should social security not be excluded from a balanced budget amendment to the United States Constitution.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that any joint resolution providing for a balanced budget amendment to the United States Constitution passed by the Senate shall specifically exclude social security from the calculations used to determine if the Federal budget is in balance.

GLENN AMENDMENT NO. 225

Mr. GLENN proposed an amendment to the amendment No. 209, proposed by Mr. KEMPTHORNE, to the bill, S. 1, supra; as follows:

Strike page 1, line 2, through page 2, line 4, and insert the following:

''( ) CLARIFICATION OF APPLICATION.—(1) This section applies to any bill, joint resolution, amendment, motion, or conference report that reauthorizes appropriations, or that amends existing authorizations of appropriations, to carry out any statute, or that otherwise amends any statute, only if enactment of the bill, joint resolution, amendment, motion, or conference report—

''(A) would result in a net reduction in or elimination of authorization of appropriations for Federal financial assistance that would be provided to States, local governments, or tribal governments for use for the purpose of complying with any Federal intergovernmental mandate, or to the private sector for use to comply with any Federal private sector mandate, and would not eliminate or reduce duties established by the Federal mandate by a corresponding amount; or

''(B) would result in a net increase in the aggregate amount of direct costs of Federal intergovernmental mandates or Federal private sector mandates otherwise than as described in paragraph (1).

''(2) For purposes of this section, the direct cost of the Federal mandates in a bill, joint resolution, amendment, motion, or conference report that reauthorizes appropriations, or that amends existing authorizations of appropriations, to carry out a statute, or that otherwise, amends any statute, means the net increase—

''(A) in the aggregate amount of direct costs of Federal mandates that would result under the statute if the bill, joint resolution, amendment, motion, or conference report is enacted,

''(B) over the aggregate amount of direct costs of Federal mandates that would result under the statute if the bill, joint resolution, amendment, motion, or conference report is enacted.''

KASSEBAUM AMENDMENT NO. 226

Mrs. KASSEBAUM proposed an amendment to the amendment No. 203, proposed by Mrs. BOXER, to the bill, S. 1 supra; as follows:

In the pending amendment, strike the language after ''(7)'' and insert the following: ''expresses the Sense of the Senate or the Sense of the House that the President should fully enforce existing laws against child pornography, child abuse, or child labor.''.

BOXER (AND OTHERS) AMENDMENT NO. 227

Mrs. BOXER (for herself, Mr. DODD, and Mr. WELLSTONE) proposed an amendment to the amendment No. 203, proposed by her, to the bill S. 1, supra; as follows:

At the end of the amendment, add the following:

''( ) is intended to study, control, deter, prevent, prohibit or otherwise mitigate child pornography, child abuse and illegal child labor.''.

NOTICES OF HEARINGS

SUBCOMMITTEEON OVERSIGHT OF GOVERNMENT MANAGEMENT AND THE DISTRICT OF COLUMBIA

Mr. COHEN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management and the District of Columbia, Committee on Governmental Affairs, will hold a hearing on Tuesday, January 31, 1995, at 2 p.m., in room 342 of the Dirksen Senate Office Building. The subject of the hearing is oversight of the FDIC and the RTC's use of D'Oench Duhme.

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. COHEN. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a full committee hearing to discuss ''What Tax Policy Reforms will Help Strengthen American Agriculture and Agribusiness?'' The hearing will be held on Tuesday, February 7, 1995, at 9:30 in SR–332.

For further information, please contact Chuck Conner at 224–0005.

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. COHEN. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will hold a full committee hearing to discuss ''How Do We Best Reduce Excessive Government Regulation of Agriculture and Agribusiness?'' The hearing will be held on Tuesday, February 14, 1995, at 9:30 a.m. in SR–332.

For Further information, please contact Chuck Conner at 224–0005.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Thursday, January 26, 1995, at 9:30 a.m.,in SR–332, to address the reauthorization of the Commodity Futures Trading Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, January 26, 1995, at 9:30 a.m. in open session, to receive testimony on the security implications of the Nuclear Non-Proliferation Agreement with North Korea.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on January 26, 1995, at 2 p.m. on Amtrak Oversight.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Finance Committee be permitted to meet on Thursday, January 26, 1995, beginning at 9:30 a.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing on the Federal budget outlook.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, January 26, 1995, at 10 a.m. to hold a hearing on Mexico's economic situation and the United States efforts to stabilize the peso.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, January 26, 1995, at 2 p.m. to hold a hearing on Mexico's economic situation and the United States efforts to stabilize the peso.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on the National Endowment for the Arts, during the session of the Senate on Thursday, January 26, 1995, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NINETY-FIVE PERCENT TURNED AWAY FOR DRUG REHAB

• Mr. SIMON. Mr. President, I conducted a survey of prison wardens on what we should do about crime in our country; 157 wardens responded, from Illinois, California, Florida, Texas, Delaware, Michigan, Ohio, and Pennsylvania.

By large margins, the wardens warned that our overwhelming emphasis on building prisons in response to crime just isn't working. The wardens urged a more balanced approach, one that mixes punishment, prevention, and treatment.

To give a few specific examples, 92 percent of the wardens said we should make greater use of alternatives to incarceration, such as home detention, halfway houses, and residential drug treatment programs. Fifty-eight percent said they opposed the politically popular mandatory minimum sentences. And 65 percent said that we should use prison space more efficiently by imposing shorter sentences on nonviolent offenders and longer sentences on violent ones.

All told, 85 percent of the wardens said that elected officials are simply not offering effective solutions to America's crime problem. These results suggest that Congress should be cautious before it embarks on another round of mandatory sentences and prison building.

I ask unanimous consent that a summary of the survey results be inserted at the end of my remarks.

In addition, I would like to insert into the RECORD after that an article that simply underscores what the prison wardens had to say.

The heading on the story in the Chicago Sun-Times, an article written by Mary A. Johnson, is "95% Turned Away for Drug Rehab." The stub-head is "Chicago Area's Treatment Sites Overwhelmed."

The story buttresses the fact that we ought to be doing more in the way of prevention.

Underscoring what the Mary Johnson article says, not too long ago, I visited the Cook County Jail and learned that they have great need for an expanded drug rehabilitation program.

The day I was there, there were about 9,000 prisoners. Among the places I visited was a minimum security area where about 45 prisoners were in a barracks-like situation with cots. I went around talking to them and asked one of the prisoners what he would like. He said he would like to get into a drug rehabilitation program at the prison. The assistant warden told me that there were only places for 120 in the drug rehabilitation program there.

I turned to the other prisoners who were there, and I said, "How many of you would like to get into a drug rehabilitation program?" About 25 or 30 raised their hands. Obviously, we save money when we don't provide drug rehabilitation, but we save money like we save money when we build a house and don't put a roof on it.

This Nation has to be realistic about the problems of crime and stop the demagoguery.

I ask that at the end of the survey of prison wardens and the press release from my office, the Mary Johnson article be inserted into the RECORD.

[From the Chicago Sun-Times, Dec. 29, 1994]

NINETY-FIVE PERCENT TURNED AWAY FOR DRUG REHAB: CHICAGO AREA'S TREATMENT SITES OVERWHELMED

(By Mary A. Johnson)

There is no shortage of suppliers for people demanding heroin or crack cocaine in the Chicago metropolitan area.

But when drug users—especially pregnant women and the unemployed—hit rock bottom and run for treatment, they quickly find that the demand for help is far greater than the supply.

Most drug abusers wait up to six months for services at publicly funded treatment centers. On any given day, nearly 95 percent of those seeking help will be turned away from the 118 treatment centers in the area.

"I may get 100 calls a week and have only 10 beds," said Florence Mason, director of clinical services for the Women's Treatment Program. "I've got people that are continuously calling that I cannot get into treatment."

Even inmates ordered to receive drug treatment as part of their sentences have to wait their turn—in jail.

Meanwhile, drugs are readily available. In a random survey of Illinois residents, nearly half said illegal drugs were "very easy" to obtain in their areas, according to the City of Chicago's 1991 Citywide Needs Assessment Report on alcohol and substance abuse. The same report found that Chicago's drug treatment system had the capacity for less than 5 percent of the people in need.

"Clearly, if we are not able to provide treatment to people who need it, obviously we are going to have a different time making headway in the entire problem," said Susan Weed, the recently appointed director of the city's office of substance abuse policy.

Not all people are successfully treated, nor are all programs successful. Still, many state and local officials agree that there should be more programs for people seeking treatment.

Suburban drug treatment centers also are struggling to meet the needs of those seeking help. At a Lutheran Social Services program in Elgin, there usually is a waiting list for people on Medicaid or who don't have insurance, said Jackie Galvin, an administrative assistant.

"We know of about 10 people here at the front desk, and we don't know how many people are on waiting lists at the intake center," Galvin said.

100,000 WAITING

Nationwide, an estimated 100,000 people are on waiting lists for publicly funded drug treatment, said Sarah Kayson, director of public policy for the Washington based National Council on Alcoholism and Drug Dependence.

The problem, while crossing racial and suburban boundaries, hits the black population harder because of the higher unemployment rates and related lack of health insurance for African Americans.

With the explosion of heroin on Chicago streets, substance-abuse treatment providers are finding that more and more women are hooked. Pregnant women addicted to heroin have an even tougher time getting help because such treatment includes methadone, an alternative drug that few clinics are licensed to dispense.

Also, many female drug-abusers are heads of households. That raises the question of child care. Only a couple of agencies in the city provide such service, substance abuse care providers said.

Dr. Janet Chandler, who runs the New Start Treatment Program at Cook County Hospital, said she turns away 20 pregnant women a month from the program.

In 1988, there were 129 babies from Cook County born with illegal drugs detected in their systems. Last year, the number was 3,146.

"I don't know anybody who wouldn't agree that the single most pervasive problem in child welfare—at least in Cook County and other urban areas—is drug abuse," said John Goad, Cook County child protection administrator. "The source of the largest category of children coming into state care are those abandoned because their parents are out getting high and doing drugs."

ONLY 892 BEDS

The Illinois Department of Alcohol and Substance Abuse estimates that the potential drug treatment population in Cook County is as low as 350,000 or as high as 600,000.

Yet, only 892 publicly funded beds are available in Chicago for drug treatment. There are also nearly 6,000 spots in programs for nonresidential treatment.

''There just isn't enough money to go around,'' said Becky Enrietto, a spokesman for Gov. Edgar. ''It is not only a political problem, it is a societal problem.''

However, recent studies have shown that drug prevention and treatment are cost-effective over the long haul. Treatment saves on publicly funded health care, reduces criminal activity and helps fight the spread of AIDS.

''When a quarter of your patients come in with chemical dependency, it's a major health problem,'' said Dr. Tom Scaletta, associate director of adult emergency services at Cook County Hospital.

''A lot of the patients with chemical dependency come to the emergency department many, many times.''

Dr. Ed Senay, a University of Chicago professor of psychiatry, said that given the political climate, it is not likely that government funding for substance abuse treatment will increase.

''There hasn't been a substantial incremental increase in funding for drug treatment since the Nixon administration,'' Senay said.

The wide gap between demand and supply has drug treatment providers fighting to make services available, said Ray Soucek, executive director of Haymarket House, a pioneer organization in alcohol and substance abuse treatment.

''The problem is not getting smaller, and there is no doubt that people want treatment,'' Soucek said.●

A $40 BILLION FINANCIAL BAILOUT FOR THE GOVERNMENT OF MEXICO

● Mr. DORGAN. Mr. President, I regret that I cannot support the proposal that the President, together with some Republican and Democratic leaders in Congress, has offered calling for a $40 billion financial bailout for the Government of Mexico.

I just cannot support a course that will commit the American taxpayers to a risk of paying a $40 billion bill for the mistakes of the Mexican Government and some Wall Street financiers.

That makes no sense to me.

I do not think we have an international crisis. We do have the Mexican Government that, apparently, does not have the funds to redeem its bonds. And we have some bondholders—notably banks and investors—who risk some losses if that occurs.

But that is not a crisis.

I think it is important to review what has happened in Mexico. In recent years, a huge flow of speculative investment flowed into Mexico. That capital flow accelerated during the time that the United States and Mexico began negotiating a free-trade agreement.

Investors—including banks and mutual funds—were receiving big interest rate premiums because of the high risk of those investments. Investors and banks knew the risks. In exchange for the prospect of big profits, they were willing to take the risks.

In fact, some of the investors from the United States and elsewhere who invested in Mexican bonds had a field day when these high-risk investments were the fad.

For example, in 1993, one large mutual fund reported profits on its largest investment account for Mexican securities at 62 percent.

The profits of another emerging market fund, heavily invested in Mexico, reached 82 percent for the same year.

The deluge of foreign investments that the Mexicans were able to attract in recent years allowed the Mexican Government to become more than a little careless about that nation's trade balance.

So careless, in fact, that the total transactions in and out of Mexico, called the current account balance, ran more than a $50 billion deficit in the years 1993 and 1994 combined.

None of that deficit, according to U.S. figures, was attributable to the United States.

As long as the foreign investments continued to flow into Mexico, the trade deficits did not come home to roost.

But the party ended when the Federal Reserve Board began to increase interest rates in the United States and when investors began to get nervous about the value of the Mexican peso.

Now the over-heated investment bubble in Mexico has burst. The Mexican Government has been forced to devalue its currency. The peso has fallen in value by 40 percent.

And those same investors and financiers who made money hand over fist in 1993 and throughout most of 1994 have taken a drubbing on their Mexican bonds.

That is bad luck. But it is also the way the market works.

Risk works both ways. The risk of gain is offset by the risk of loss.

But now we are told that the United States taxpayer should offer a $40 billion guarantee to bailout those who risked losses on the Mexican bonds.

Well, count me out. That is not an obligation for the American taxpayer to assume.

The soothing voices of financial gurus tell us that there is not much risk for the American taxpayers here. If that is the case—if this is a low-risk situation—then why will not the private sector step in and assume the risk?

If it involves significant risk—and I believe it does—it underscores why this is a real mistake for our taxpayers.

Another matter that convinces me that the taxpayers should not be saddled with this is an evaluation of who is causing the trade deficit that Mexico is experiencing.

The trade deficit represents most of Mexico's current account imbalance.

If this is a crisis and a bailout is in order, should those countries who are sporting handsome trade surpluses with Mexico not be responsible to underwrite the bonds that Mexico must float to finance that trade? I think so.

So, how much of the Mexico trade debt is with the United States?

The United States commerce Department reported that Mexico had a merchandise trade deficit with the United States of about $1 billion for 1993. That figure is even lower for 1994.

In 1995 and beyond, Mexico is certain to have a trade surplus with the United States.

Mexico, however, is running a massive deficit with the rest of the world.

It does not seem to me like we should ask American taxpayers to underwrite the risk on bonds that are issued to finance a Mexican trade deficit with Japan or Europe or other countries.

If those are the responsibilities that some think America must assume in the new world order, then we need to redefine the rules.

Mexico is a friend, neighbor, and ally of the United States. And we do have common interests and common concerns.

But nothing that I have seen or heard or evaluated persuades me that we serve either Mexico's interest or the American taxpayer by the bailout which has been proposed.

In his State of the Union Address Tuesday night, President Clinton urged Americans to take more responsibility for their own lives. That is all well and good and I support him in that effort.

But I think it is time the big banks and giant investors do the same.

They knew the rules of the marketplace. They knew the risks were high. They accepted high interest rate premiums—and collected billions of dollars in quick profits—precisely because the risks were high. Now that the worm has turned, they want taxpayers to bail them out.

The big banks and giant investors need to do precisely what the President has asked the American people to do: take more responsibility for their own lives. Stop looking to the Government to assume responsibilities that are rightfully their own.

I will oppose the bailout which has been proposed for Mexico.

The world will not stop. Mexico will not collapse. The debt that Mexico owes will be restructured, and the market will work the way it is designed to work.●

NEW APPROACHES: LESSONS FOR THE MANUFACTURING REVOLUTION

● Mr. LOTT. My colleague from Connecticut, Senator LIEBERMAN, and I have been working with the National Association of Manufacturers on organizing a conference on the future of manufacturing on February 1, that we want to bring to our colleagues' attention. It will highlight our concern about the critical role manufacturing plays in our national economy. I join my friend from Connecticut in requesting that an excerpt from our invitation letter appear in the RECORD for the information of our colleagues.

Mr. LIEBERMAN. I am pleased to join my colleague from Mississippi, Senator LOTT, in inviting our colleagues to attend the conference on issues in manufacturing. This conference will provide a forum for discussion of topics that are so important for the future economic health of our Nation, and I encourage our colleagues to attend. I request that an excerpt from our letter to our Senate colleagues appear following our remarks:

We would like to invite you to attend the ''New Approaches: Lessons from the Manufacturing Revolution'' on Capitol Hill, on February 1, 1995, in the Senate Caucus Room, room SR–325 in the Russell Building from 8:30 to 10:30 am. This important conference, sponsored by the National Association of Manufacturers (NAM) will focus on the future of U.S. manufacturing and technology. It will feature, Tom Peters, noted speaker and author of ''The Pursuit of Wow!, Crazy Times Call for Crazy Organizations,'' and ''In Search of Excellence,'' and include remarks from NAM's new Chairman, Tracy O'Rourke of Varian Associates and its President of NAM, Jerry Jasinowski, author of a significant new book on this subject.

In the highly-competitive world economic climate, our manufacturing industry is more critical than ever to the economic well-being of our nation. American manufacturing and technology firms have been in the process of renewal over the past decade, and are now attempting to reassert and maintain U.S. economic leadership. The conference will discuss these developments, and also start to look at ways we in the government can better support our producers as they search for a new edge in the global marketplace in introducing new products and technologies, in improving productivity, in expanding exports, and in better educating our workforce.

Our hope is that there will be sufficient interest in the U.S. manufacturing agenda, and that this conference will lead to a Senate Manufacturing Task Force to examine issues in detail from a strictly bipartisan perspective, and result in legislative ideas that we, together, can translate into action. The House last year began a similar effort, and we believe we can cooperate across the chambers toward a common goal. We invite you to join in this effort.●

POVERTY IN AMERICA: CAUSES, CURES . . .

● Mr. SIMON. Mr. President, Prof. Warren Copeland of Wittenberg University is a professor of religion and social ethics and, recently, had an op-ed piece in the Chicago Tribune that talks about poverty in our country and the lack of understanding on the part of those who are looking for simplistic answers to achieve welfare reform.

What he says makes great sense, and I urge my colleagues to read it.

I ask to insert it into the RECORD at this point.

The article follows:

[From the Chicago Tribune]

POVERTY IN AMERICA: CAUSES, CURES . . .

(By Warren R. Copeland)

Politicians of both parties say they are about to reform our welfare system. If that is true, it will help to first come to terms with the reality of poverty in the United States.

Three basic facts must be recognized. First, poverty is increasing. The percentage of Americans who are poor by official government standards reached its low point in 1972 (11.1 percent) and has been slowly rising. Second, poverty is getting younger. The U.S. Census Bureau reported last year that more than 15 million children under the age of 18 (22.7 percent) lived in poverty. Third, poverty is becoming inherited. People born into poverty are more likely to become poor adults than earlier in our history.

Four trends in American society lie behind these troubling facts. First, poverty generally declines when the economy grows and increases when the economy slows down. Overall our economy has grown more slowly in recent decades. Second, our job market has changed significantly. Well-paying blue-collar jobs, which require little education, are disappearing. Increasingly, education is the key to getting a job that pays enough to support a family. Those without education and specialized job skills find themselves caught in low-paying jobs. Third, we are becoming more separated geographically. Increasingly the poor are stuck in poor neighborhoods in cities surrounded by more affluent suburbs. The better schools, the safer neighborhoods and the jobs are in the suburbs and the poor people are stuck in the cities. Fourth, programs which support the poor have been cut. For instance, the buying power of Aid to Families with Dependent Children has declined significantly in the past two decades.

Of these four trends, welfare policy is probably the least important factor in the rise of poverty, and yet it is the one we are told we shall reform. Welfare policy is a mess. However, the primary reason is not in Washington; it is in our own hearts and minds. Virtually all Americans believe we should help poor children because they are not to blame for their poverty and deserve our help. Yet most Americans do not want to provide assistance for poor adults. They are considered lazy and unmotivated and to blame for their own poverty. The problem, however, is that the overwhelming majority of poor children live with poor adults. We simply cannot figure out how to help the blameless children without helping their worthless parents.

We would do better to focus on the other three trends as ways of dealing with poverty. Jobs, education and housing patterns are better places to begin than welfare policy. For most poor persons, a good job is the best assistance they can get. Programs of basic education and job training and of placement in jobs that pay a living wage hold out much more hope than does a welfare grant. For most welfare recipients, and these are single women with children, day care for their children and health care for the family is more valuable than a bigger welfare check.

The education of our children, all of them, promises even greater long-term rewards in the effort to reduce poverty. It is clear that it takes more resources to educate poor children who come to school with fewer of the advantages and supports that we take for granted for other children. Yet our school system is organized and financed so that we spend less time and money on the children whose needs are greatest. The results are easy to see. Test scores vary by the income level of our schools. Children who do not get a good education will not be able to support their own children in the new job market.

Finally, and this is the hardest for us to face, we literally must learn to live together again. If we continue to spread apart geographically according to income, we will find it extremely difficult to provide real opportunity for our poor citizens. Left behind in deteriorating neighborhoods by those who are able to leave and take good schools and jobs with them, the poor may never get back into the mainstream of the American economy and society. But most Americans living in affluent neighborhoods probably are not ready to deal with dispersal of the poor.

Congress will seek to reform welfare in the vain hope that to do so will reduce poverty. What they are most likely to do is to make some children's lives even more desperate. Sadly, we probably lack the moral insight or political will to face the real needs for jobs, education and housing patterns which hold out greater promise for success than any welfare reform that will be seriously considered in the months ahead.●

TRIBUTE TO AUDIE MURPHY

● Mr. SMITH. Mr. President, I rise today to remind my colleagues that on this date in 1945, a 20-year-old soldier named Audie Murphy had the courage to call in artillery on his own position as part of his successful effort to repel an enemy advance of 6 tanks and over 200 infantrymen. He was wounded during that firefight in France, and ultimately earned the Medal of Honor among his 33 medals and citations.

As most of my colleagues know, he was the most decorated soldier in World War II. Furthermore, he achieved most of his accomplishments before his 21st birthday. Many Americans are familiar with his book, or have seen the movie that he starred in, ''To Hell and Back.''

The Postal Service has been asked time and time again by veterans organizations to issue an Audie Murphy stamp. But, again, this year, the vets have been disappointed. We have Popeye, Little Orphan Annie, and Marilyn Monroe, but, no Audie Murphy. It is my sincere hope that the Postal Service will take another look at this brave young soldier's outstanding career, and reconsider issuing a commemorative stamp in honor of his service to his country.●

ADDITIONAL COSPONSOR S. 111 AND S. 262

● Mr. BRYAN. Mr. President, today, I am pleased to join as a cosponsor of both Senator TOM DASCHLE's bill to make permanent the deduction for health insurance costs of self-employed individuals, and to increase it to 100 percent [S. 111], and Senator CHARLES GRASSLEY's bill also to make the deduction permanent, and to phase in the increase to 100 percent over 3 years [S. 262].

The 25-percent health insurance tax deduction for the self-employed expired at the end of 1993. It was assumed the tax break would be restored, and possibly even expanded to a 100-percent tax deduction as part of comprehensive health care legislation. As we were unable to reach any consensus on health care reform in 1994, the 25-percent tax deduction was not restored.

Last October, I initiated a letter to the former Senate Majority Leader George Mitchell cosigned by 25 of my colleagues encouraging the consideration of legislation to restore the 25-percent tax deduction for the costs of

health insurance for the self-employed to the floor when the Senate reconvened in November. Unfortunately, we were unable to consider such legislation.

More than 12 million Americans are self-employed for part or all of their livelihood, and almost 3 million of these Americans have no heath insurance, according to the Employee Benefit Research Institute. A study conducted in 1993 by the National Association for the Self-Employed predicted that 400,000 more self-employed would go without insurance, if they lost the 25-percent tax deduction.

These bills are particularly beneficial for the self-employed for not only do they provide for retroactive renewal of the 25-percent tax deduction for 1994, it increases that deduction to a full 100 percent. The Grassley bill phases in this deduction; in 1995 deductibility would be 50 percent, in 1996 deductibility would be 75 percent, and in 1997 deductibility would be 100 percent.

If we do not reinstate this important tax provision, self-employed people will lose an important incentive to purchase health insurance. Instead of taking an important step forward toward achieving universal health care coverage, Congress will actually be moving away from this goal.

Our delay has already harmed many self-employed who simply cannot afford essential health care coverage without the tax incentive. I have joined with many of my colleagues to also request Majority Leader ROBERT DOLE immediately bring to the floor a bill to extend the 25-percent deduction for 1994, so self-employed taxpayers can take the deduction on their 1994 tax returns this year. I hope my colleagues will join in this effort to restore this important incentive for 1994, and permanently establish the 100-percent deduction level to enable the self-employed to afford health care insurance coverage.●

RACISM, PARANOIA CREATING A CRISIS

● Mr. SIMON. Mr. President, one of the columnists with a social conscience in our country today is Carl Rowan, who speaks bluntly but with a wisdom that some years of observing public life has provided him.

Recently, he had a column, ''Racism, Paranoia Creating A Crisis,'' that appeared in the Chicago Sun-Times.

We have, nationally, about 23 percent of our children living in poverty. No other Western industrialized nation has anything like that. As I pointed out on the floor of the Senate the other day, this is not an act of God but the result of flawed political policies.

As he points out in his column, 46 percent of black children under the age of 18 live in poverty.

These are figures that ought to be on the moral conscience of every American citizen.

I ask to insert the Carl Rowan column into the RECORD at this point.

RACISM, PARANOIA CREATING A CRISIS

Since it has become disturbingly obvious that some Americans want to fight another Civil War over ''affirmative action,'' I must have a few more words about the subject.

My mail about ''reverse discrimination'' tells me that I must make one more attempt to tell white America what is ugly paranoia, and what is fact, about the recent efforts of political leaders and corporation leaders to do justice.

It seems that I get a zillion letters a month from whites saying generally: ''Through reverse discrimination, our government, colleges and businesses have given so many goodies to blacks and Hispanics that a white man, or family, doesn't have a chance anymore.''

I know that white people have read so much fiction about reverse discrimination, so much provocative propaganda about the ''angry white male,'' that they really believe non-whites have become top dogs in this society. I only wish someone would force the affirmative action race-baiters to explain why:

In 1993, the median income of white households was $32,960, but for black households, only $19,533.

In 1992, 46.6 percent of black children under age 18 lived in poverty, compared with 16.9 percent of white children.

Black babies in America are twice as likely to die within the first year of life as white babies—and black women are more than twice as likely to die within five years of a breast cancer diagnosis as are white women.

In November—yes, this November—the unemployment rate for black adults was 9.2 percent, more than double the 4.3 percent for whites. Or why 31.7 percent of black teenagers in the labor force could not find work, while only 12.9 percent of white youths faced that plight.

Why? Why? Why?

Those statistics, released by the U.S. government, sure put the lie to claims that reverse discrimination has made blacks a privileged race in America.

More than white ignorance, or paranoia, lies behind the incendiary cries against affirmative action, which means nothing more than giving women, Hispanics, blacks and others a chance to get jobs, scholarships, and other opportunities according to their abilities. Today we are beleaguered by craven politicians who know that they can dredge votes out of white jealousies and fears.

Social and political predators know that ordinary white Americans have been indoctrinated up to their gullets by propaganda that blacks are inferior to Caucasians. So it becomes natural in every work or study session for the dumbest white person to assume that any black person landing a spot above him or her is inferior, and just the beneficiary of reverse discrimination.

Do I believe that this column, or a thousand like it, will improve the mindset of any advocate of racial superiority, or any angry white man who is steeped in paranoia? No. But it sure improves my mindset to write it.●

UNFUNDED MANDATE REFORM ACT

The Senate continued with the consideration of the bill.

Mr. KEMPTHORNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I rise just for 2 minutes and ask consent I be permitted to speak for 2 minutes as in morning business while Senators are negotiating. I do not intend to distract anybody.

The PRESIDING OFFICER. Without objection, it is so ordered.

A LOAN GUARANTEE TO MEXICO

Mr. DOMENICI. Mr. President, I noticed the occupant of the chair, who has been very much involved in adding some common sense and some solid business practices to the discussion on the so-called loan guarantee to Mexico. As I saw him there, I thought maybe I would just take a minute to discuss with the Senate, and for those who work for the White House and thus for the people of the United States in this regard, that perhaps we ought to apply another dimension of common sense to what is going on.

It is pretty obvious there are some things the Mexican Government does not want the American Government to tell them to do. It seems to me the Mexican Government ought to take this whole issue on and say what things can we do ourselves so the Americans will not have to tell us what to do? Because we are obviously going to pass—if we ever do—a loan guarantee that is conditional. Conditional means we are going to ask them to do something and we are also going to say, regarding what we asked them to do, we reserve the right to see if they did it or not.

With reference to their money supply and a really independent approach to money supply and printing money, would it not be better for Mexico to get its leadership together and do that? Confer with us if they would like. Confer with those who know something about it. They obviously did it wrong. So whatever they have going did not work as an independent entity as we perceive it. We have a Federal Reserve with a lot of longevity. The fact that we are two parties puts some pressure on, but it is an institution that is truly independent.

We have not had a President truly try with any degree of success to work his political will, or Congress to work its will, on or against that Federal Reserve Board. Many people talk about it—both sides. When things are not going right we talk about loosening the money. When that side was in charge and something was happening that the money was being tightened, they were saying loosen it. But the Federal Reserve seemed to have walked a pretty independent path. So it is doable. And at least it could be produced and made the law of the land in a way that some of our experts could say that is good,

that is right. And we can take it to Congress and say it is done.

So I urge the White House heed this. Why do we have to tell them what to do in some of the very patent things that they know they have to do anyway and that they know we are going to say without which we will not do this? Why wait around for us? Why do they not do it? Why do they not create a more independent commission?

There are models for it besides ours, with reference to their money supply and their monetary policy. There may be other conditions that are close to being cleared here that they could do themselves and say, ''We have done them.'' That will get us away from a long litany of things that are obviously going to be debated up here that have little to do with the situation, and those who might want to support the bailout can say Mexico has done some of these.

I thank the Chair for its attention and I thank the Senator for yielding time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNFUNDED MANDATE REFORM ACT

The Senate continued with the consideration of the bill.

Mr. KEMPTHORNE. Mr. President, may I also note that the Presiding Officer of the Senate has been in that chair now for well over 2 hours. We appreciate your patience and your indulgence. And may I also thank all of the staff who have remained here with us for all their hard work.

UNANIMOUS-CONSENT AGREEMENT

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that at 9:30 a.m. Friday, Senator LEVIN be recognized to offer his amendment No. 175; that there be no second-degree amendments in order and that there be 45 minutes for debate prior to a motion to table in the following fashion: 30 minutes under the control of Senator LEVIN, 15 minutes under the control of Senator KEMPTHORNE.

I further ask that following the conclusion or yielding back of time, Senator KEMPTHORNE or his designee be recognized to make a motion to table and that vote be postponed to occur at 11:30 a.m.

I further ask unanimous consent that following the debate on Levin No. 175, Senator GLENN be recognized to offer his amendment No. 197, and no second-degree amendments be in order, and debate prior to a motion to table be as follows: 30 minutes under the control of Senator GLENN, 15 minutes under the control of Senator KEMPTHORNE.

I further ask unanimous consent that following the conclusion or yielding back of time on the Glenn amendment, Senator KEMPTHORNE or his designee be recognized to make a motion to table, and that vote occur immediately following the Levin No. 175 vote.

I further ask unanimous consent that Senator LEVIN then be recognized to offer his amendment No. 174 and no second-degree amendments be in order, and there be 30 minutes for debate to be equally divided, and following the debate the Senate vote on or in relation to the Levin amendment No. 174, following the Glenn vote No. 197, and the Senate then turn to Levin amendment No. 219, and that no second-degree amendments be in order, and there be 10 minutes for debate to be equally divided, and that the vote occur following the sequenced votes listed above.

Following the stacked votes, Senator LEVIN be recognized to offer his amendment No. 218 regarding S. 993, and no second-degree amendments be in order and time prior to a motion to table as follows: 45 minutes under the control of Senator LEVIN, 15 minutes under the control of Senator KEMPTHORNE.

Following the conclusion and yielding back of time, Senator KEMPTHORNE be recognized to make a motion to table, and that vote be postponed to occur following 20 minutes of debate under the control of Senator BYRD.

Following the conclusion of the Levin amendment No. 218, Senator KEMPTHORNE be recognized for up to 20 minutes to offer an amendment to his manager's amendment No. 210, and that amendment be agreed to and the motion to reconsider be laid upon the table, to be followed by Senator ROTH's amendment No. 222, to be modified to reflect technical changes, and following the conclusion of those two amendments there be 20 minutes for debate under the control of Senator GLENN, and following the conclusion of that debate the bill be read for a third time.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I have had the opportunity to discuss this with a number of Members on our side. Let me commend the managers of the bill. Their comity and their cooperation have been exemplary throughout the entire process here. We have come to a point where I think we can successfully conclude the debate on this bill, thanks to their leadership and their remarkable efforts.

I also join the Republican manager of the bill in commending the staff on both sides for the cooperative effort and work they have done in the last several hours to reach this agreement. I think this accommodates the concerns and interests of many of our Members who want the opportunity to debate several remaining amendments that we view to be very important.

So I have no objection.

Mr. GLENN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I would like to ask my distinguished colleague from Idaho if the managers' amendment will include all of the things that have been passed on the floor? We want to make sure everything will be included in that amendment, is that correct?

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, to my friend from Ohio, I would say the managers' amendment will contain all freestanding amendments adopted by the Senate, and other matters which have been submitted to Senator GLENN and his staff for review this evening.

Mr. GLENN. It is my understanding that everything that has had positive action taken upon it would be included in that managers' amendment, is that correct?

Mr. KEMPTHORNE. Mr. President, in response to that, perhaps we need to just have a clarification of ''positive action'' which the Senator is speaking to. These are all the freestanding issues where we have had jurisdiction and they have been submitted to the Senator's staff so they will have the opportunity to have full review before we actually get to this point.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, clarification for the question just asked by my distinguished colleague: I would define that as saying we would want to make certain that everything has been included on which the Senate took final positive action.

Mr. KEMPTHORNE. Mr. President, I agree with that.

The PRESIDING OFFICER. Is there objection?

Mr. GLENN. No objection.

The PRESIDING OFFICER. Without objection, the unanimous consent agreement is so ordered.

Mr. KEMPTHORNE. Mr. President, I thank my colleague from Ohio, who has been a fine partner through this. I think now we all realize that in the some 12 days we have been debating S. 1, that everyone, I think, has been accommodated to have full opportunity to debate this. Tomorrow we will have those remaining amendments that we will deal with, moving toward that final passage tomorrow so this legislation can move forward from this body to the House of Representatives.

ORDER FOR STAR PRINT

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that report 104–

6, a report to accompany Senate Resolution 73, be star printed in order to make technical corrections.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE READ FOR THE FIRST TIME—S. 290

Mr. KEMPTHORNE. Mr. President, I send a bill to the desk and ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 290) relating to the treatment of Social Security under any constitutional amendment requiring a balanced budget.

Mr. KEMPTHORNE. Mr. President, I now ask for its second reading.

The PRESIDING OFFICER. Is there objection?

Mr. GLENN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

ORDERS FOR TOMORROW

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. on Friday, January 27. I further ask unanimous consent that on Friday the Journal of proceedings be approved to date, and the two leaders' time be reserved for their use later in the day, and that the Senate immediately resume S. 1, the unfunded mandates bill.

I further ask that the cloture vote scheduled for tomorrow be postponed to occur at 3 p.m., with the mandatory quorum under rule XXII being waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. KEMPTHORNE. Mr. President, for the information of all Senators, the Senate will complete action on this bill tomorrow, hopefully prior to the 3 p.m. cloture vote. However, if passage has not occurred by 3 p.m., a cloture vote will occur. Also, additional votes are expected throughout the day on amendments and hopefully final passage of the unfunded mandates bill.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. KEMPTHORNE. Mr. President, if there be no further business to come before the Senate, I now ask unanimous consent the Senate stand in recess under the previous order.

There being no objection, the Senate, at 11:47 p.m, recessed until Friday, January 27, 1995 at 9:30 a.m.

EXTENSIONS OF REMARKS

THE NATIONAL DIVIDEND PLAN

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. TAUZIN. Mr. Speaker, for much of the 103d Congress we were occupied with concerns over the Federal budget deficit; we debated numerous and varied ideas to limit spending or raise revenue or accept some combinations of the two. The common goal has been to reduce the deficit—a deficit that both liberals and conservatives, Republicans and Democrats, see as a threat to our national economic health and long-term stability. We grappled with constitutional amendments to gain a mandatory balanced budget and each appropriation bill seems to bring new attempts to impose generic limits. We saw bills to cut spending across the board, to target programs ranging from the tea tasters to the B1 bomber, all in an effort to get the deficit under control.

Through all this, Mr. Speaker, we have not utilized the most effective resource this Nation has to accomplish this critical task. We have not given the American voter a tangible stake in this Country's financial progress. The National Dividend Plan [NDP], an idea born in the fifties in the mind and heart of John J. Perry, Jr., and which I have introduced as H.R. 430, does just that.

The NDP doesn't just encourage citizen involvement—involvement is guaranteed through the sharing of the Federal profits of corporate enterprise. This profit sharing is achieved by redirecting revenue collected from the corporate income tax from Federal coffers directly back to those who generated it: The American labor force. This would be done only in years when the budget is balanced or in surplus, giving all voting citizens a direct stake in the outcome of the Federal budgeting process.

John Perry is a successful businessman and philanthropist. He recently wrote of the NDP and I want to share his thoughts with my colleagues. I hope it will help persuade each of you to join me in this effort.

THE NATIONAL DIVIDEND PLAN: IT'S TIME

(By John H. Perry, Jr.)

''It's spending, stupid!''

For Fiscal Year 1996, the President's budget proposes spending of $1.518 trillion—that's $2,880,000 every minute of every day. And we will pile up an additional $176 billion of debt even while we are paying net interest of $198.8 billion on our existing national debt of $4.6 trillion. Think of it, how would you spend $48,000 a second next year? More importantly, how could you do that knowing that it adds $335,000 a minute to your debt even while you pay $378,000 a minute in interest on existing debt.

If, resorting to the sport metaphor which dominates much political discussion these days, it's ''Three strikes and you're out!'' why is the hottest debate topic on Capitol Hill these days the Balanced Budget Constitutional Amendment? We're already out of the box.

Congress swung—and missed—with the Budget Impoundment and Control Act, it swung and missed again with Gramm-Rudman-Hollings, and then, called strike three—the Omnibus Budget Reconciliation Act, not only did spending continue, but taxes were increased.

Members of the Congress, House and Senate, are again earnestly discussing the need for discipline in spending, but build accounting devices into a proposed Constitutional Amendment which will also provide loopholes for minorities who would on the one hand expand revenue and on the other limit spending.

Instead of recognizing the futility of 535 Members of Congress trying to restrain themselves from doing what 260 million Americans want them to do, it's time that we create an environment in which 260 million people demand that the 535 do what needs to be done.

The National Dividend Plan provides not only the opportunity, but also the demand. After forty years ''in the wilderness,'' it is an idea whose time has surely come. In 1952, having found some success for myself as I pursued the American dream, I proposed a program by which the public revenue from the profits of the industrial might of America—Federal corporate income tax revenues—be returned directly to the people of America, the source of that might. It was, for its day, a radical national ''employee stock ownership plan.'' In a simpler time, a time of only marginal deficits, and occasional surpluses , it was just a way to ''invest'' each voting citizen with a stake in increasing the economic might of the nation—emphasizing American industry—and by participating in the political process—registered voters would become actors in ''growing'' America.

The National Dividend Plan is majestic in its simplicity:

1. Create a National Dividend Trust Fund, financed primarily by Federal income taxes on corporate profits and capital gains taxes; distribute the revenues from the Fund, quarterly, equally to all registered voters, tax-free

2. Impose a five-year spending freeze on the Federal government as the Fund is established and adjustments are made in Federal budgeting.

3. To eliminate, and restrain, Federal deficits, provide that no distributions from the Trust Fund be made to individuals until the Federal budget is in surplus—because each registered citizen-voter is equally entitled to Fund distributions, each citizen, rich or poor, becomes equally vested with an interest in critically weighing Federal programming.

4. Eliminate the double taxation of corporate dividends for stockholders.

5. Freeze the corporate tax at current rates to provide economic stability.

Polls have consistently shown results which indicate that the American public recognizes the need to limit spending and to balance our national budget. Individuals know that they must balance their checkbooks or face declining living standards and limited options for future activity. At the same time. political realities have encouraged legislators to respond to special interest constituencies rather than to make the tough choices necessary to live within our means.

The National Dividend Plan, by giving every registered voter a stake in controlling Federal spending, will enforce discipline where it belongs: in the relationship between voters and their voices in Washington. Without a meaningful incentive for voters to demand discipline in Federal spending on the part of legislators, legislators have no incentive to practice meaningful discipline.

More to the point, since a properly established National Dividend Plan would eliminate deficit spending within a few years, a five year period is built into the legislation, the American voter becomes a stakeholder in the economic success of America's business enterprise.

Buying American becomes not only a statement of faith in America's businesses and industry, it also gives each voter a return on his or her investment of time and energy to the success of our nation's productive enterprise. And, because America will become more productive it will continue to be the most successful exporter of national goods and services in the world.

Finally, of course, it is important to understand that, while the proceeds of the National Dividend are not taxable, the earned income of citizens is. A vibrant economy will continue to generate Federal funds to meet truly national needs—and the growth of business and industry generated by increases in productivity and the competitiveness of American goods and services will mean that America's Federal enterprise can grow as the nation grows, and even meet important new needs. But the practice of responding to special interests, ''oiling'' the hundreds of squeaky wheels that now make up not only our Federal programs but the way that we legislate, will have to pass the ''means'' test: Is it worth it if it means that my dividend is reduced? Some demands will meet that test: certainly challenges to our national sovereignty or national interests around the world which may demand defense expenditures, unusual events such as the disasters which have occasionally resulted in our people demonstrating that we are the most compassionate nation on earth, and other events which may call on our enlightened self-interest to meet out national interest.

America is a nation built on a free economy, but its economy is no longer free—it is captive to the 35 years of deficits since the last balanced budget. Only the people of America, whose self-interest and generosity generated the budgetary nightmare we now face wake up and bring a bright new day.

The National Dividend Plan gives America's voters not only the opportunity to continue to generously meet national needs, but the self-interest to demand that those needs meet the test of being measured by the light of day. And legislators, who now seek shelter in the ''discipline'' of a hazy Constitutional Amendment will find the glow of a new day of enlightened voter participation in the budget process. H.R. 430, legislation implementing a National Dividend Plan, is before the 104th Congress. It's time that we as voters demand of our legislators that they not only return to the citizenry a means by which to measure their economic management of America, but also a share of the means which measures the economic strength of America.

CONCURRENT RESOLUTION EXPRESSING THE SENSE OF CONGRESS WITH RESPECT TO THE RECONCILIATION OF NORTH AND SOUTH KOREA

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. MCINNIS. Mr. Speaker, the Administration has in recent months claimed several foreign policy victories. However, American taxpayers should recognize that one of these victories, the recent accord between the United States and Communist North Korea, may prove extremely costly.

The Administration has hailed the agreement as the beginning of the end of a perilous nuclear crisis. But, the nuclear crisis appears far from over since North Korea is not required to dismantle all its nuclear facilities for at least 10 years. The Administration has played down the concessions the United States must provide to North Korea within this ''gentlemen's agreement''. Additionally, the Administration appears to have slighted the traditionally close United States coordination with our democratic and reliable ally, South Korea.

Under the agreement, which was signed on October 21, the United States will organize a consortium including South Korea and Japan to supply North Korea with two light-water reactors. These reactors are less useful for bomb-making than the North's existing technology. In return, North Korea will freeze its nuclear program and promise to open its nuclear sites eventually to inspection.

A serious flaw is that the accord allows North Korea to postpone United Nation's ''special inspections'' of its nuclear sites until one of the light-water reactors is nearly in place, a process that will take at least 5 years—and probably longer.

These inspections are necessary to determine whether Pyongyang has extracted weapons-grade plutonium for its spent-fuel stock. We should take into account, though, that in the last two years, Pyongyang has concluded nuclear agreements with both the United Nations International Atomic Energy Agency (IAEA) and Seoul that it has failed to fulfill. The Administration offered North Korea economic and political benefits and granted the North up to 10 years, or longer, to fulfill pledges *it has already refused to honor.*

While these light-water reactors are being assembled, a process that will take a decade or more, the United States-led consortium will provide North Korea with free crude oil as an alternative energy source, gradually reduce trade barriers, work toward exchanging diplomatic missions and provide a negative security assurance.

Both Tokyo and Seoul officially welcomed the agreement. However, the accord is drawing fire from South Korea's opposition Democratic party (DP) as well as from conservatives with the majority party, the Democratic Liberal Party (DLP). The DP is decrying the cost to Seoul of two light-water reactors, estimated as high as $4 billion, and the requirement to pay for the crude oil that is supposed to serve as North Korea's alternative energy supply. Conservative members of the DLP similarly oppose the high price tag and the generous delays offered to the North. There is growing popular South Korean sentiment that North Korea has outmaneuvered Washington and marginalized the South's input into this issue. This agreement may jeopardize an alliance that has been very close and productive for many years. I believe we must move to reaffirm the importance of close United States coordination with the South Korean Government.

The Administration should take steps to guarantee that the implementation of the agreement is linked to substantive progress in the reconciliation of North and South Korea. To that end, the Administration should develop specific timetables for achieving measures which will reduce tensions between North and South Korea. For example, specific timetables should be developed for the prompt dismantlement of North Korea's nuclear processing facility. Timetables for the establishment of liaison offices between North and South Korea should be developed. Mutual nuclear facility inspections between North and South Korea should be initiated. Furthermore, the Administration should develop timetables for the establishment of a North-South joint military to discuss steps to reduce tensions between North and South Korea.

The Administration should immediately appoint a presidential envoy to deal directly with the real leadership in Pyongyang. This presidential envoy should be respected and experienced in negotiating with Koreans. One of the envoy's first actions should be to call on the North to resume substantive, high-level talks with Seoul *immediately*

Today, I, along with my colleagues Representatives KIM (CA) and SOLOMON (NY), have introduced a concurrent resolution which outlines several steps I think the Administration should take to strengthen the United States-North Korea Agreed Framework. Likewise, Senators MURKOWSKI, SIMON, ROBB and HELMS have introduced identical legislation in the other body.

I urge my colleagues in the House to join me by cosponsoring this very important concurrent resolution. By taking these steps, the agreement between the United States and the heavily armed North Korean regime may ultimately be a success.

UNDERSTANDING CONGRESS

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. JACOBS. Mr. Speaker, ''Oh what gift to give us to see ourselves as others see us.''—Robert Burns.

Following is an article from the Indianapolis Star.

PARTISAN SPATS HAVE LITTLE TO DO WITH REAL WORK OF THE HOUSE

(By George Statuville)

WASHINGTON.—Republicans and Democrats in Congress had been handling each other with kid gloves until last week. Then they dragged out the old battle-scarred partisan boxing gloves left over from the last session, laced them up and started duking it out.

But a brawl had been brewing for a few days.

Since the start of the session, Democrats had been using their morning speeches on the floor to attack the Republicans' *Contract With America* or complain about Republicans cutting them out of legislation. It sounded like old times—except Democrats are the chief winners now.

Then on Wednesday, Rep. Carrie Meek, D–Fla., ignited the melee with an innocuous comment about House Speaker Newt Gingrich, R–Ga., and his potentially lucrative book deal. Said Meek: ''Exactly who does this speaker really work for? Is it the American people or his New York publishing house?''

Wham! Rep. Bob Walker, R–Pa., one of the most incendiary House members when his party was in the minority, demanded that Meek's comment be stricken from the record. In Walker's corner, acting Speaker Cliff Stearns, R–Fla., ruled Meek was out of order.

In minutes, representatives of both stripes cleared out of their offices and committee meetings like baseball players emptying the dugouts for a donnybrook over an umpire's call. Then they put the issue to a vote and, on strict party lines, 217–178, the Republican majority prevailed.

It was a nasty moment. It got plenty of play in newspapers and on radio and TV.

But it wasn't indicative of what really happened in Congress.

To understand Congress, you must see the House chambers as political theater. Removed from political reality, the floor is where actor/politicians deliver ideological soliloquies; where actor/politicians engage in witty and well-planned dialogue; where actor/politicians play for hometown audiences with homespun stories; where actor/politicians put their egos on display.

The floor's voting consoles are its only practical use. Almost no work is done there.

WHERE BUSINESS IS DONE

To understand Congress, you must look at the subcommittee politics.

There weren't too many stories Wednesday about Rep. John Myers' first day as chairman of the House Appropriations subcommittee on energy and water.

Here, courtesy, congeniality and collegiality prevailed on a panel that controls about $20 billion in federal spending. That's $20 BILLION for water control and energy programs.

Instead of the contentiousness that spilled on the House floor, you saw Myers receive a gracious introduction from the former chairman, Rep. Tom Bevill, D-Ala.

Handing Myers the gavel, Bevill joked that he would have to get used to sitting in the smaller chair instead of the high-backed chairman's seat he had used for 18 years.

Myers jokingly replied that he had sold the chair, which got a laugh from Bevill.

The truth is that Myers, out of respect for Bevill, had the chair removed from the room altogether. Bevill had previously mentioned to Myers that he would miss the comfort of the big chair during interminable hearings.

So Myers got rid of it and took a small chair himself.

Myers' act carried deep symbolism, and it didn't go unnoticed by Bevill.

In subcommittees, members of Congress get to know each other. It's where most of the unglamorous legislative work gets done. Subcommittee politics are local, and a member's standing with his or her subcommittee is far more important than the bluster of the floor.

And in Myers' subcommittee, bipartisanship occupies the biggest chair.

TEEN PREGNANCY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, January 18, 1995, into the CONGRESSIONAL RECORD.

TEEN PREGNANCY

There is no doubt that all of us should be concerned about the number of teenagers having babies. These young people must overcome formidable obstacles in order to become independent adults capable of supporting themselves and their families. All too often they fail, with dire consequences not only for parents and children but for society.

TRENDS

The U.S. has one of the highest teen pregnancy rates of any western industrialized nation. Before the end of their teenage years, 43% of girls become pregnant.

While the birth rate for adolescents has generally declined in the last 30 years, births to unmarried adolescents have steadily risen. In 1992, over half a million teens gave birth, and 71% of them were unmarried. In 1991, 10% of all births in Indiana were to single teens, compared to nine percent of all births nationally.

While the number of unmarried teens giving birth has increased, the likelihood that they will place their children for adoption has decreased. Furthermore, in most cases, the fathers of children born to teen mothers are adults.

CONSEQUENCES

The escalating rate of out-of-wedlock teen pregnancies has disturbing consequences. First, teen mothers are more likely to be economically disadvantaged before childbirth, and usually remain poor after bearing a child. Two-thirds of never-married mothers now raise their children in poverty. Many teens who become pregnant do not finish high school, and lack the skills necessary to find secure employment. Unmarried teens are also less likely to receive financial support from the father.

Second, the human costs of teen pregnancy are substantial. Teen mothers are likely to have another child, usually within two years. These parents are even less likely to finish high school or to marry. In addition, their children tend to fare worse than those from two-parent families on measures of health, education, and emotional and behavioral adjustment.

The strain of too-early childbearing on adolescent mothers is significant. They are more likely to describe their children as ''difficult,'' and are less likely than older mothers to provide adequate intellectual stimulation and emotional support. And teen mothers also receive good prenatal care less frequently than their older counterparts. Consequently, they have a higher rate of premature birth and low-birthweight babies. Lastly, children of teen parents are much more likely to become teen parents themselves—creating a cycle of poverty that is difficult to break.

Not surprisingly, the costs to the public of teenage childbearing are substantial. Three-quarters of single teenage mothers begin receiving Aid to Families with Dependent Children (AFDC) within five years of the birth of their first child. Nearly half of long-term welfare recipients are women who gave birth before age 17. One study has concluded that over half of the total costs of AFDC, Medicaid, and food stamps is attributable to households begun by teen births, totaling $34 billion in 1992.

WHAT CAN BE DONE?

There is no question that teenage parents bear daunting responsibilities, and many of them try very hard to be good parents. But there is also no question that we must do more to lessen the toll of teenage childbearing.

First, we must bring down the rate of teenage pregnancy. We need to make teens better understand that their actions have very serious consequences for which they are ultimately responsible. Many people say that it is futile to try to persuade teens to abstain from sex. But in my view, we have no other choice. Teens receive a lot of pressure to engage in sex, and we need to create some pressure in the other direction. National leaders, the entertainment industry, and sports figures should all be part of such an effort, as should churches, schools, and most of all, parents. Teens need to know about the risks of premature sexual activity—not just pregnancy, but also AIDS and other sexually transmitted diseases. This message must be coupled with efforts to provide teens with the information, confidence and skills they need to make good decisions. Parents must teach their children about responsible decision-making and sex. The message should be clear: becoming a parent as a teen is a bad deal for their children.

More difficult, but equally important, is to give disadvantaged teens some hope for a better future. Those who feel that their future goals would be jeopardized by becoming a parent too early have real incentives to delay parenting. Those who feel that they have no future do not. A number of private programs aimed at encouraging young people to stay in school and pursue postsecondary education have shown promise.

Second, we should develop ways to support families of teenage parents without creating incentives for out-of-wedlock births. The challenge is to help the children of teen parents without making out-of-wedlock childbearing an attractive alternative. Fathers must be held responsible for the support of their children. We must strengthen efforts to establish paternity at birth and collect child support.

Some have suggested cutting off government assistance to teen parents. But what happens to the children? I believe we should require teen parents to live at home and stay in school in order to receive government assistance. Some teen parents, of course, come from abusive or unstable households and will not be able to live at home. For these children, we should establish community-based facilities to house and support young families while the mother completes school or job training.

Raising children is not easy, even for mature adults. It is extraordinarily difficult for young people who are still growing up themselves. I believe that we must emphasize to teenagers that youthfulness does not absolve them from responsibility for their actions. At the same time, we have an obligation to help young parents who are struggling to raise their children.

TRIBUTE TO HOWARD STERN

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. SERRANO. Mr. Speaker, on December 7 of last year a truly remarkable event took place in New York City. A young man from the Bronx climbed over the guard rail of the George Washington Bridge with the intention of jumping to his death. He had brought with him a cellular telephone to place one last, desperate telephone call.

Mr. Speaker, that telephone call—to New York radio personality Howard Stern—saved the young man's life. In one of his most important performances, Howard Stern talked to the young man and kept him smiling and engaged until help could arrive.

Mr. Speaker, such is the popularity of Mr. Stern's radio program, that it was Stern's audience which came to the rescue. A listener named Helen Trimble, who heard the event unfold on her radio while driving on the bridge, pulled her car over at the sight of Prince and enveloped him in a bear hug. Port Authority police Lt. Stanley Bleeker, hearing the exchange between Howard Stern and the jumper on his radio, immediately sent officers to the scene. The young man was soon brought to safety.

Mr. Speaker, it is rare that an individual has this great an impact upon another's life. On this occasion, Howard Stern came face to face with a situation for which no one can prepare. Mr. Stern's humanity showed through at this crucial moment, and as a result a human life was saved.

Mr. Speaker, I ask the House to join me in congratulations and thanks to Mr. Howard Stern for his wonderful humanitarian achievement.

PREMIER LIEN CHAN

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. PAYNE of New Jersey. Mr. Speaker, the attached paper entitled ''Premier Lien Chan: His Views and Ideals'' was sent to me by Winston L. Yang of Seton Hall University, my alma mater.

I feel it is a most impressive paper and would like to share it with my colleagues.

PREMIER LIEN CHAN: HIS VIEWS AND IDEALS

(By Winston L. Yang)

Lien Chan has served as Premier of the Republic of China (ROC) for almost two years. During the past two years he has made significant contributions to Taiwan's modernization, democratization, and reform.

As a determined, formidable leader, Lien Chan meets challenges well. Noteworthy academic accomplishments, broad administrative experience and a pragmatic approach to governance are the foundation of his open-mindedness and tolerance, which are so sorely needed in a democratic and pluralistic society. These traits are vital to the fulfillment of constitutional democracy in the Republic of China. Lien defines his Cabinet as a ''multifaceted government,'' and holds the view that all administrative organs must maintain political neutrality and act in accordance with the law, so that a fair environment for competition among political parties can be ensured and a model of political pluralism upheld within a constitutional framework.

As a champion of free-market economics, Lien believes that the market should be the primary force in determining the direction of economic growth. But he also believes the

government is duty-bound to assist and encourage Taiwan's businesses. Government support, he argues, helps entrepreneurs to create wealth and earn profits that can be shared with society.

The Premier is committed to improving the welfare of the island's disadvantaged groups, including persons of low-income, the disabled, laborers and farmers, aborigines, and retired servicemen. He has established programs to solve the social problems arising from the widening gap between Taiwan's rich and poor.

As a statesman, the scholarly Premier represents the progressive, moderate, reform-minded native forces and exhibits a sense of pragmatism and flexibility so necessary to prudent governance. Idealistic, visionary, and broad-minded, he nevertheless detests empty talk and demands concrete actions and realistic programs. Lien is personally involved in policy-making and major decision-making, but he promotes the democratization of authority. He continues to delegate more powers and responsibilities to his ministers that previous premiers. Inefficiency, factionalism, corruption, selfishness, rejection of criticisms, and bureaucratic snobbery are the very problems he intends to reduce. Rejecting the Government's internal division and confrontation, the democratic-minded Lien stresses the need for coordination, cooperation, and consensus (the three C's). With a strong sense of responsibility, he scorns personal dictatorship in the post of premier, and advocates coordinated team work. As a scholarly statesman, he expects thorough investigations and research to be the foundation of decisions. Fearless of obstacles, setbacks, and difficulties, Lien accepts challenges and rejects a defeatist attitude. His primary concern is the prosperous future of the ROC. Idealist yet pragmatic, flexible yet firm on principles, he is strongly attached to the soil of Taiwan. But though profoundly rooted in Taiwan and committed to the ''Taiwanization'' of the island, he is nevertheless deeply concerned with the future of China and the ultimate reunification of Taiwan and the mainland. His forthright leadership style does not hinder his consideration or acceptance of different views and ideas that will enhance the lives of the Taiwan people.

A champion of reform, democratization, Taiwanization, and native rule, Lien Chan represents a new generation of moderate, dedicated, pragmatic, well-educated, highly-experienced, and internationally-minded native leaders in the dawn of a new era. He is the very kind of leader who will be able to lead Taiwan through its very difficult transition to a highly developed, thoroughly modernized, and fully democratized society—indeed, this is Lien's historic task and chosen mission.

SALUTE TO DORILL B. WRIGHT, KEN HESS,AND JAMES DANIELS

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. GALLEGLY. Mr. Speaker, I rise today in recognition of three selfless and tireless public servants who, for many years, have made it their business to make life better for the people of Port Hueneme.

Dorill B. Wright, Ken Hess, and James Daniels have spent a combined total of 44 years on the Port Hueneme City Council and, as anyone who has held locally elected office knows, these years were filled with countless meetings, weekend obligations and late night phone calls.

But the commitment of these three officials to their friends and neighbors in Port Hueneme hardly ended with their official city duties. All three took additional steps to even further involve themselves in a variety of county and statewide activities that benefitted a much larger constituency.

Dorill Wright, for whom the city named its cultural center in 1988, served on the council for 24 years, 16 as mayor.

A past director and president of the Port Hueneme Chamber of Commerce, he has served on the Ventura County grand jury, the California Coastal Commission, local hospital boards and a wide variety of civic and governmental groups far too numerous to list individually.

Ken Hess, who served on the council for 12 years, has also been an active and involved member of his community. He has been a member and chairman of the Ventura County Association of Governments, a member of the county's Drunk Driving Task Force and a past president of the Port Hueneme Chamber of Commerce.

Jim Daniels, a Port Hueneme resident for more than 40 years, spent 8 of those years on the city council and has more than lived up to the designation he earned back in 1963, Port Hueneme Citizen of the Year.

With Dorill and Ken, he helped the council develop the city's cultural center and the Ray Prueter Library, helped supervise the renovation of the Orvene Carpenter Community Center and the badly needed widening of Pleasant Valley Road. In addition to his council duties, Jim has played a leadership role in many community groups and advisory boards.

Mr. Speaker, these three men have made a difference in their community, the county and their State through their hard work and dedication. I ask my colleagues to join me in saluting their efforts today and wishing them all the best in the future.

THE ''SUPER IRA'' PROPOSAL

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. THOMAS. Mr. Speaker, I am very pleased that a consensus is finally emerging in favor of restoring the utility of Individual Retirement Accounts. President Clinton wants them back and so do many Members of this body.

As the sponsor of the House super IRA proposal being introduced today and the cosponsor of prior bills, I have long felt we need to give ordinary Americans more reasons to save for their own retirement. The Individual Retirement Account is one of the best savings incentives we have ever developed.

The need to expand savings is clear. Americans typically save less than people in other countries and the effect of their habit is clear. A Merrill Lynch survey shows half of American families have less than $1,000 in net financial assets. Even those within 10 years of retirement (ages 55 to 64) only have $6,880 in net financial assets such as checking, savings, IRAs or 401(k) savings.

Another survey shows that the 76 million Americans in the Baby Boomer group are saving at rates far below what they need to maintain their standard of living after retirement. When we consider the prospect that Social Security may run out of funds early in the next century, the security of the Baby Boomers looks poor indeed. We need to develop savings incentives that will make them more secure. I strongly support the use of the Individual Retirement Account for that purpose.

A 1991 Money Magazine reader survey shows how popular the super IRA truly is with the people we want to serve. 97 percent said they would contribute to IRAs if IRAs were restored; the remaining 3 percent were largely already retired. People made it clear they would contribute new savings to their IRA. IRA popularity cut across all income groups.

The Super IRA gives Americans an opportunity to have deductible IRAs or an IRA Plus account in which earnings would be tax-free. The super IRA, with its elimination of the 10 percent early withdrawal penalty for withdrawals for education, medical costs, buying homes, long-term care and times of unemployment, provides a savings vehicle which gives working families the liquidity they want and may need. With both parties now endorsing the IRA as a means of helping middle income Americans, I hope my colleagues will join me in cosponsoring the Super IRA.

REPUBLICAN MANDATE WITH THE PEOPLE

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. PACKARD. Mr. Speaker, the President covered a lot of ground last night. The President indicated that he heard the voters' message for change and seemed to try to bridge the gap between where his agenda was going and where Congress in now headed. However, the American people know that the devil is in the details. The American people are tired of empty promises and unrealistic rhetoric. They want results. Our Republican Contract With America Delivers just that—an aggressive agenda for change.

The people rejected liberal, big government ''business as usual'' in November. They overwhelmingly endorsed our Contract With America. We welcome the President to join us in passing that contract.

Republicans have a specific, positive mandate with America—less spending, less regulation, and less government. On the very first day of the new Congress, we changed the way Congress does business. This week we continue to change the business Congress does.

Republicans will continue to keep their promise with the people by passing a balanced budget amendment and unfunded mandates legislation. We are going to stay focused on our mandate with the American people. We are committed to moving forward with the contract we made with the voters of America.

PERSONAL EXPLANATION

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. FAWELL. Mr. Speaker, during consideration of amendments to H.R. 5, the Unfunded Mandates Reform Act of 1995, I was recorded as voting aye on roll call vote 26. This vote was on an en block amendment offered by Mr. GREEN (D–TX), and my vote should have been recorded as a nay in this instance. I would ask that the record reflect my opposition to the Green amendment numbered 26.

UNFUNDED MANDATES REFORM ACT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. DINGELL. Mr. Speaker, as the House continues to debate H.R. 5, the Unfunded Mandates Reform Act, I think it is important that we consider some of the insights discussed in an article which appeared in the Washington Post on January 22.

I commend this article to my colleagues and hope that reflection on the facts will yield a more common sense mandates relief bill.

[From the Washington Post, January 22, 1995]

GOVERNORS BITE HELPING HAND IN MANDATES FIGHT—FEDERAL PAYMENTS, BREAKS ON TAXES SUBSIDIZE STATES

(By Dan Morgan)

California Gov. Pete Wilson (R) has scored political points with voters and fellow governors by blasting the federal government for making his state pay the medical, educational and correctional costs of illegal immigrants—who he says are in California only because of the failure of federal immigration policy.

Wilson contends, Washington should pick up the bill.

But when it comes to paying California's 10 percent share of the costs of rebuilding public facilities after the 1994 Los Angeles earthquake, Wilson is the deadbeat. California voters in June defeated a ballot initiative to raise the money. Wilson, who promised to cut state taxes despite a budget deficit, owes Washington $90 million and has yet to say how he will come up with the money.

The federal government, by contrast, has shelled out or obligated nearly $1.2 billion of $2.8 billion promised for repairs of facilities from buildings to sewer lines, and Wilson is seeking another $500 million in federal relief as a result of the recent mudslides and floods in the state.

Such broad-based federal assistance to every state represents the other side of the debate about the financial burdens the federal government places on states, counties and cities. While governors and the Republican majority in Congress press for legislation that will make it more difficult for Congress to impose rules and regulations that cost local jurisdictions money, local governments continue to take for granted enormous federal subsidies and benefits.

Federal grants to state and local government this year will total $230 billion, and will account for nearly a fifth of state budgets. The payments include the $5 million allocated to the ''distance learning and medical link program'' benefiting rural communities and the $89 billion it pays out under Medicaid for the medical care, rehabilitation and nursing home bills of poor or, elderly state residents.

The tax exemption of state and municipal bonds, and the deductibility of most state and local taxes under federal income tax law will be worth another $68.9 billion in 1995, according to the Office of Management and Budget.

By issuing bonds on which interest payments are exempt from federal taxes, local jurisdictions can pay less interest to borrowers than if the income were taxed. Allowing taxpayers to deduct local income and property taxes make it easier for cities, states and counties to raise revenues.

In addition, the federal government subsidizes local governments in dozens of hidden ways, such as allowing states to shift parts of existing health programs into Medicaid, qualifying them for federal matching funds.

This is the part of the story that Democrats and some Republicans in Congress say is not getting through in the debate over unfunded mandates, which are federal requirements that states take certain actions but for which the federal government provides no money.

''The issue of unfunded mandates is very legitimate,'' said Rep. David R. Obey (D-Wis.), ranking member of the House appropriations Committee. ''But you have to distinguish between what's legitimate and what isn't.''

Obey said it was proper for states such as California, Florida, Texas and New York to demand the federal government do more to defray the financial impact of refugees and illegal immigrants.

In fact, the Justice Department has begun expediting payments of $33.4 million to California, and smaller amounts to six other states, to help cover costs of imprisoning illegal immigrants, the Los Angeles Times reported in October.

But Obey said Wilson ''ought to be ashamed of himself coming here with his hand out for federal aid because [flood victims in his state are suffering the consequences of decisions by local zoning and building authorities.''

Obey, who said he was fighting mad about California's slowness in coming up with its share of earthquake money, said this week he will introduce legislation that would replace the current practice of direct federal aid for disasters with a private insurance plan into which states would contribute their own money, with premiums based on a risk assessment.

Some legislators say the implications for local jurisdictions of the GOP-backed constitutional amendment to require a balanced federal budget by 2002 are far more dire than whatever relief a reduction in unfunded mandates might provide.

''To think, as many Republicans do, that the federal government can just get out of all of this—nothing in health care, nothing in welfare, nothing in highways and let the states and locals go off on their own—that's crazy. You pass a balanced budget amendment, let me tell you, there won't be any flood aid anymore and there won't be any earthquake aid. Maybe that's what we want to do,'' House Minority Leader Richard A. Gephardt (D-Mo.) said recently.

If Congress does pass a balanced budget amendment and begins implementing it with deep spending cuts, states would be hard pressed to maintain the same level of services without increasing taxes substantially, according to data published in the current issue of Newsweek.

Louisiana, home state of Rep. Bob Livingston (R), chairman of the House Appropriations Committee, would have to raise its taxes by 27.8 percent to keep up.

Other poor states such as Mississippi and Tennessee would not be far behind. Richer states, including Maryland and Virginia, would feel relatively little effect.

''We as a nation collectively decide to achieve a certain objective, which can be paid for at the national level or in some combination of the state and local level,'' said Robert D. Reischauer, director of the Congressional Budget Office.

The real issue, he added, is whether the federal government is imposing obligations on local jurisdictions which they would choose not to provide on their own.

In the case of laws requiring local jurisdictions to meet certain environmental, safety or health standards, the federal government has often backed up its mandates with large sums of money covering most, if not all, of the costs.

Since passage of the Clean Water Act of 1972, the federal government has spent more than $60 billion on local water and sewer projects. More recently, the federal crime bill passed last year calls for the federal government to spend billions over six years to pay for hiring 100,000 new police officers and building more prisons.

Although governors have been complaining about rising costs of the Medicaid health program for the poor, the federal government pays nearly 60 percent of the overall costs and, in the cases of poor states, as much as 79 percent.

Beginning in the late 1980s, states were confronted by slackening tax revenues and recession-driven demands on social services. Many responded not by tightening belts but by using a loophole in Medicaid rules to extract billions of additional federal Medicaid dollars from Washington.

Federal Medicaid payments to states under an obscure program that subsidizes hospitals treating large numbers of low-income patients went from $300 million in 1989 to $10.8 billion in 1992, while there was little increase in state money going into health care.

New Hampshire, for example, used the no-strings-attached federal money to prop up the state budget and avoid imposing new taxes.

An August General Accounting Office report concluded some states ''used illusory approaches to shift the costs of the Medicaid program to the federal government.''

Many other benefits the states receive from the federal government are not readily apparent, but are well known to governors and county executives.

For example, the federal government returns half of the revenues it receives from the sale of minerals, timber and other commodities on public lands—a total of $1.3 billion a year—to states, counties and local road and school districts. Portions of what is left is allocated to fighting fires, killing predators and eradicating troublesome weeds such as the creosote bush.

People should not be ''slapping [Washington] with one hand while they have the other hand out,'' a House Democratic congressional aide said.

INTRODUCTION OF ''THE SECURITIES LITIGATION EQUITY ACT OF 1995''

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. MINETA. Mr. Speaker, I rise today to introduce the Securities Litigation Equity Act of 1995 for myself and my colleague, ANNA ESHOO.

We do so with the understanding the importance of a securities litigation system that allows private citizens to bring suit for securities fraud. The securities suit, when used properly, protects the integrity of the market and guards individuals against reckless and criminal behavior by people who invest their money. Those investments could be a retirement fund or a child's education fund or a down payment on a home. In any case, the investor deserves the right to legally challenge fraudulent behavior where it truly exists.

However, Mr. Speaker, the system has strayed from that honorable intent. Knee-jerk reaction suits filed by attorneys working with professional plaintiffs have severely constricted the flow of information emerging from technology industry leaders. More importantly, the costs incurred by high-risk industries have gone up. This is extremely disturbing when you consider the high costs these companies face naturally because of the types of services they provide. These costs, in the form of higher insurance premiums, legal fees and out of court settlements, result in less capital for the R&D investments U.S. high-tech companies use to maintain their position at the cutting edge of the world market.

For these reasons, securities litigation reform is a top priority for our Nation's high technology community. Since 1988, 19 of Silicon Valley's 30 largest companies have been hit with securities suits. Even the most hardened cynics cannot believe that nearly two-thirds of Northern California's largest high tech companies are guilty of fraud. Rather, we support the contention of companies in our districts that there exist fundamental flaws in our securities litigation system. These flaws reward abusive and frivolous suits, and cost our Nation's most competitive industries millions of dollars in legal fees and forced settlements every year.

It is for these reasons that we introduce this legislation. The reforms we are proposing include a moderate but substantive package of reforms that will address the systematic incentives for abuse and retain the rights of individuals to bring legal action where appropriate.

Our legislation would address the major problems that currently exist in the system by:

Eliminating liability for companies when a stock broker or analyst distributes inaccurate information not attributed to the company.

Reforming the pleading, burden of proof and discovery processes;

Giving greater control of the litigation to the plaintiffs over the attorneys; and

Eliminating many of the abusive practices currently used by the plaintiff's bar.

It is my hope that as the Commerce Committee marks up legislation for consideration by the whole House, it will accept a substantial number of the provisions in our bill—some of which are new, and many of which have received the benefits of close public scrutiny. Recognizing that a gap currently exists between offered legislative proposals, we carefully crafted this legislation so that it can be supported by Members from both parties, both bodies of Congress, and the key industries and associations affected by these practices.

TRIBUTE TO CASEY HEADRICK WILLIAMS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. TOWNS. Mr. Speaker, I would like to pay tribute to Mr. Casey Headrick Williams, Sr., born on January 1, 1910, to the late Jim and Betty Williams in Cerro Gardo, NC. As a young teen, Casey gained a reputation for being an excellent baseball player and traveled throughout the State competing in baseball.

In 1925, the Williams family moved to Chadbourn, NC where they immediately became members of the Mount Moriah Baptist Church. Shortly after moving to Chadbourn, Casey, met Lella Lewis, the oldest daughter of Arch and Princess (Pennie) Lewis; and, on March 5, 1929, Casey and Lella were united in holy matrimony. This union was blessed with 16 children.

Mr. Williams is completely dedicated to his family. The family always had breakfast together on Sunday morning at which there was a family prayer and each family member recited a Bible verse. Mr. Williams has always been a dedicated breadwinner for his family—at times holding multiple jobs simultaneously and commuting over 100 miles daily to work. For several years, he successfully managed the local candy store. Mr. Williams also worked as a manager in the manufacturing field. After this schedule became too strenuous, Mr. Williams decided to become a sharecropper and lived in various parts of Columbus County. In addition to love for God, Mr. Williams has always stressed the importance of hard work, discipline, and education, although his formal education did not extend beyond the sixth grade.

Mr. Williams recently celebrated his 85th birthday. In these, his sunset years, he is now able to spend more time with his family and enjoying his hobbies, which include gardening and freezing the vegetables he grows. Recently, Mr. Williams has become a very good fisherman under the tutelage of his nephew, Paul. Mr. Williams has also continued his lifetime involvement in the politics and civic matters of the community and surrounding areas.

Although Mr. Williams does not have enormous tangible richness, he considers himself to be a wealthy man. His wealth is evidenced by the respect that other members of the community have for him, the love of his family, and his place in the Kingdom.

INTRODUCTION OF THE RECREATIONAL BOATING SAFETY ACT OF 1995

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. FIELDS of Texas. Mr. Speaker, safety is the primary concern of the millions of recreational boaters across this Nation. The bill I am introducing today would increase the level of safety enjoyed by recreational boaters by increasing the penalties for boating while intoxicated [BWI], requiring children to wear personal flotation devices onboard vessels and personal watercraft, and requiring the Coast Guard to develop plans related to mandatory boating education and certification, and boating accident reporting.

Mr. Speaker, during the last Congress, the Merchant Marine and Fisheries Subcommittee on Coast Guard and Navigation conducted an oversight hearing on the National Transportation Safety Board's [NTSB] recreational boating safety study. In that study, NTSB found that alcohol use was involved in at least half of all boating accidents and that 85 percent of those who drown in recreational boating accidents were not wearing personal flotation devices [PFD's].

In their conclusions, NTSB recommended that comprehensive BWI laws be implemented, that minimum recreational boating safety standards be established, and that information about fatal or serious boating accidents be submitted to the U.S. Coast Guard.

I support many of the recommendations of the National Transportation Safety Board and have incorporated some of their suggestions within this legislation.

Mr. Speaker, section 2 of my bill would reduce boating deaths and serious accidents related to alcohol use. Section 2 requires the Coast Guard to develop a program in cooperation with State officials to reduce boating accidents by concentrating enforcement of BWI laws in areas where many boating accidents have occurred. Several States have implemented successful programs of this type, and national cooperative effort would reduce boating accidents across the Nation.

Section 3 and 4 are related to the use of personal floatation devices onboard recreational boats and personal watercraft. Section 3 requires children 12 years of age and younger to wear personal floatation devices, unless they are in enclosed cabins on the boat. Section 4 requires the Coast Guard to submit to Congress a plan to approve full inflationable life jackets for use by certain individuals under appropriate conditions.

According to Texas State boating officials, 71 people drowned in boating accidents in our State last year. Based on their educated analysis, these boating officials believe that more than 50 percent of those Americans would not have lost their lives if they had been wearing personal floatation devices.

Sections 5 and 6 would improve the information that is received by Federal and State boating officials on recreational boating accidents. Section 5 implements a recent suggestion by the National Transportation Safety Board and requires the Coast Guard to implement an information system for boating accident information similar to the one presently

operated by the National Highway Traffic Safety Administration that compiles highway accident information. Section 6 requires the Coast Guard to submit a plan to appropriate congressional committees to increase reporting of boating accidents nationally.

Sections 7 and 8 of my bill require mandatory boating safety education under certain circumstances. Section 7 requires individuals who violate the BWI laws to complete a boating safety course that is acceptable to the Coast Guard. Section 8 requires the Coast Guard to develop a plan for education and certification of individuals who operate recreational vessels. After we have experience with this program nationally, we may find that we can increase the age of individuals subject to these education requirements to gradually educate the entire boating public.

Mr. Speaker, this bill contains extremely valuable changes to the laws designed to protect the safety of our waterways. I urge my colleagues to support early action on this important piece of legislation so that we can help to ensure that more people do not lose their lives on our Nation's waterways.

IN RECOGNITION OF ANITA SEMJEN

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. LANTOS. Mr. Speaker, I rise today to honor and commend Ms. Anita Semjen, director of the Cultural Exchange Foundation, for her exceptional efforts in keeping alive the memories of the victims of the Holocaust.

Ms. Semjen is currently the director of the Cultural Exchange Foundation, a Washington, D.C.-based, non-profit organization promoting Hungarian-American cultural exchanges. Her most recent effort involve ''Victims and Perpetrators,'' an exhibition which is scheduled to be shown in Budapest, Hungary on February 26, 1995. Following its presentation at the Budapest Jewish Museum, the works will be displayed in several major United States cities, eventually entering the collection of the United States Holocaust Memorial Museum.

''Victims and Perpetrators'' presents the works of Ilka Gedo and Gyorgy Roman, artists who lived through the Hungarian Holocaust, in which some 500,000 Hungarian Jews were taken to German concentration camps and murdered. Ilka Gedo's drawings from the Budapest ghettos expose painful memories of the past.

Gyorgy Roman, reputedly Hungary's most emulated artist, has sketched scenes from court proceedings of the war criminal trials. Ms. Anita Semjen found Roman's sketch work through a combination of determination and luck, which has led to its first ever public showing in ''Victims and Perpetrators.'' Both artists' works are unique for their extraordinary insight coupled with their artistic value and intimacy of perception.

Ms. Semjen demonstrates an admirable understanding of the arts and peoples of both the United States and Hungary. At a time when innocent peoples still fall victim to religious and ethnic persecution, Ms. Semjen's exhibition rekindles our often passive conscience.

Therefore, today, Mr. Speaker, more than 50 years after the tragedy of the Hungarian Holocaust, I invite my colleagues to join me in honoring the diligent efforts of Anita Semjen in reminding us of the grievous memories of the past and of the lessons history teaches us in the interminable fight against cruelty and oppression.

TRIBUTE TO CAROL LYNN KELLEY

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. DAVIS. Mr. Speaker, I rise this morning to pay tribute to one of our outstanding citizens in Virginia's Eleventh Congressional District, Carol Lynn Kelley of Lake Barcroft.

Carol, known as ''Kari'' to her friends, was born 40 years ago in Woonsocket, RI, to Margaret and Stacia Klara. A 1972 graduate from Woonsocket High School, she graduated from Vassar College in 1976, and obtained her law degree from Case Western University School of Law in Cleveland in 1979. She practiced law in Cleveland until 1985, when she moved to Fairfax County, VA.

After being admitted to the Virginia Bar she practiced law in Northern Virginia from 1986 to 1992. At that time Kari decided to devote more time to her two young daughters, Elizabeth (Lizzy) and Allison and the community where she and her husband Tim make their home.

Kari has been active in the PTA's at Ellen Glasgow Middle School and Pinecrest School. She is an active Brownie leader in Falls Church and a member of St. Anthony's Catholic Church.

Last year Mrs. Kelly was appointed to the Fairfax County Civil Service Commission, a body which adjudicates disputes in the Fairfax County government and makes recommendations on civil service policy.

Mr. Speaker, I know my colleagues join me in honoring Kari Kelley, an outstanding mother, attorney, civic activist and civil service commissioner as her friends and community leaders honor her on Saturday, January 28, 1995, at the Morse Estate in Falls Church.

TRIBUTE TO THOMAS J. STEWART, JR.

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mrs. KENNELLY. Mr. Speaker, I rise today to recognize the career of Thomas J. Stewart, Jr., who is retiring this month after 33 years of service with the Social Security Administration.

Tom began his career with the Social Security Administration in 1961 and worked in numerous offices in various capacities throughout the State of Connecticut. Most recently, he served as liaison for Connecticut's congressional delegation.

It was in that role that I had the opportunity to observe the commitment that Mr. Stewart had to the constituency he served. He understood how important Social Security was in their lives and he endeavored diligently to make sure that they received accurate and timely responses to their inquiries. The high standard of service that Tom maintained is an example for all of us in public service to emulate.

I am honored to rise in tribute to the years of dedicated service rendered by Federal employee Thomas J. Stewart, Jr. His three and one-half decades of professionalism constitute a legacy that is unparalleled. His talents and record of excellence will be greatly missed.

TRIBUTE TO JUSTICE FRED L. HENLEY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. SKELTON. Mr. Speaker, today I wish to pay tribute to former Missouri Supreme Court Chief Justice Fred L. Henley, who recently passed away in Jefferson City, MO. Born October 25, 1911, in Caruthersville, MO, Chief Justice Henley was an outstanding Missourian who served many appointments within the Missouri justice system.

In 1934, he received his bachelor of laws degree from Cumberland University in Lebanon, TN. In 1935 he was admitted to the Missouri bar. Ten years later he was admitted to the bar of the Supreme Court of the United States.

He established a general law practice in Caruthersville, MO in 1936. That same year he was elected city attorney, a position he held for 3 years. In 1939, he was appointed city counselor. He was city counselor until 1942 when he went to serve in the U.S. Army Air Corps, in 1946 he was commissioned a major in the U.S. Air Force Reserve.

After his military service, Henley served as judge of the 38th Judicial Circuit from October 1955 to February 1960. Afterwards returning to private practice forming the firm Henley and Fowlkes.

Appointed chairman of the Missouri State Highway Commission in December 1961, a position he served until April 1964 when he was appointed to the Missouri Supreme Court. Originally appointed by Governor John M. Dalton, Henley remained on the court for a 12-year term that ended in December 1978. From 1969 throughout 1971, he served the court as Chief Justice.

Judge Henley also belonged to, and led, many civic and fraternal organizations within his community. He was an active member of the Presbyterian Church. Other organizations include, Caruthersville Lodge No. 461, A.F. & A.M.; and Missouri Consistory No. 1, M.R.S.; the Moolah Temple, St. Louis; Post 88 of the American Legion in Pemiscot County; the American Bar Association; and the Missouri Bar Association; the 38th Judicial Circuit Bar Association; the Caruthersville Rotary Club; the Caruthersville Board of Education; the Pemiscot County Chapter of the American Red Cross.

A devoted person in all he undertook, Judge Henley will be missed by all who knew him. I urge my colleagues to join me in my condolences to the family that he leaves. Survivors include three daughters, Sally Kate Sisson, Lynda Wayne Walters, and Karen Janet

Currie; one son, Joseph Oliver Henley, and three grandchildren.

THE MEXICAN BAILOUT

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. BARR. Mr. Speaker, why are the American people being asked to bail out the Mexican economy to the tune of $40 billion?

Despite listening for 2 hours to administration officials this morning at the Banking Committee hearing, I still fail to understand why we should be expected to put the full faith and credit of the United States on the line for a country that has a long and painful past of undisciplined financial mismanagement.

I cannot support some hastily slapped-together financial deal, especially in the absence of the President providing a coherent policy. The President has an obligation to formulate a viable program that will guarantee Mexico's inflationary policies won't put Main Street America another $40 billion in the hole. Last night all he said was—we need to bail out Mexico. On top of all his rhetoric last night, the President spoke to the importance of the Nation pulling together and making sacrifices for the greater good. I think it is unconscionable to ask 262 million Americans to bail out Mexico's ruling elite.

Many Latin American countries, and not just Mexico, have dismal track records when it comes to paying back loans, whether they are from private, international or governmental sources. It is no secret that Mexico has a statist economy, that has tenaciously clung to that legacy since independence. The bottom line is that statist economies do not work. They are financially unstable and unreliable.

This bailout idea looks more and more to me like the first of what may be many more payments on a bad NAFTA deal.

FIFTY YEARS OF MATRIMONY

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

Mr. FORBES. Mr. Speaker, a romance out of the lore of Hollywood has now reached 50 years in my home district in Smithtown, Long Island. Eugene A. Cannataro and Vera Ditta were married on February 4, 1945 at Sts. Philip and James Church in St. James on a snowy Sunday.

During their 50 years of marriage, the hallmark of their lives has been a relationship based on mutual respect, family, and God. Gene and Vera have been blessed with a wonderful family and are the proud parents of a son, Dennis, married to Patricia, and a daughter, Lynn, married to Peter. They are the proud and devoted grandparents of three beautiful granddaughters, Cheryl Ann Cannataro, Dana Lynne Nowick, and Kerry Lynn Nowick.

Gene and Vera's enthusiasm, generosity, good humor, and fellowship have touched all who have come to know them. They are known to many for their love of life and family.

Congratulations and best wishes for health and happiness today and for many years to come.

HONORING CONGRESSIONAL PAGES

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. KILDEE. Mr. Speaker, I would like to take this opportunity to express my personal gratitude to all of the Pages who have served so diligently in the House of Representatives during the 103d and 104th Congresses.

We all recognize the important role that congressional Pages play in helping the House of Representatives operate. This group of young people, who come from all across our Nation, represent what is good about our country. To become a Page, these young people have proven themselves to be academically qualified. They have ventured away from the security of their homes and families to spend time in an unfamiliar city. Through this experience, they have witnessed a new culture, made new friends, and learned the details of how our Government operates.

As we all know, the job of a congressional Page is not an easy one. Along with being away from home, the Pages must possess the maturity to balance competing demands for their time and energy. In addition, they must have the dedication to work long hours and the ability to interact with people at a personal level. At the same time, they face a challenging academic schedule of classes in the House Page School.

The fall 1994 class of pages witnessed many important and historical events and debates, including the approval of the General Agreement on Trade and Tariffs, President Clinton's address to Congress and the Nation on his health care reform proposal. The Pages also were present for the historic speech by President Nelson Mandela of South Africa to the joint session of Congress, and had the opportunity to meet and speak with President Mandela. The Pages also witnessed the orderly transfer of power in the House from the Democrats to the Republicans—a tribute to the strength of American democracy.

I am sure the departing pages will consider their time spent in Washington, DC to be one of the most valuable and exciting experiences of their lives, and that with this experience they will all move ahead to lead successful and productive lives.

Mr. Speaker, as chairman of the House Page Board, I ask my colleagues to join me in honoring this group of distinguished young Americans. They certainly will be missed.

DEPARTING PAGES: FALL 1994–95

Amy E. Accavitti, Seth A.G. Andrew, Matthew D. Atkinson, Bart M. Bartlett, Rebecca J. Berkun, Jacqueline A. Bethea, Joanna L. Bowen, Jessica Brater, Allison Burdick, Erin C. Carney, Michael A. Carter, Krista Clarkson, Keyundah Coleman, Janey C. Crawford, Amy J. Crocker, Robert Cuthbert, Anastasios C. Drankus, Kathleen K. Duffy, Michael D. Ellison, Cathryn Caroline Fayard, Michael P. Fierro, Kristin M. Francis, Janine D. Geraigery, Jennifer C. Gerard, Melissa A. Hayes, Joseph R. Hill, Derek J. Johns, La Toya Johnson, Julia C. Kelly, Lisa N. Konitzer, Marcos A. Lopez, Ross C. Maradian, Sabrina M. Meier, Ryan D. Offutt, Neil A. Reyes, Hannah R. Riordan, Claudia V. Rocha, Michael J. Ryan, Estevan O. Sanchez, Tarik D. Scarlata, James D. Stone, Rosalind V. Thompson, Corey S. Tucker, Lakisha M. Vaughn, Emily J. Waldon, Brian R. Wellman, Hubert E. Wells, Vincent G. Wilhelm, John C. Williams, Aaron B. Willimson.

REINVENT THE WELFARE OFFICE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. MENENDEZ. Mr. Speaker, today I am introducing the Family Service Center Act authorizing modern one-stop centers consolidating services and information for families needing aid to become self-sufficient.

The Family Service Center Act would fund demonstration projects in urban, rural, and linguistically and culturally diverse communities. Centers would be single neighborhood access points for a broad range of services for needy families with children. Centers would use consolidated computer systems and communications technology to improve services while reducing waste and duplication.

There is significant waste in the welfare system that could be eliminated through the use of automation and new technology. In my community of Hudson County, NJ, welfare officials compared data bases with New York City and found 400 families collecting benefits on both sides of the Hudson River. The result will be savings of up to $2 million per year.

More savings will be achieved as automation links together more programs. For example, Hudson County plans to check out-of-State unemployment insurance records against the welfare rolls to detect unreported income.

The taxpayers are not the only beneficiaries of this bill. New data systems at Family Service Centers could cut the mountains of redundant forms that frustrate and confuse clients. Families dealing with one office, applying for aid through one form, and being tracked on a single data base, need fewer intrusive home visits by welfare workers checking for errors or fraud.

Projects effectiveness in streamlining services and cutting costs would be subject to rigorous State and Federal evaluations. After 3 years, projects could be renewed for an additional 3 years if they demonstrate effectiveness in achieving their objectives.

The act would also require participating States to report on Federal, State, and local policies and laws that impede the coordination of services to needy families with children.

I urge my colleagues to join me in this effort to reinvent the welfare office.

TRIBUTE TO W.M. PETE RODES

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. HALL of Texas. Mr. Speaker, I am honored today to pay tribute to a good friend and outstanding citizen, W.M. ''Pete'' Rodes, who

passed away recently at the age of 89. Pete was a banker and community leader in the Rains County town of Emory, TX. He was devoted to his family, his community, his church, and to politics.

Pete was born in Emory and spent a lifetime helping to make this small town of about 1,000 people a better place in which to live. After beginning his banking career in 1927 with North Texas National Bank in Dallas and the Republic National Bank, he assumed the management of the First National Bank in Emory in 1939 at his father's request. He served as President until his retirement in 1980.

Pete was instrumental in purchasing the city's first firetruck and establishing the city's cemetery and homeless shelter. His son, David Stuart Rodes of Los Angeles, said that his father considered his public works to be his biggest accomplishments. Pete was active in the Emory United Methodist Church, and David acknowledged what many of us knew—that Pete had a lot of moral influence in the community, and he used it—including being active in racial integration of the school system and the county.

Pete also was active in the Democratic Party. He served as a delegate to several national Democratic conventions and was member of the presidential Electoral College in 1964. Though he was never interested in running for office, he believed in the power of politics to improve the quality of life. Pete was Mr. Rains County—and his support of Congressman and Speaker Sam Rayburn, as well as his support of Mr. Rayburn's successor, Congressman Ray Roberts, and the wonderful support that he gave to me following Speaker Rayburn and Congressman Roberts—always was reflected at the polls. Those who knew Pete best always listened to him—and honored his choice and savored his friendship.

Pete's presence was felt in every facet of community life in Emory—in the city's economy, in public service, in politics, in education, and in the church. His presence will be greatly missed by those who knew him and by those who benefited from his devotion to his community and his country.

When I think of Pete, Mr. Speaker, I think of that tradition of Americans whose indefatigable and selfless spirit helped make this country great—people like Pete who have worked tirelessly for the common good in small towns and cities all across America. Their individual efforts not only have benefited those in their immediate community but also are part of the collective American spirit that unites and inspires all of us. The memory of Pete's spirit will inspire others to look beyond themselves and help their fellow man in whatever capacity they can. It is perhaps this legacy that ultimately will be greater than the individual contributions that Pete made.

Pete will be missed by his wife, Lillian Whittington Rodes, his son, David, and his daughter, Judith Rodes Johnson. He will be missed by all those who knew him and respected him. Though other Members of this body did not personally know him, Mr. Speaker, I'm sure that they know those like him in their own communities. So as we adjourn today, let us join together in paying our last respects to this exemplary man—W.M. ''Pete'' Rodes of Emory, TX.

PHIL ABALAN: AN EXEMPLARY CAREER IN EDUCATION

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. OBERSTAR. Mr. Speaker, I rise to pay tribute to a noble man and a distinguished teacher, Mr. Phil Abalan of Duluth, MN, who died of a heart attack shortly before his classes were to begin on Friday, December 9.

Mr. Abalan, 51, taught social studies for 27 years at Hopkins High School in Minnetonka, MN. His constant encouragement to his students to excel in their studies and their lives made Mr. Abalan a favorite among pupils and colleagues alike. He was instrumental in initiating the advanced-placement program in American and European history at the school, and pushed his students to their limits, often staying long after school was over to provide assistance and guidance. The results were tangible: his students consistently scored higher on their advanced-placement tests than did students in any other program in the country.

An avid baseball fan, Mr. Abalan was an active umpire for both high school and amateur baseball and softball; he also served as president of the Northwest Umpires Association. One of his happiest moments came when the Minnesota Twins won the World Series in 1987.

Family and friends, students and teachers, will miss Phil Abalan dearly. His commitment to educating the youth of his community was unending, his enjoyment of life complete. It is my sincere hope that some of his students will follow his sterling example, giving to the next generation what Phil Abalan gave so abundantly and enthusiastically to them.

PRESIDENT'S STATE OF THE UNION ADDRESS

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. JACOBS. Mr. Speaker, I place in the RECORD assorted comments from the Hoosier delegation to Congress on the subject of the President's State of the Union Address.

The president always gives a good speech, and he says things that we like to hear. The problem in the past is that what the president says and what the president does are two very different things.—Sen. Dan Coats, R.

In the wake of a disastrous election experience in 1994, which often centered around failures of his presidency, President Clinton's State of the Union address offered timely and welcome cooperation with the Republican Congress.—Sen. Richard Lugar, R.

From my perspective, it's a good speech to the extent that the president adopts items from the Contract with America because I think that's what the public wants us to do. And second, what's going to be important is that it not just be rhetoric, but that it be followed up by action with his administration.—Rep. David McIntosh, R.

I have served with seven presidents and I have never heard one of them give a State of the Union address that did not sound good. This one was slightly better than the average.—Rep. Andrew Jacobs, D.

Overall I believe it was positive. I look forward to being in a Congress that works with a president that is going to reduce the size of the federal government. Sounds like that's what he wants to do, and if he's sincere in that, he's going to get great cooperation from this Republican-controlled house.—Rep. John Hostettler, R.

The speech was rather striking in that for a State of the Union address it really proposed no major initiatives. Now there were a few initiatives but there was nothing I would call major. And he, in some ways, I think, did not explain his core beliefs and principles. The voter today is not just sure what is important to this president. And I think that the State of the Union was so long and so diffused that he missed that opportunity.—Rep. Lee Hamilton, D.

TRIBUTE TO SID WALKER ON THE OCCASION OF HIS RETIREMENT

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to Sidney B. Walker, an outstanding individual and fine citizen of Ohio, who has retired after a distinguished career with the Agriculture Stabilization and Conservation Service.

Since 1983, Sid Walker has served as a district director in charge of a group of 11 and sometimes 12 country offices in northern and western Ohio. Over the years, Sid has worked tirelessly assisting farmers with the U.S. Agricultural Department regulations regarding subsidy payments.

The ASCS is a vital component in the farming economy of Ohio. Leaders such as Sid are responsible for a stable system of prices for agricultural products. Their dedication and motivation have been a major reason Ohio's farming community has been so successful.

Sid is a Chicago native. He attended Milligan College in Tennessee, joined the U.S. Army in 1956 and was discharged with the rank of major. While in the military, he served his country honorably, receiving numerous awards and commendations.

Sid joined ASCS in 1976 as a county executive trainee. Following training, he was appointed to the county executive director position in the Paulding County office. He has been extremely helpful to scores of farmers served by his district, and has always provided positive leadership for the offices under his guidance.

Mr. Speaker, Sid Walker's distinguished career is a model of patriotism and citizenship. I ask my colleagues to join me in wishing Sid, his wife Jacque, his daughter Traci, and his sons, Chris, Chad, and Cory well as the Walker family begins this new chapter in their lives.

SUPPORT THE INTERSTATE CHILD SUPPORT ACT

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. MENENDEZ. Mr. Speaker, it is time for Congress to protect the rights of millions of children whose parents refuse to support them. This is a national disgrace. Our continued failure to act is eroding public support for helping families who most deserve our compassion. It is time for us to send a clear, unambiguous message: The American people will do what is necessary to protect our children. We will not let parents abandon their duty to the children they bring into the world.

I am therefore joining as a cosponsor of H.R. 95, the Interstate Child Support Act of 1995 introduced by Congresswoman BARBARA KENNELLY of Connecticut. This bill includes a long, tough list of enforcement measures recommended by the U.S. Commission on Interstate Child Support.

The bill would deny deadbeat parents occupational, professional, and business licenses, driver's licenses, and vehicle registrations. It would expedite the seizure of bank accounts and authorize the seizure of pensions, lottery winnings, and other public benefits. The bill would deny passports to deadbeats and deny them Federal jobs, benefits, loans, and loan guarantees.

The bill would improve enforcement of child support orders across State lines, strengthen paternity establishment, and improve recordkeeping by requiring Social Security numbers of marriage licenses, divorce decrees, parentage decrees, and birth certificates.

It would also set the stage for future reforms, by requiring a study of the feasibility of developing national child support guidelines, and of collecting past-due child support through the Internal Revenue Service. It would test alternative child support assurance strategies, publish information about effective approaches to increasing child support, and test programs providing jobs for unemployed noncustodial parents to enable them to pay what they owe.

I urge my colleagues to join us in enacting the Interstate Child Support Act of 1995.

INTRODUCTION OF H.R. 693

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. HALL of Texas. Mr. Speaker, I rise today to explain a bill I am introducing for the fourth time. During the 103d session it was H.R. 3033. This session it is H.R. 693, and it deals with a very important issue, an issue that is so worthy of our attention that some Members of this body may find it odd that in 6 years no hearings have been held and no debate conducted on it. Some Members may even think it is futile to again bring this bill before the House. But that is not the case. This matter is too important; the case behind this bill is too just; the damage done to ordinary citizens is too egregious to leave this matter alone.

To assist the Members of this body in understanding the background of this bill, I would like to offer a brief explanation of the events which led up to its introduction.

In 1931, an Italian immigrant, Joe Zeppa, founded Delta Drilling Co. In doing so he was simply following the American dream. Joe was able to take part in the oil boom of the 1930's that helped bring east Texas out of the Great Depression and make the American dream a reality for many people like him. Organized as a closed corporation, Delta Drilling was modestly profitable until the early 1970's, when the energy crisis dramatically increased the company earnings. Increased profitability made the prospect of going public a very attractive option—and inspired Joe with a method of rewarding his many longtime, loyal employees.

Considering the possibilities of the company going public, Delta founder Joe Zeppa worried about the fate of employees should a takeover occur. In order to protect these ordinary, hard-working men and women and to reward them for their loyalty over the years, he initiated employee participation plans under which each employee—executives, managers, secretaries, and laborers alike—with at least 15 years of service with Delta was allocated participation units based on his or her annual compensation and years of service in excess of 15. Each participation unit was to be valued at the price of one share of Delta stock when the company went public. The plans were implemented in 1974 with 88 employees participating. In 1975, Joe Zeppa passed away and was succeeded by his son, Keating Zeppa. With revenues jumping from $38 million in 1974 to $161 million by 1980, Delta decided to go public.

On March 17, 1981, Delta Drilling Co. publicly offered 2,000,000 shares of common stock at $17.50 per share. The public offering triggered the participation plans and the exchange of participation units. Under the agreement with the underwriters for the public offering, however, the employees at Delta could not sell or transfer shares issued to them under these terms for a 120-day period after the commencement of the offering. Immediately prior to the public offering of stock the employees agreed to exchange their participation units for a combination of stock and cash. As a result, they received Delta stock equal to 70 percent of the value of their units and cash representing the remaining 30 percent. All told, 2,128,665 shares and $5,321,667 were distributed to the 87 remaining participating employees. An additional $10,643,333 representing 20 percent of the total value of their participation units was withheld for taxes.

Although Delta stock sold in the initial public offering at $17.50 per share, at the end of the 120-day transfer restriction period, the over-the-counter market price had plummeted to only $13.50. In January of 1982, the price fell below $9.00 and dropped to $6.625 per share by April 6, 1982. Due to circumstances completely out of the hands of Delta Drilling employees, the stock eventually became entirely worthless.

This wouldn't seem that bad, Mr. Speaker, because it was just a gift that they had not had before. Right? Wrong! Enter the IRS.

On April 15, 1982, the employees who received this gift of stock found themselves subject to an enormous tax burden. Under the IRS Code, the shares received under the plan were taxed as ordinary income at the rate of 50 percent and were valued at the initial public offering price of $17.50—regardless of when the employees disposed of their stock. Consequently the average tax burden for each employee was a staggering $300,000. In order to help the former plan participants, Delta provided them with an option to exchange each share of stock they received under the plan for one 5-year convertible bond valued at the then per-share market price of Delta stock, $6.625, which could then be used as collateral for loans to pay their taxes. Only 30 of the 87 employees who had received stock under the plans accepted the offer.

Delta, as a group, also sought relief directly from the Internal Revenue Service, and—after extended negotiations—several individuals were offered the opportunity to report receipt of each stock at $15.50 per share. Clearly, however, in no event could any employee have received more than $13.50 per share for their stock received under the plan—even if they had sold it on the very first day after the expiration of the 120-day transfer restriction period. Indeed, if all the employees had managed to sell their stock, the resulting flood of shares would have had a precipitous impact on the market. Further, as I said earlier these are ordinary people—the majority of the employees had little formal education, no training in finance, and few had been to college. Most had never previously owned stock and many did not even know how to go about selling it.

So you see, hard-working employees—many of whom had spent years with this company—were given a gift by their employer. He certainly had no malicious intent in setting up this program. In fact, it is one of the most generous gifts I have ever heard of an employer giving his employees. And the employees certainly stood to gain from his generosity. But instead, they were forced to pay income taxes on an income that they never received—and that is wrong.

The end result of this is that you have ordinary people—as I said earlier this includes janitors, secretaries, roughnecks, everyone—who have to pay more in taxes than they make working. It would have been a typical scenario for an employee of this company who made $25,000 a year to be told by the IRS that he or she owed $300,000 or more. In fact, many employees had to sell their homes and other possessions to pay taxes on a benefit they never had a legal right to enjoy.

This body is often referred to as the people's House. There has been a great deal of talk in this chamber about the forgotten middle class. With this legislation, we have the opportunity to assist ordinary people and correct an extraordinary wrong. The employees of Delta Drilling who were affected by this financial burden are not just the top managers and executives. Do not think this bill is some sort of loophole or tax break for a bunch of rich oilmen down in Texas. That is simply not the case. This bill changes a policy that has hit a small group of ordinary people in a bad way. That's what we are supposed to do here in the people's House—establish good laws that help good people and change bad laws that hurt good people. We must pass this good bill to help these good people and other people all across our Nation who have faced or may face this devastating situation.

I look forward to working with the new chairman of the Ways and Means Committee, my friend from Texas, Mr. ARCHER, and my other

friends and colleagues on the committee to see this bill through the legislative process. I think it is important that we hold a hearing on this matter. When the Members of this body are able to hear firsthand the stories of these ordinary, hard-working people from east Texas, I know they will understand the injustice of what has happened to them. I urge my colleagues to take a look at this matter, read the bill, talk to me, talk to the people involved, and you will see that we must pass this bill.

TRIBUTE TO DR. YOUSSEF YOMTOOB

HON. LYNN N. RIVERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Ms. RIVERS. Mr. Speaker, I rise today as a former school board member, a State legislator, and Member of Congress. It is a distinct pleasure for me to recognize and honor my friend Dr. Youssef Yomtoob today. Dr. Yomtoob will retire this year from his post as superintendent of the Willow Run School District after spending over 30 years of his life in the field of education. From his position as a mathematics teacher in the 1960's in Niles, MI, to his current post as superintendent, Dr. Yomtoob has continuously left a legacy of extreme competence and knowledge. He has coauthored 16 books, primarily dealing with mathematics and has served on dozens of educational advisory boards such as the Michigan Educational Research Association, the Michigan Department of Education variable task force, and the validation team for the Michigan Department of Education.

More importantly, over the past three decades, Dr. Yomtoob has left an indelible mark as a warm and kind-hearted man who values the students, teachers, and administrators with whom he works. Dr. Yomtoob has always taken pains to personally know the students in the schools in which he taught or administrated.

While Dr. Yomtoob has accomplished an extraordinary amount in the academic field, he has dedicated much of his time to community activities and public service projects as well. Dr. Yomtoob has been involved in the United Way for well over a decade and currently serves as the Washtenaw County division chairman. He served as chairman for the Willow Run Christmas dinner for the homeless and served on the Ypsilanti Press Give-A-Christmas task force. Dr. Yomtoob has been active in his congregation as well. He served as president of the Men's Club at Temple Beth Israel in Jackson, MI, for 4 years and has been a member of Temple Brotherhood for 4 years. Dr. Yomtoob has been involved in countless other community projects that are simply too numerous to list.

In the past few years, Dr. Yomtoob has been recognized several times for his accomplishments. He was recognized as the recipient of the Minority Business Organization of Washtenaw County's Education and Community Award and in 1992 was selected by the Ypsilanti Press as their Person of the Year. It gives me great pride to recognize Dr. Yomtoob once again for his many years of service both in the education community and the community at large. Although he is leaving us in Michigan, I am certain that Dr. Youssef Yomtoob will continue to enrich the educational community and to brighten many lives.

COMMENDATION TO STEVE MAISNER FOR RESCUE

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Ms. HARMAN. Mr. Speaker, I rise today in tribute to a hero—a young man from my district who should serve as an inspiration to us all. As you know, southern California has been reeling from the ''storm of the century,'' a storm that cascaded more than 8 inches of rain on area neighborhoods during the course of one afternoon. The storm produced extensive flooding, not just through the storm drains and along watercourses, but through neighborhoods and canyons.

In the community of San Pedro, a mother and her 5-year-old daughter were caught up in a flood current and swept beneath a car. A young man named Steve Maisner rushed to the scene and retrieved the little girl, quickly administering back blows and chest thrust to restore her breathing. Then, with assistance from the neighbors, Steve pulled the mother, Edith, from under the car. She was not breathing and had no pulse. He would not give up, however, beginning CPR immediately and continuing until the paramedics arrived. I am happy to say that both mother and daughter are home today, thanks to Steve's knowledge and skill.

I went to Steve Maisner's home several weeks ago—to thank him on behalf of the community. He was modest about what he had done, and said he hopes to make a career as a paramedic in the fire department. He has certainly proved his skill and courage, and I am proud to commend him for his heroism.

BALANCED BUDGET AMENDMENT OR BUST

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. GUNDERSON. Mr. Speaker, I have been looking forward to this day since I was elected to the Congress 15 years ago. The first bill I ever introduced, and the first speech I ever gave on the floor of the House, called for a balanced budget amendment to the Constitution. Back then the deficit was about $74 billion, far less than what we face today. But a number of us thought that a $74 billion deficit was a serious problem because it was a drag on the economy and it saddled future generations with obligations that are not of their own making. We felt that an amendment to the Constitution was necessary to impose some fiscal discipline and ensure that Congress would make the tough choices necessary to balance the budget. Unfortunately, we weren't successful then in persuading our colleagues.

Fifteen years later, with the deficit at $202 billion and over $3.5 trillion added to the national debt, it is time to get this done. The deficit is an even greater weight slowing down our economy. Our national debt is so large that almost $130 billion of the fiscal year 1994 budget must be devoted to interest payments on the debt. That is more than half of our current budget deficit. It is more than four times what we currently spend on all discretionary education, training, and social services programs. Similarly, the dollars that future generations will need to pay back our debt are funds that could otherwise be spent on improving roads, supporting programs for disadvantaged students, or reducing our tax burden. Instead, these dollars will go to investors that have lent the Federal Government money by purchasing Government securities. This must stop.

While I have argued that the best solution would be to pass a straightforward amendment requiring that Federal outlays not be permitted to exceed Federal revenues, many here in Congress support adding a three-fifths majority requirement for any future increase in taxes. While it is true that the Federal Government has become inefficient and we need to slim it down, I have concerns about tieing the hands of future Congresses on how we should attain balanced budgets. Nevertheless, I think such concerns, while important, are outweighed by the urgent need to pass a balanced budget amendment. Further, a three-fifths majority requirement was included in the version described in the contract With America. While I voted for the three-fifths majority requirement, I urge all of my colleagues to support House Joint Resolution 1, the balanced budget amendment, whether or not they vote for the three-fifths majority requirement. We cannot allow another decade or more of deficits to pass before we stop adding to the looming debt of this country. We must begin the process of restoring fiscal responsibility to the congressional budget process.

INDIA REPUBLIC DAY: A CELEBRATION OF 45 YEARS OF DEMOCRACY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. PALLONE. Mr. Speaker, today, January 26, is a date of enormous significance for all the people of India, and for the many sons and daughters of India living in the United States and around the world. Today marks the celebration of Republic Day, a national holiday that holds the same significance for Indians as the Fourth of July does for Americans.

On January 26, 1950, India became a Republic. The country adopted a Constitution which enshrined the principles of democracy and secularism. At that time, Dr. Rajendra Prasad was elected as the nation's first President. Since then, despite the challenges of sustaining economic development while reconciling her many ethnic, religious, and linguistic communities, India has stuck to the path of free and fair elections, a multi-party political system and the orderly transfer of power from one government to its successor.

I would like to draw particular attention to the similarities and shared values of the United States and India. The framers of the Constitution that Indians celebrate today drew on

our own Constitution and its Bill of Rights. Both of our countries are former British colonies that gained their freedom after a long and difficult struggle. English continues to be an important language of commerce in India. Many Americans almost instinctively saw in Mahatma Gandhi a reflection of values that our country holds dear. During this month when we celebrate the birthday of one of America's greatest heroes, Dr. Martin Luther King, we should remember that Dr. King derived many of his ideas of nonviolent resistance to injustice from the teachings, actions, and self-sacrifice of Gandhi.

Mr. Speaker, I regret that I have to mention this, but today's celebration of Republic Day in India was marred by a bombing at a crowded stadium in Jammu, India, where Republic Day celebrations were taking place, killing 7 people and injuring 47. Another terrorist attack was staged on a parade in Srinigar. These events remind us that there are still forces trying to destabilize India—some of them receiving support and encouragement from abroad. But it is impressive to keep in mind that despite being so severely tested by the forces of terrorism, India has preserved its democratic institutions, seeks to give opportunities to people from all religious and ethnic backgrounds and moves resolutely forward with market-based economic reforms.

There is, however, good news for us to talk about. United States-India relations are looking better than they have in a long time. Two of the President's Cabinet Secretaries have been in India this month—Defense Secretary Perry and Commerce Secretary Brown, who was accompanied by the top officials from some of our major corporations. The two Secretaries' visits to India resulted in significant accomplishments on issues relating to security and trade and investment. I hope we in Congress will make it a high priority to continue this momentum and move it forward. The Congressional Caucus on India and Indian-Americans, which I initiated two years ago, is reorganizing in the new Congress with strong bipartisan participation. We are dedicated to steady improvement in United States-India relations and in being a voice for the 1-million-strong Asian-Indian community here in America.

Mr. Speaker, it is an honor for me, an elected Representative of the oldest continuous democratic republic on earth, to pay tribute to the world's most populous democracy on the occasion of their great national day.

AIRLIFT ENHANCEMENT ACT

HON. ELIZABETH FURSE

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Ms. FURSE. Mr. Speaker, the legislation I have introduced today with bipartisan support calls for ending the C–17 program after this year's buy is completed, providing the Air Force a total of 40. In addition, my bill calls for putting in place a serious program to use more affordable, already developed aircraft to fill the remaining airlift need.

Under DOD's current C–17 only plan, we will actually encounter an airlift deficit as the planned retirement of C–141's continues. The cost of the C–17 program has increased 41 percent—$16 billion—from the original estimate of $190 million per plane. Based on past experience, there is every reason to believe that the C–17's program cost will continue to rise. DOD's current estimate is $22.5 billion for 40 planes, or $563 million each.

The Rand Corp., GAO, CBO, and DOD's cost and operational effectiveness analysis have all recently presented airlift options that would enable savings of 8–10 billion dollars or more compared to a fleet of 120 C–17's.

GAO released its report today, ''C–17 Aircraft: Cost and Performance Issues,'' responding to the fiscal year 1994 Defense Authorization Act request for its assessment of the C–17's original justification and the effect of technical problems and cost increases on its ability to achieve original program requirements.

The report states, ''Changes in the C–17's intended role, the results of DOD's cost and operational effectiveness analysis, and continued program cost growth lead us to conclude that a 120-aircraft C–17 program is not the most cost-effective way to meet airlift requirements.''

Secretary of Defense Perry said yesterday that if a balanced budget amendment is approved, the Pentagon will face very major budget cuts and have an even smaller force than it does now. He went on to say that a smaller force means the Pentagon would no longer be able to carry out its two-MRC strategy.

Requirements for the first 30 days of an MRC drives our airlift planning. If we will be forced for budgetary reasons to reconsider the two-MRC strategy, the overpriced C–17 sacred cow—for which reasonable alternatives exist—needs to be one of the first items re-examined.

Among those alternatives are commercial widebodies such as 747's or MD–11's, the existing C–5, and extending the service life of our C–141's.

The C–17 continues to experience technical problems. Today's GAO report details severe airflow problems that prevent the plane from executing one mission the Army has considered critical: simultaneous airdrops of paratroopers and equipment. The problem of turbulence inside the plane that occurs when the cargo door, ramp, and side troop doors are open persists. Even after the 18th plane was delivered to the Air Force earlier this month, those simultaneous drops continue to be suspended.

I am pleased that Senator BUMPERS has introduced similar legislation in the Senate.

This bill could save taxpayers more than $10 billion and meet our aircraft needs with more cost-effective alternatives. Throwing money at this plane that can not deliver what it promised is irresponsible in today's austere fiscal environment. We have cheaper alternatives that will keep our military strong. Every day we wait to implement them costs taxpayers millions of dollars.

TRIBUTE TO DON BLACKETER

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. HALL of Texas. Mr. Speaker, I rise today to pay tribute to an outstanding citizen from the Fourth Congressional District of Texas, Don Blacketer of the Harmon-Dial community. Mr. Blacketer died December 14, 1994, at the age of 75 at the Sam Rayburn Memorial VA Center in Bonham. Funeral services were held at McKenzie United Methodist Church in Honey Grove, where he was a member, and burial was at the Presbyterian Cemetery in Ladonia.

Born on September 27, 1919, in Leonard, TX, Don Blacketer was the son of Marcus Anderson Blacketer and Julia Mae Mullins Blacketer. He was a World War II veteran, serving his country in the United States Army under General George S. Patton's command in Europe. Following the war he married Perry Lillianell McCowan in the Dial community and distinguished himself in farming and ranching. Mr. Blacketer was a member of the producers board of the American Soybean Association and was past president of the Texas Soybeans Association. He appeared before our congressional committees to share his knowledge and to give his testimony. I was always proud to introduce him to the Congress—and to claim him as a constituent and as a friend.

Mr. Blacketer also devoted himself to helping improve the quality of life in the Dial community. He was instrumental in efforts to find funding to upgrade the community's water supply system and took the time to contact my office and other government officials concerning possible grant and loan programs for this project. He was a concerned citizen and a man who cared enough about his community to act on his concerns.

Mr. Blacketer is survived by a son and daughter-in-law, Mark and Pam Blacketer of Rockwall; a sister, Madyelene Pritchett of Sherman; and two granddaughters, Rachel and Sarah Blacketer of Rockwall. He will be missed by his family and by his many friends, and his contributions to the Harmon-Dial community will not be forgotten.

Mr. Speaker, I am honored today to pay a final tribute to this exemplary citizen, Don Blacketer, who distinguished himself in his service to his country, his community, and his family.

MARK TWAIN NATIONAL FOREST LAND CONVEYANCE/ROLLA, MO

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. EMERSON. Mr. Speaker, today I am reintroducing a measure that is vital to the rural economic development efforts of south-central Missouri—specifically Phelps County and surrounding areas. This legislation will authorize the U.S. Department of Agriculture to convey land within the Mark Twain National Forest to the city of Rolla, MO.

The city of Rolla has been diligent in its plan to utilize the U.S. Forest Service's district ranger office site in the development and construction of a regional tourist center. I feel its important to note that tourism is the second largest industry in Missouri and this tourist center has already attracted great interest along with needed dollars to the regional Rolla economy.

Clearly, this project is a prime example of a local community exercising its own rural development plan for local expansion and job creation. In these times of reduced Federal support for rural community-based economic enterprises, the city of Rolla is a shining example and model of both involvement and initiative that other communities around the country can clearly emulate.

For over a year now, the city of Rolla has been collecting a 3-percent tax on local hotels in the attempt to finance this project independent of any assistance from the Federal Government. Indeed, this land transfer arrangement is a very unique partnership for both Rolla and the Mark Twain National Forest. Several of Missouri's proud historical landmarks, which are an important element of this site, will be maintained and preserved for current and future generations through the efforts of the city of Rolla—at a substantially reduced cost to local taxpayers. This is particularly important to bear in mind since this facility would have no further commercial viability without the direct involvement of the city of Rolla. So now, two worthy goals can be achieved—economic development and historical preservation.

Mr. Speaker, I commend the leadership efforts of the Mark Twain National Forest and the city of Rolla and I urge the expeditious approval of this measure in order that the citizens of Rolla can get on with the business of economic development and job creation.

TRIBUTE TO DR. REYNOLD BURCH

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. PAYNE of New Jersey. Mr. Speaker, I ask my colleagues to join me in honoring the memory of Dr. Reynold Burch, a man of enormous generosity and kindness whose contributions to our community will be long remembered. Dr. Burch, known by friends and family as Buster, died Wednesday, January 18, 1995.

Dr. Burch practiced medicine in Newark, N.J. in private practice from 1956 to 1981 in gynecology and obstetrics, delivering thousands of babies to two generations of Newark residents. During an era when professional opportunities for African Americans were very limited, young people looked to this extraordinary role model with pride, admiration, and hope.

I had the opportunity to know Dr. Burch personally in his capacity as a philanthropist. Along with his wife, Mary, Dr. Burch founded the Leaguers, Inc., a youth development program in Newark. To the young people in our neighborhood, Dr. and Mrs. Burch opened up both their hearts and their home, where the Leaguers regularly held their meetings. The program was directed by Mrs. Burch, a former teacher, who found that the young people in the neighborhood needed more direction and opportunity to expand their horizons and become upwardly mobile. Dr. and Mrs. Burch were truly ahead of their time and made a profound difference in our community.

As the program progressed, the Burches planned weekly meetings, provided outings to the theater, museums, legislative sessions, and cultural events for the young people. The Leaguers gave the young people an opportunity to participate in programs we would never otherwise have had the chance to experience and enjoy. In 1949, we attended the swearing-in ceremony for Mayor Ralph A. Villani, mayor of the City of Newark at Newark City Hall. We visited New Jersey State Assemblyman Bowser in his office in the State capital, Trenton, in 1950. In 1951 we visited Philadelphia for a weekend and met with youth from a similar organization in an attempt to expand our experiences.

The Leaguers program gave me and many of my contemporaries an opportunity to grow and develop as teenagers. The program helped us make a positive contribution to our community and to society. As the program grew, the organization moved into a school and then finally built a structure at 750 Clinton Ave., Newark, NJ to house the group. Dr. and Mrs. Burch encouraged and assisted us in attaining higher education and molded us into young adults. My interest in improving my community was sparked by my involvement with the Burches.

Mr. Speaker, I know that my colleagues will join me in extending condolences to Dr. Burch's wife, Mary, on the loss of her devoted husband, and to his many friends who will feel his absence deeply. He was a wonderful man who truly set an example of a life well lived.

PROPOSING A BALANCED BUDGET AMENDMENT TO THE CONSTITUTION

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 25, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the joint resolution (H.J. Res. 1) proposing a balanced budget amendment to the Constitution of the United States.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise today in support of the balanced budget amendment, H.J. Res. 1. This amendment to the U.S. Constitution to require a balanced Federal budget is not a new idea. Balanced budget amendment proposals have been introduced since the 1930's and, in recent years, have fallen just short of passage in Congress on several occasions. In 49 States, there is some form of balanced budget requirement—including the State of New Jersey.

In Congress, this balanced budget amendment is only the beginning of the process of amending the U.S. Constitution. It is a big step for Americans to amend the U.S. Constitution, and that is as it should be. Of the several thousand proposed amendments in 206 years, only 27 amendments have been ratified by Congress and by the States—and one of those, the 21st amendment, repeals the ban on alcohol proscribed by one other, the 18th.

Amending the U.S. Constitution requires a two-thirds majority in the U.S. House, 290 votes, and in the Senate, 67 votes; and ratification by three-fourths of the States, 38 of the 50 States. The drafters of the Constitution placed a great deal of weight on the powers delegated to the Federal Government and those that remain with the States, giving the States the ultimate decisionmaking powers regarding amendments.

They also saw a limited role for the Federal Government in taxation and borrowing—a role which has been greatly expanded during the current century. The Framers of the Constitution clearly saw Federal debt as an emergency matter at times of national or international crisis, not as a means of normal operations. Likewise, taxation was for specific and justifiable purposes. It is the breakdown of both of these principles that has led to our current budget problems.

I believe Congress has an obligation to send this question to the States, so that we can engage in a much-needed and lively debate on the broader question—what is the role of the Federal Government and at what cost?

Our experiences with State budget balancing requirements have provided several positive outcomes from this important fiscal discipline. It imposes discipline on legislators and executive branch. It, therefore, requires a closer working relationship between these two branches of Government. And, the requirement ultimately will force all parties to sit down and work out their differences to maintain the required balance.

Having worked under the balanced budget requirement, I believe it will promote better communication and governance—at least that's been my experience as a State legislator in New Jersey. It has been 25 years since the last time the Federal Government's books were balanced. Of every dollar collected in Federal taxes, 15 cents goes to pay interest on the national debt—more than $200 billion a year, further drawing down the amount available for other Government programs.

Clearly, our current situation is not due to under-taxation, but to over-spending. The Federal Government collects $5 in taxes today for every $1 it collected 25 years ago. The problem is that Government spending today is up $6 for every $1 spent in 1968.

some may claim that the balanced budget amendment is a gimmick. Rather, I believe it will finally provide the discipline to the Federal budget process that has failed, to date, to control Federal spending—even with the best efforts of individual Members committed to deficit reduction and despite the demands of the American taxpayers.

THE HOMEMAKER IRA ACT OF 1995

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mrs. JOHNSON of Connecticut. Mr. Speaker, women who do not work outside the home contribute as much as their working spouses to the care and support of their families and they deserve equal retirement security. Unfortunately, the Tax Code prevents women who work at home from providing for their own retirement to the same extent as women who work outside the home.

The problem is rooted in the rules governing Individual Retirement Accounts [IRA's]. If both spouses in a household bring home a paycheck, each is permitted to contribute and deduct up to $2,000 to an IRA—$4,000 in total, subject to income limits. If only one spouse works, however, a married couple is limited to contributing a total of $2,250 to an IRA. In other words, a one-income married couple

may put aside only about one-half as much in an IRA as a two-income couple. Furthermore, if the wage earner in a one-income couple participates in an employee pension plan, there are further limits on total IRA contributions.

Clearly, the tax code discriminates against spouses—primarily women—who work at home.

In order to end this unequal treatment and to promote private retirement savings, I today have introduced a bill to permit full, $2,000 IRA contributions by nonworking spouses. Under my bill, a nonworking spouse could make a deductible IRA contribution, just as working spouses do under current law. An identical Senate bill has been introduced today by Senators HUTCHINSON and MIKULSKI.

Congress should take the lead in promoting equal treatment, equal employment choice, and retirement security for American homemakers. I hope my colleagues will join me in cosponsoring this legislation.

IN RECOGNITION OF QUEENS PUBLIC LIBRARY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. SCHUMER. Mr. Speaker, I would like to pause a moment to recognize the critical roles that public libraries play in our communities. The public libraries of today are not just book lenders, but instead serve as community hubs, cultural centers, reference and research facilities, and on-ramps to the information superhighway. An excellent example of a modern public library is the Queens Borough Public Library, the largest public library system in the country.

Queens Library recently conducted a survey to see how well they were doing in serving this most vibrant and diverse community. They were pleased to note that 85 percent of Queens residents use the Queens Borough Public Library, including 83 percent of the teenagers. The survey also showed that the library was succeeding in its attempts to reach out to all Queens residents, including those who don't speak English as their first language.

Among the many services that the library offers to its community are: educational programs for children and adults, including basic literacy instruction and English as a second language courses; a database on local community services programs; a public access point to the Internet; ''New Americans'' programs, which provide citizenship education for recent immigrants and assistance in integrating more easily into society, and cultural programs. In fact, one of the major undertakings of the library is a new Asian Cultural Center in its Flushing branch, dedicated to promoting understanding and appreciation of Asian culture, as well as serving the borough's Asian community.

In conclusion, Mr. Speaker, I would like to pay tribute to the vital role that Queens Borough Public Library and public libraries around the country are playing in their communities. The modern public library is a lifelong learning center and an integral part of the community it serves.

BLOOMINGTON LOVES ITS KIDS

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. RAMSTAD. Mr. Speaker, I rise today to pay tribute to the city of Bloomington as it kicks off its seventh annual ''Bloomington Loves Its Kids'' month on January 31.

This month-long celebration, which fosters community and family development, is a way of rewarding and honoring contributions to the community, both individually and through civic organizations. The emphasis will be on celebrating youths who contribute to the community and the way organizations can make a difference for our youth.

The celebration will feature entertaining and informative exhibits from over 50 community groups. There will be performances from dance companies, theater groups, bands and orchestras. Businesses will be sponsoring activities such as a coloring contest, a treasure hunt, and a celebration of outstanding students.

By creating a community event which provides entertainment and enrichment for its citizens, from toddlers through seniors, the city of Bloomington, MN, has provided a model for American community enhancement.

This is a terrific example of the type of program from which everyone benefits. By uniting the entire civic and business community around celebrating children, future generations will be well served.

Mr. Speaker, I applaud the city of Bloomington for making the concerted and successful effort to enhance its community and the lives of its citizens. I am proud to announce February as Bloomington Loves Its Kids month.

HONORING ABRAHAM GRABOWSKI

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. ENGEL. Mr. Speaker, it is with great pleasure that I take this opportunity to honor my constituent, Abraham Grabowski, who is being honored this week by the RAIN Eastchester Senior Center.

Mr. Grabowski, who is 98 years young, is one of the few living veterans of World War I. Through his long and productive life, he has seen many changes and performed many good deeds. Perhaps the greatest of those deeds is his service in defense of freedom. This service took him from his home in New York to Canada, England, Egypt, and Palestine. He even returned to Israel is 1967 for the 50th anniversary of the Allenby Brigade, an all-Jewish unit that fought under British command to free Palestine from Turkish rule.

Mr. Grabowski eventually settled in Co-op City, where he was an original tenant of building 21. His interesting stories have been a source of pride among his neighbors and fellow senior citizens.

Mr. Grabowski has said he would like to return to Israel for his 100th birthday. I am confident he will be able to make that trip, and I extend my best wishes and congratulations to him on behalf of my constituents.

TRIBUTE TO CAROL LYNN KELLEY

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. DAVIS. Mr. Speaker, I rise this morning to pay tribute to one of our outstanding citizens in Virginia's 11th Congressional District, Carol Lynn Kelley of Lake Barcroft.

Carol, known as Kari to her friends, was born 40 years ago in Woonsocket, RI to Margaret and Stacia Klara. A 1972 graduate from Woonsocket High School, she graduated from Vassar College in 1976, and obtained her law degree from Case Western University School of Law in Cleveland in 1979. She practiced law in Cleveland until 1985, when she moved to Fairfax County, VA.

After being admitted to the Virginia bar she practiced law in northern Virginia from 1986 to 1992. At that time Kari decided to devote more time to her two young daughters, Elizabeth (Lizzy) and Allison and the community where she and her husband Tim make their home.

Kari has been active in the PTA's at Ellen Glasgow Middle School and Pinecrest School. She is an active Brownie leader in Falls Church and a member of St. Anthony's Catholic Church.

Last year Mrs. Kelly was appointed to the Fairfax County Civil Service Commission, a body which adjudicates disputes in the Fairfax County government and makes recommendations on civil service policy.

Mr. Speaker, I know my colleagues join me in honoring Kari Kelly, an outstanding mother, attorney, civic activist, and civil service commissioner as her friends and community leaders honor her on Saturday January 28, 1995 at the Morse Estate in Falls Church.

THE PROGRESSIVE PROMISE: FAIRNESS

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. SANDERS. Mr. Speaker, in contrast with the GOP's Contract With America, we shall offer a positive legislative alternative during the first 100 days of the 104th Congress to extend a fair shake to all Americans on the Progressive Promise. Our plan shall be rooted in the principles of social and economic justice, nondiscrimination, and tolerance. It shall embody national priorities which reflect the interests and needs of all the American people, not just the wealthy and powerful.

Today the Progressive Caucus in bringing to the floor for a vote our 1st in 11 alternative bills to the Republican Contract—The Fiscal Fairness Act, which allows a waiver of the balanced budget requirement in any fiscal year when the national unemployment rate exceeds 4 percent, thus sustaining our long-standing national commitment to full employment.

The second bill in the Progressive Promise is The Equal Justice Before the Law Act, which is an anticrime package that retains key aspects of the anticrime legislation enacted in 1994 to prevent crime as well as punish that which happens; to crack down on white-collar

crime—for example, S&L bailout, defrauding Federal Government on procurement, criminal penalties for willful violation of child labor laws by employers that result in serious bodily injury or death of minors in the workplace, eliminate deductibility of legal expenses when a company is accused of a crime—and on drug trafficking and abuse.

The third bill in the Progressive Promise is The Corporate Responsibility Act, which cuts corporate welfare in the form of special subsidies and tax loopholes of benefit to many of America's wealthiest corporations; to require companies to internalize pollution clean-up and other costs of production instead of continuing to foist them on the American taxpayer, and to reform basic labor laws to restore collective bargaining rights and balance in employer-employee relations.

The fourth bill in the Progressive Promise is Family Foundation Act, which will enable parents to get decent-paying, stable jobs in order to afford child care and health care for their families; to raise the minimum wage and index it for inflation; to strengthen child support collection; to abolish financial penalties for two-parent families; to protect the sanctity of the family and safeguard the health and well-being of all our children; and to ensure that all Americans are well fed.

The fifth bill in the Progressive Promise is The American Homemakers and Caregivers Act, which target IRA's and other savings incentives on middle- and low-income Americans; special provisions to extend generous IRA options to spouses who stay home to nurture children under 6 years of age, thus recognizing the importance of parental child-rearing; to allow penalty-free IRA withdrawals for home health care, education expenses, or to start a small business; and targeted deduction for child care expenses.

The sixth bill in the Progressive Promise is The National Economic Security Act, which cuts the Pentagon and CIA budgets and star wars spending in favor of shifting limited resources to meet domestic social needs and investments to strengthen the U.S. national economy.

The seventh bill in the Progressive Promise is The Cradle-To-Grave Health Care Act, which require a vote on sense-of-the-Congress resolution against cuts in Social Security, Medicare, and Medicaid; to establish a state-based, single-payer health care plan that provides cost-effective, comprehensive and affordable health care for all Americans, including long-term care and prescription drug coverage; and to stress disease prevention and health promotion in our communities.

The eighth bill in the Progressive Promise is The Job Creation and Invest in America Act, which would create at least 1 million jobs in the United States in each of the next 2 years from $127.2 billion in new investment to rebuild and upgrade America's physical infrastructure and clean up the environment; to pay for these investments by closing tax loopholes for offshore production while rewarding U.S. companies that invest, produce, and create jobs in the United States; to require the wealthiest U.S. corporations and citizens to pay their fair share of taxes; and to establish a national commission to finds ways to encourage social investment of billions in pension funds to meet domestic needs in America.

The ninth bill in the Progressive Promise is The Taking Back our Congress Act, which curbs influence-peddling and special-interest lobbying through tougher lobbying restrictions and campaign finance reform; to prohibit ex-members of Congress and executive branch officials from lobbying on behalf of foreign governments and companies; to improve ballot access so more Americans can run for office; and to authorize some public financing of congressional elections to make it more affordable for more candidates to run regardless of personal wealth.

The tenth bill in the Progressive Promise is The Public Interest Legislature Act, which strengthens financial disclosure requirements and to prevent financial conflicts of interest in voting decisions by Members of Congress.

The eleventh bill in The Export American Products, Not American Jobs Act, which eliminates or limits special tax and trade incentives and taxpayer-backed programs that reward U.S.-based multinational corporations for producing offshore; no new fast-track and trade agreements without enforceable worker rights, environmental, agricultural, and safety health standards; to prohibit importing child and forced labor products; and to reduce U.S. trade deficit by eliminating unfair trade barriers to U.S. exports.

PROTECT AMERICAN TAXPAYERS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. PACKARD. Mr. Speaker, the stage is set for Congress to get its fiscal house in order. The American people demand it. The years of frivolous tax and spend policies are over. Our mandate is clear. Passing the balanced budget tax limitation amendment will restore fiscal sanity and accountability.

The voters elected us to defend their liberties and their wallets by making Government smaller. The tax limitation balanced budget amendment will keep the Federal spending beast under lock and key. It will force Congress to balance the budget the right way. It will force Congress to cut spending rather than balance the budget on the backs of the American taxpayer.

Our forefathers envisioned a Constitution that serves the needs of the people, not the needs of the Federal Government. America needs and wants a protaxpayer Constitution, not a protax Constitution. I urge my colleagues to support the tax limitation.

TRIBUTE TO DR. RONALD POLLACK

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to Dr. Ronald Pollack. Ron is retiring after a lifetime of personal and professional devotion to public education.

Ron began his career as a teacher and counselor in the Detroit public schools. He is retiring as the director of the Department of Support and Auxiliary Services from the County of Macomb's Intermediate School District.

Ron's varied experience has allowed preschoolers, special education students, adult education students, and many others to profit from his expertise. In addition to his leadership role at the ISD, he has taught at some of Michigan's most reputable Universities, including Wayne State, Okland, Saginaw Valley, the University of Detroit, and the University of Michigan. He has also acted as a consulant for adult education classes co-sponsored by the United Auto Workers and both Ford Motor Co. and Chrysler Corp.

Taking an active role in one's community is a responsibility we all share, but few fulfill. Ron Pollack has devoted himself to this task through both professional and civil endeavors. His commitment to education is second to none. Meanwhile, he also finds time to work with many outside groups dedicated to improving individual lives. The Private Industry Council, the Metropolitan Detroit National Alliance of Business and numerous other organizations have all benefited from Dr. Pollack's commitment to excellence.

Education was not simply a job to Ron Pollack, it was an avocation, He richly deserves all the best in retirement. He has been a good friend for many years and I ask that my colleagues join me in offering heartfelt congratuations and a sincere thank you for a job well done.

RURAL COMMUNITY WASTEWATER TREATMENT AFFORDABILITY ACT OF 1994

HON. JIM CHAPMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. CHAPMAN. Mr. Speaker, today I am pleased to introduce, along with original cosponsors, the Rural Community Wastewater Treatment Affordability Act of 1995. HR 692. This legislation, which I first introduced in the 103rd Congress and was drafted with the assistance of the National Rural Water Association and the Rural Community Assistance Program, is designed to ensure that rural and disadvantaged communities have greater access to the Clean Water Act's state-revolving fund [SRF] program.

While the purpose of the SRF program is to assist localities in their efforts to modernize existing treatment works and construct new ones through a low-interest loan program, it has fallen far short of this goal in rural communities. One of the largest obstacles for rural systems is that they can rarely finance 100% loans, even at low interest rates, because they have limited revenue generating capabilities and cannot achieve economies of scale.

It has become clear to me and many of my colleagues who represent rural communities that the federal government must take a more active role in assisting these communities with their wastewater treatment infrastructure needs.

Mr. Speaker, my bill will make SRF loans more affordable to small systems by allowing negative interest loan financing, extending the loan repayment period from 20 to 40 years and requiring that 1–2% of each state's SRF

allocation be used to make grants to communities for planning and predevelopment costs. In addition, the bill allows non-profit corporations to be eligible for SRF funding, as they currently are under USDA's Rural Utility Service's water and waste disposal program. Finally, the bill authorizes $15 million for rural water organizations technical assistance programs. This provision will allow organizations like the Rural Water Association and the Rural Community Assistance Program to provide hands-on, in-the-field, technical assistance to rural communities, thus, assisting these communities in making the most efficient use of scarce resources.

As reauthorization of the Clean Water Act is deliberated this year, I look forward to working closely with my colleagues on the Transportation and Infrastructure Committee to ensure that rural and disadvantaged communities are not left behind.

I urge my colleagues to cosponsor the Rural Community Wastewater Treatment Affordability Act and join me in assisting our nation's rural communities.

A BILL TO AMEND THE INTERNAL REVENUE CODE OF 1986

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. CARDIN. Mr. Speaker, today I am introducing a bill to first restore, and then to increase, the income tax deduction for health insurance premiums paid by those who are self-employed, at a rate of 25 percent for 1994, and 80 percent for 1995 and thereafter.

Fully one-quarter of self-employed Americans—3.1 million farmers and craftsmen, professionals and small business proprietors—have no health insurance. Compared to all other workers, the self-employed are one and a half times more likely to lack essential health care coverage.

As we search for methods to increase access to necessary medical services and reduce the crushing burdens of uncompensated care, which threaten the fiscal stability of both affected individuals and the entire health care system, there can be no doubt that U.S. tax code should encourage the self-employed to purchase health care insurance. Instead, current regulations discriminate against the self-employed and discourage the individual initiative that has always been a bedrock of the American economy.

As part of the expense of employee compensation, businesses can deduct the full cost of any health insurance provided to employees. Similar treatment of health care premium costs has never been fully available to the self-employed. And, unless we act quickly, the loss of the limited deduction in effect during recent tax years will soon be keenly felt by the self-employed. In order to provide consistent tax treatment of medical insurance expenses, my bill restores for 1994 the 25 percent deduction that has enjoyed nearly a decade of strong bipartisan support.

The availability of this deduction should not only be renewed, it should be adjusted equitably. Because businesses, on average, contribute—and fully deduct as an expense—80 percent of the total cost of employee health insurance premiums, my bill increases the percentage of premium costs which can be deducted by self-employed persons to 80 percent, effective with tax year 1995. This is similar to the provision thoughtfully considered and passed by the Ways and Means Committee of the 103rd Congress.

With approximately 41 million medically uninsured persons in the United States currently, measures which encourage working people to provide for their health care coverage within the private sector are essential. The particular form of an individual's employment situation should not determine the tax treatment of health care costs incurred as part of the cost of doing business. Rather, as nearly as possible, parity of deductibility should be obtained within the tax code.

In the interests of both fairness and sound health care policy, I urge my colleagues to join me in support of H.R. 691.

IN HONOR OF HUGO H. LANGE

HON. FRANK TEJEDA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. TEJEDA. Mr. Speaker, seventy-eight years ago a 28 year old farmer from Floresville, Texas responded to the Nation's call for service during World War I. Corporal Hugo H. Lange joined Company H, 328th Infantry Regiment, 82nd Infantry Division of the Army during the Saint Mihiel and Meuse-Argonne offensives in France. Corporal Lange's actions during the Meuse-Argonne offensive earned him a Silver Star, the Nation's third highest decoration for battlefield heroism, and a promotion to Sergeant.

Hugo Lange's citation reads, ''For Gallantry in Action: Sergeant then Corporal Hugo H. Lange, Company H, 328th Infantry, distinguished himself during the severe fighting west of Chatel Chehery, France on 8 October 1918. Finding himself detached from his platoon, rallied and reorganized the men he could find, amounting to half a platoon, and successfully led them forward, this being the first detachment to reach the battalion objective. His aggressiveness, bravery and leadership through out the Argonne offensive contributed much to the success of his company.''

After Lange's death in 1935, his daughter, Mrs. Evelyn Braden, discovered that the Army had never given her father the Medals of Valor. Through Mrs. Braden's efforts, the Army has decided to honor Hugo Lange's heroism with a ceremony today at Fort Sam Houston in San Antonio, Texas. Lt. Gen. Marc Cisneros, Commanding General of Fifth US Army and Fort Sam Houston, will present the Silver Star Medal and the World War I victory medal—with three campaign clasps—to one of Hugo Lange's sons, Mr. Victor Lange, and to Mrs. Braden.

I commend the family of Hugo Lange for their efforts to enhance and preserve their family history. Fewer and fewer of today's youth have firsthand experience of military service. In addition, we are losing more and more of our World War I and World War II veterans. Their history, and the stories of their struggles, need to be preserved and passed on to all future generations.

A MATTER OF CHARACTER: THE VIEW FROM THE IRON RANGE

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. OBERSTAR. Mr. Speaker, on January 4 the House of Representatives welcomed its new majority. The event marked a political sea-change in the leadership of the House.

I would like to submit to you an editorial that ran in my hometown newspaper, the Chisholm, MN, Free Press, circulation 3,100. Its publisher, Veda Ponikvar, holds the distinction of being the first woman newspaper publisher in the State of Minnesota. I have known Veda all my life, and have always respected her insight, her wisdom and her articulate advocacy of the values we share as Minnesotans, and Americans.

I commend to you, my colleagues, a view of Washington from Minnesota's Iron Range.

[From the Free Press, Jan. 10, 1995]

CHARACTER IS MORAL ORDER

The great hope of any society is individual character. One must look into people as well as at them for Character is the diamond that scratches every other stone.

Character is moral order seen through the medium of an individual nature. In Character there is also unselfish leadership with the stamp on our souls of the free choice of good or evil we have made through life. Therefore, Character, like porcelain ware, must be printed before it is glazed. There can be no change after it is burned in.

A SHINING, SPOTLESS EXAMPLE

The noblest contribution which any man or woman can make for the benefit of posterity is that of a good character. The richest bequest of posterity is that of a good character. The richest bequest which any man or woman can leave to the youth of their native land is that of a shining, spotless example.

We have in the Congress of the United States a man in the personality of Newt Gingrich, who for over a decade has lived off of the American taxpayer. For the services rendered, he also has enjoyed a host of perks, including a very lucrative and all-inclusive health plan. He did little to institute some sort of national health bill that would lessen the burdens and worries of the electorate. He now is the Speaker of the House, a position that most men earn by integrity, selfless dedication, and humility.

What a sick, ugly example he has set for the Youth of this nation with his despicable assessment of The First Lady, Hillary Clinton. In public as well as in private, those elected to office and entrusted with the responsibilities of governing our nation, need to watch their language; be gentlemen and gentle ladies at all times; and give to the nation a luster of excellence and propriety.

That Mrs. Clinton and Mr. Gingrich are poles apart politically has nothing to do with proper manners and the decency to respect the highest office in the land. Mrs. Clinton is no neophyte in the area of governance. She is an accomplished attorney; has a brilliant mind, and above all, a desire to make life a little easier for the poor, the sick, the aged, and the impoverished. The nation didn't see one Newt Gingrich serving the homeless during the Thanksgiving Holiday. But Mrs. Clinton was there, serving those less fortunate. She deserves an A for effort on many fronts. We cannot say the same for Mr. Gingrich.

To his credit is The Contract which he waves around as if it were the saving formula for the people of the United States. Take a walk, Sir, across this beautiful land of ours and see for your self how people work, live and exist. They do with what they have, which in many instances is very meager. You now propose to look into the Social Security and Medicare areas to soup up funds for your proposals that you feel must be enacted under The Contract. You won't find the very rich and the affluent working in the mines, the taconite plants, the forests, the farmlands, the fisheries, or the highways of this country. It will be an education, but strangely enough, those issues are not in The Contract.

The Lady of Character and compassion is inviting you to the White House for dinner. You need to apologize to her, to the President, and to the citizens of this nation, and above all, to the young people, who have hopes and visions of, someday serving this nation.

As you continue your mission, Mr. Gingrich, don't take from the poor to make the rich richer. Take heed, that Character is the product of daily, hourly actions and utterances; words and thoughts; daily forgivenesses, unselfishness, kindnesses, sympathies, charities, sacrifices for the good of others, struggles against temptation, submissiveness under trial; and Humility, for your good fortune to be Speaker of the House in the greatest nation on earth. It is all these, like the blending colors in a painting, or the blending notes of music which constitute The Man.

MAYORS' COUNCIL OF GUAM 1995 OFFICERS

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 26, 1995

Mr. UNDERWOOD. Mr. Speaker, today I commend the Mayors' Council of Guam 1995 Officers who were recently inducted to office. The 1995 Officers are:

President: Mayor Francisco N. Lizama, Sinajana.

Vice President: Mayor Jose A. Rivera, Dededo.

Secretary: Mayor Paul M. McDonald, Agana Heights.

Treasurer: Vice Mayor Daniel E. Sablan, Sinajana.

Sergeant-At-Arms: Vice Mayor Joaquin G. Topasna, Agat.

I would also like to recognize the mayors who constitute the Mayors' Council:

Mayor Felix F. Ungacta, Agana.
Mayor Paul M. McDonald, Agana Heights.
Mayor Antonio C. Babauta, Agat.
Vice Mayor Joaquin G. Topasna, Agat.
Mayor Vicente ''Benny'' L. San Nicolas, Asan-Maina.
Mayor Raymond S. Laguana, Barrigada.
Vice Mayor Jessie B. Palican, Barrigada.
Mayor Vicente S. San Nicolas, Chalan Pago-Ordot.
Mayor Jose A. Rivera, Dededo.
Vice Mayor Doris S. Palacios, Dededo.
Mayor Jesse L.G. Perez, Inarajan.
Mayor Nonito ''Nito'' C. Blas, Mangilao.
Mayor Ignacio ''Buck'' S. Cruz, Merizo.
Mayor Antonio D. Materne, Mongmong-Toto-Maite.
Mayor Isabel S. Haggard, Piti.
Mayor Gregorio M. Borja, Santa Rita.
Mayor Francisco N. Lizama, Sinajana.
Vice Mayor Daniel E. Sablan, Sinajana.
Mayor Vicente S. Taitague, Talofofo.
Mayor Alfredo C. Dungca, Tamuning-Tumon.
Vice Mayor Teresita C. Borja, Tamuning-Tumon.
Mayor Jose T. Quinata, Umatac.
Mayor Edward C. Artero, Yigo.
Mayor Vicente C. Bernardo, Yona.

These public officials are a vital link to the community in my home district on Guam. They help to unite multiethnic groups within our communities. Among their many duties the mayors are responsible for the maintenance of our neighborhoods at the local level and for the positive impression of our island that serves as an important attraction to our visitor industry.

They are instrumental in assisting the elderly population on Guam. In fact, in several of our municipalities the Mayor's Community Center also serves as a senior citizens center.

Because of their hard work and dedication, my constituents are confident that if a need arises the mayors will be there for them. After all the hard work these officials do, they are the first government representatives people turn to in times of disaster. In the aftermath of the 1993 earthquake, the mayors were the people that were the first to respond to the need and the first to take on the responsibilities to accomplish the necessary recovery for the island. Although they seldom get the recognition they deserve, I would like to tell the Nation and our island that their efforts are well appreciated and also well recognized.

I would also like to personally thank them for being wonderful and gracious hosts for me during my village meetings. It is their warm hospitality and cooperation that help to make residents of their villages feel welcome during our meetings.

It is a privilege to have such dedicated public servants serve the people of Guam at the grassroots level. It takes a special person to serve the people of Guam as mayor in a highly demanding job with many long hours, but our mayors on Guam continue to serve our island with pride and distinction.

Congratulations to the new 1995 Officers on their induction and much continued success to the Mayors' Council in this term.

HIGHLIGHTS

House passed balanced budget constitutional amendment resolution.

Daily Digest
Senate

Chamber Action

Routine Proceedings, pages S1557–S1638

Measures Introduced: Thirteen bills and two resolutions were introduced, as follows: S. 278–290, S.J. Res. 25, and S. Res. 74. **Pages S1617–18**

Measures Passed:

Commemorating the 50th Anniversary of Liberation of Auschwitz: Senate agreed to S. Res. 74, commemorating the fiftieth anniversary of the liberation of the Auschwitz death camp in Poland.

Pages S1601–04, S1631

Unfunded Mandates: Senate continued consideration of S. 1, to curb the practice of imposing unfunded Federal mandates on States and local governments; to strengthen the partnership between the Federal Government and State, local, and tribal governments; to end the imposition, in the absence of full consideration by Congress, of Federal mandates on State, local, and tribal governments without adequate funding, in a manner that may displace other essential governmental priorities; and to ensure that the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations, taking action on amendments proposed thereto, as follows:

Pages S1557–58, S1564–71, S1573–S1601, S1604–14, S1636–38

Adopted:

(1) Levin Modified Amendment No. 172, to provide that title II, Regulatory Accountability and Reform, shall apply only after January 1, 1996.

Pages S1557, S1571

(2) Wellstone/Boxer Modified Amendment No. 204, to define the term ''direct savings'' as it relates to Federal mandates. **Pages S1558, S1582–83**

(3) By a unanimous vote of 100 yeas (Vote No. 49), Byrd Modified Amendment No. 213, to provide a reporting and review procedure for agencies that receive insufficient funding to carry out a Federal mandate. **Pages S1558, S1568–71, S1576–82, S1583**

(4) Harkin Amendment No. 190, to express the sense of the Senate regarding the exclusion of Social Security from calculations required under a balanced budget amendment to the Constitution.

Pages S1557, S1583–99

(5) By 83 yeas to 16 nays (Vote No. 51), Kempthorne Amendment No. 196 (to Amendment No. 190), to express the sense of the Senate that any legislation required to implement a balanced budget amendment to the U.S. Constitution shall specifically prevent Social Security benefits from being reduced or Social Security taxes from being increased to meet the balanced budget requirement. (By 44 yeas to 56 nays (Vote No. 50), Senate earlier failed to table the amendment.) **Pages S1557, S1583-91**

(6) Kempthorne Amendment No. 209, to provide an exemption for legislation that reauthorizes appropriations and does not cause a net increase in direct costs of mandates to States, local, and tribal governments. **Pages S1558, S1605–06**

(7) Glenn Amendment No. 225 (to Amendment No. 209), to clarify how the provisions of the bill will treat reauthorizations of existing laws that contain mandates. **Pages S1605–06**

(8) By a unanimous vote of 99 yeas (Vote No. 53), Kassebaum Amendment No. 226 (to Amendment No. 203), to ensure that the President fully enforces laws against child pornography, child abuse, and child labor. **Pages S1606–09, S1611**

(9) Boxer Amendment No. 203, to provide for the deterrence of child pornography, child abuse, and child labor laws. **Pages S1557, S1606–12**

(10) By 93 yeas to 6 nays (Vote No. 56), Graham Modified Amendment No. 184, to provide a budget point of order if a bill, resolution, or amendment reduces or eliminates funding for duties that are the constitutional responsibility of the Federal Government. **Pages S1557, S1609–10, S1611, S1612–13**

(11) Gramm Modified Amendment No. 215, to require that each conference report that includes any Federal mandate be accompanied by a report by the Director of the Congressional Budget Office on the cost of the Federal mandate. **Pages S1558, S1614**

Rejected:

(1) Boxer Amendment No. 201, to provide for unreimbursed costs to States due to the imposition of enforceable duties on the States regarding illegal immigrants or the Federal Government's failure to fully enforce immigration laws. (By 58 yeas to 43 nays (Vote No. 47), Senate tabled the amendment.) **Pages S1557, S1564–67**

(2) Boxer Amendment No. 223 (to Amendment No. 201), (The amendment fell when Amendment No. 201, listed above, was tabled.) **Pages S1558, S1564–67**

(3) Lautenberg Amendment No. 199, to exclude from the application of the Act provisions limiting known human (Group A) carcinogens defined by the Environmental Protection Agency. (By 63 yeas to 36 nays (Vote No. 48), Senate tabled the amendment.) **Pages S1557, S1567–68**

(4) Harkin Amendment No. 224 (to Amendment No. 190), to express the sense of the Senate regarding the exclusion of Social Security from calculations required under a balanced budget amendment to the Constitution. (By 62 yeas to 38 nays (Vote No. 52), Senate tabled the amendment.) **Pages S1591–98**

(5) Boxer Amendment No. 227 (to Amendment No. 203), to ensure that nothing in this Act threatens child pornography, child abuse, and child labor laws. (By 53 yeas to 46 nays (Vote No. 54), Senate tabled the amendment.) **Pages S1607–09, S1612**

(6) Bingaman Modified Amendment No. 194, to establish an application to provisions relating to or administrated by independent regulatory agencies. (By 62 yeas to 37 nays (Vote No. 55), Senate tabled the amendment.) **Pages S1557, S1573–74, S1601, S1612**

Pending:

Levin Amendment No. 174, to provide that if a committee makes certain determinations, a point of order will not lie. **Page S1557**

Levin Amendment No. 175, to provide for Senate hearings on title I, and to sunset title I in the year 2002. **Page S1557**

Levin Amendment No. 176, to clarify the scope of the declaration that a mandate is ineffective. **Page S1557**

Graham Amendment No. 189, to change the effective date. **Page S1557**

Glenn Amendment No. 195, to end the practice of unfunded Federal mandates on States and local governments and to ensure the Federal Government pays the costs incurred by those governments in complying with certain requirements under Federal statutes and regulations. **Page S1557**

Glenn Amendment No. 197, to have the point of order lie at only two stages: (1) against the bill or joint resolution, as amended, just before final passage, and (2) against the bill or joint resolution as recommended by conference, if different from the bill or joint resolution as passed by the Senate. **Page S1557**

Byrd Amendment No. 200, to provide a reporting and review procedure for agencies that receive insufficient funding to carry out a Federal mandate. **Page S1557**

Grassley Amendment No. 208, to require an affirmative vote of three-fifths of the Members to waive the requirement of a published statement on the direct costs of Federal mandates. **Page S1558**

Kempthorne Amendment No. 210, to make technical corrections. **Page S1558**

Kempthorne (for Dole) Amendment No. 211, to make technical corrections. **Page S1558**

Glenn Amendment No. 212, to clarify the baseline for determining the direct costs of reauthorized or revised mandates, and to clarify that laws and regulations that establish an enforceable duty may be considered mandates. **Page S1558**

Gramm Amendment No. 216, to require an affirmative vote of three-fifths of the Members to waive the requirement of a published statement on the direct costs of Federal mandates. **Page S1558**

Byrd Modified Amendment No. 217, to exclude the application of a Federal intergovernmental mandate point of order to employer-related legislation. **Page S1558**

Levin Amendment No. 218, in the nature of a substitute. **Page S1558**

Levin Amendment No. 219, to establish that estimates required on Federal intergovernmental mandates shall be for no more than ten years beyond the effective date of the mandate. **Page S1558**

Brown Amendment No. 220, to express the sense of the Senate that the appropriate committees should review the implementation of the Act. **Page S1558**

Brown/Hatch Amendment No. 221, to limit the restriction on judicial review. **Page S1558**

Roth Amendment No. 222, to establish the effective date of January 1, 1996, of Title I, and make it apply to measures reported, amendments and motions offered, and conference reports. **Page S1558**

Withdrawn:

Wellstone Amendment No. 205, to provide that no point of order shall be raised where the appropriation of funds to the Congressional Budget Office, in the estimation of the Senate Committee on the

Budget, is insufficient to allow the Director to reasonably carry out his responsibilities under this Act. **Pages S1558, S1599**

Murray Amendment No. 188, to require time limitations for Congressional Budget Office estimates. **Pages S1557, S1599–S1601**

A unanimous-consent time agreement was reached providing for further consideration of the bill and certain of the amendments pending thereto. **Pages S1575, S1637–38**

A unanimous-consent agreement was reached providing for the cloture vote scheduled to occur on Friday, January 27, to occur at 3 p.m. **Page S1638**

Senate will continue consideration of the bill and amendments pending thereto, on Friday, January 27.

Appointments:

Commission on Security and Cooperation in Europe: The Chair, on behalf of the Vice President, pursuant to Public Law 94–304, as amended by Public Law 99–7, appointed Senator D'Amato to serve as Co-Chairman of the Commission on Security and Cooperation in Europe. **Page S1614**

Communications: **Page S1617**

Statements on Introduced Bills: **Pages S1618–30**

Additional Cosponsors: **Pages S1630–31**

Amendments Submitted: **Pages S1631–32**

Notices of Hearings: **Page S1632**

Authority for Committees: **Pages S1632–33**

Additional Statements: **Page S1633–36**

Record Votes: Ten record votes were taken today. (Total—56). **Pages S1567, S1568, S1583, S1591, S1598, S1611, S1612–13**

Recess: Senate convened at 9 a.m., and recessed at 11:47 p.m., until 9:30 a.m., on Friday, January 27, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on page S1638.)

Committee Meetings

(Committees not listed did not meet)

COMMODITY FUTURES TRADING COMMISSION

Committee on Agriculture, Nutrition, and Forestry: Committee concluded hearings on S. 178, authorizing funds for fiscal years 1995–2000 for the Commodity Futures Trading Commission, after receiving testimony from Mary L. Schapiro, Chairman, Commodity Futures Trading Commission; John F. Sandner and William Brodsky, both of the Chicago Mercantile Exchange, Patrick H. Arbor, Chicago Board of Trade, and Robert K. Wilmouth, National Futures Association, all of Chicago, Illinois; and Daniel Rappaport, New York Mercantile Exchange, Bennett J. Corn, Coffee, Sugar, and Cocoa Exchange, Inc., Peter F. Karpen, Futures Industry Association, and John R. Frawley, Jr., Managed Futures Association, all of New York, New York.

HUD MANAGEMENT

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies concluded hearings to examine the management and budgetary situation at the Department of Housing and Urban Development, after receiving testimony from Nancy M. Gordon, Assistant Director for Health and Human Resources, Congressional Budget Office; and Michael A. Stegman, Assistant Secretary of Housing and Urban Development for Policy Development and Research.

NORTH KOREA NUCLEAR AGREEMENT

Committee on Armed Services: Committee concluded hearings to examine the security implications of the United States Nuclear Non-Proliferation Agreement with North Korea, after receiving testimony from William J. Perry, Secretary of Defense; Ashton B. Carter, Under Secretary of Defense for International Security Policy; Gen. Gary E. Luck, USA, Commander-in-Chief, United National Command, Republic of Korea and the United States Forces, Korea; Gary Milhollin, University of Wisconsin Law School, Madison, on behalf of the Wisconsin Project on Nuclear Arms Control; and Leonard S. Spector, Carnegie Endowment for International Peace, and Richard V. Allen, Richard V. Allen Company, both of Washington, D.C.

ECONOMIC OUTLOOK

Committee on the Budget: Committee continued hearings to examine the state of the United States economy and the budget outlook for fiscal years 1996–2000, receiving testimony from Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System; Allan Meltzer, Carnegie Mellon University, Pittsburgh, Pennsylvania; Mickey D. Levy, NationsBanc Capital Markets, Inc., New York, New York; and David Wyss, DRI/McGraw-Hill, Lexington, Massachusetts.

Committee will meet again tomorrow.

AMTRAK

Committee on Commerce, Science, and Transportation: Committee held oversight hearings on activities of the National Railroad Passenger Corporation (Amtrak), receiving testimony from Senators Jeffords and Cochran; Jolene M. Molitoris, Administrator, Federal

Railroad Administration, Department of Transportation; Kenneth M. Mead, Director, Transportation Issues, Resources, Community, and Economic Development Division, General Accounting Office; Thomas Downs, President and Chairman, National Railroad Passenger Corporation (Amtrak); former New Jersey Governor James Florio, Trenton, on behalf of the Safe Transit and Rail Transportation (START); Mayor John Robert Smith, Meridian, Mississippi; Jack Hynes, Missouri Highway and Transportation Department, Jefferson City; and Ross Capon, National Association of Railroad Passengers, Washington, D.C.

Hearings were recessed subject to call.

FEDERAL BUDGET OUTLOOK

Committee on Finance: Committee held hearings to examine the current budget situation for the Federal Government, focusing on the impact of a constitutional balanced budget amendment on those programs which fall under the committee's jurisdiction, receiving testimony from Robert D. Reischauer, Director, Congressional Budget Office.

Hearings were recessed subject to call.

MEXICO ECONOMY

Committee on Foreign Relations: Committee concluded hearings to examine the economic situation in Mexico and United States efforts to stabilize the peso, after receiving testimony from Senator Hollings; Warren M. Christopher, Secretary of State; Robert E. Rubin, Secretary of the Treasury; Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System; Malcolm S. Forbes, Jr., Forbes Inc., and Lawrence Kudlow, National Review Magazine, both of New York, New York; and L. William Seidman, Commercial Mortgage Asset Corp., and Sidney Weintraub, Center for Strategic and International Studies, both of Washington, D.C.

CONGRESSIONAL TERM LIMITS

Committee on the Judiciary: Committee considered S.J. Res. 19 and S.J. Res. 21, measures proposing an amendment to the Constitution of the United States relative to limiting congressional terms, but did not take action thereon, and recessed subject to call.

NEA

Committee on Labor and Human Resources: Committee concluded oversight hearings on activities of the National Endowment for the Arts, after receiving testimony from Jane Alexander, Chairperson, National Endowment for the Arts.

House of Representatives

Chamber Action

Bills Introduced: Twenty-six public bills, H.R. 691–716; one private bill, H.R. 717; and three resolutions, H.J. Res. 64–65 and H. Res. 45, were introduced. **Pages H802–03**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Armey to act as Speaker pro tempore for today. **Page H693**

Balanced Budget Amendment: By a recorded vote 300 ayes to 132 noes, Roll No. 51 (two-thirds of those present voting in favor), the House passed H.J. Res. 1, proposing a balanced budget amendment to the Constitution of the United States. **Pages H700–81**

By a recorded vote of 184 ayes to 247 noes, Roll No. 50, rejected the Conyers motion to recommit the joint resolution with instructions to report it back forthwith containing an amendment to exempt Social Security funds from total receipts and outlays that must be balanced. **Pages H770–72**

Agreed to the Schaefer amendment in the nature of a substitute that provides similar balanced budget provisions as the committee substitute described below except does not require a three-fifths vote to raise taxes (agreed to by a recorded vote of 293 ayes to 139 noes, Roll No. 49). **Pages H753–70**

Earlier, agreed to the amendment in the nature of a substitute recommended by the Committee on the Judiciary (which pursuant to the rule did not prevail because the Schaefer substitute received the most affirmative votes) that would have required the adoption of a statement of receipts and outlays which are in balance; required the President to submit a balanced budget; required a three-fifths vote for deficit spending, increases in the debt limit, and increases in tax revenues; and would have provided that a majority of each House could waive the provisions in case of war or a serious military threat as declared by law (agreed to by a recorded vote of 253 ayes to 173 noes, Roll No. 41). **Pages H700–13**

Rejected:

The Owens amendment in the nature of a substitute that sought to provide similar balanced budget provisions as the committee substitute except it

would have permitted Congress to waive the provisions by law any year for which the President notified Congress and Congress adopted a joint resolution affirming that the national unemployment rate was projected to exceed four percent, and would not have required a supermajority to raise taxes (rejected by a recorded vote of 64 ayes to 363 noes with 1 voting ''present'', Roll No. 43); **Pages H714–22**

The Wise amendment in the nature of a substitute that sought to establish a separate capital budget and require that the operating budget be balanced; exempt Social Security from budget calculations; and permit Congress to waive the balanced budget provisions in times of war, military conflict, or recession as declared by law (rejected by a recorded vote of 138 ayes to 291 noes with 1 voting ''present'', Roll No. 44); **Pages H722–31**

The Watt of North Carolina motion that the Committee of the Whole rise and report the resolution back to the House with the recommendation that the resolving clause be stricken (rejected by a recorded vote of 96 yeas to 331 noes with 1 voting ''present'', Roll No. 45); **Pages H738–39**

The Conyers amendment in the nature of a substitute that sought to require the adoption of a statement of receipts and outlays which balanced; require the President to submit a balanced budget; exempt Social Security from balanced budget calculations; and provide that the constitutional amendment would not take effect until Congress adopted a specific budget plan (rejected by a recorded vote of 112 ayes to 317 noes, Roll No. 46); **Pages H731–41**

The Watt motion that the Committee of the Whole rise and report the resolution back to the House with the recommendation that the resolving clause be stricken (rejected by a recorded vote of 79 ayes to 342 noes, Roll No. 47); and **Page H744**

The Bonior amendment in the nature of a substitute that sought to require that the budget be balanced by fiscal year 2002; exempt Social Security from balanced budget calculations; and to not require supermajority votes for tax or debt limit increases (rejected by a recorded vote of 135 ayes to 296 noes, Roll No. 48). **Pages H741–53**

Senate Messages: Messages received from the Senate today appear on page H693.

Amendments Ordered Printed: Amendments ordered printed pursuant to the rule appear on page H803.

Quorum Calls—Votes: One quorum call (Roll No. 42) and ten recorded votes developed during the proceedings of the House today and appears on pages H713, H721–22, H722, H731, H738–39, H740–41, H744, H753, H769–70, H771–72, and H772.

Adjournment: Met at 9 a.m. and adjourned at 10:44 p.m.

Committee Meetings

FOREIGN OPERATIONS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Finance, and Related Agencies held a hearing on Foreign Operations in an Era of Budget Reductions. Testimony was heard from the following former Representatives: Mickey Edwards of Oklahoma; and Matt McHugh of New York.

LABOR—HHS—EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education and Related Agencies continued appropriation hearings. Testimony was heard from public witnesses.

Hearings continue tomorrow.

RE-EXAMINING OLD ASSUMPTIONS

Committee on Economic and Educational Opportunities: Subcommittee on Oversight and Investigations held a hearing on Re-examining Old Assumptions. Testimony was heard from the following former Secretaries of Education: William J. Bennett and Lamar Alexander; and Mario Cuomo, former Governor, State of New York.

EVALUATING U.S. FOREIGN POLICY

Committee on International Relations: Concluded hearings on Evaluating U.S. Foreign Policy, Part III. Testimony was heard from Warren M. Christopher, Secretary of State.

REGIONAL HOTSPOTS

Committee on National Security: Met in executive session to receive a briefing on regional hotspots. The Committee was briefed by Christine Williams, Chairman, National Intelligence Council.

OVERSIGHT

Committee on Resources: Held an oversight hearing on Federal efforts to introduce Canadian Gray Wolves into Yellowstone National Park and the Central Idaho Wilderness. Testimony was heard from Senator Thomas; Bruce Babbitt, Secretary of the Interior; JoAn Wood, member, House of Representatives, State of Idaho; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks, Forests and Lands approved for full Committee action the following bills: H.R. 531, amended, to designate the Great Western Scenic Trail as a study trail under the National Trails System Act;

H.R. 536, amended, to extend indefinitely the authority of the Secretary of the Interior to collect a commercial operation fee in the Delaware Water Gap National Recreation Area; H.R. 517, Chacoan Outliers Protection Act of 1995; H.R. 529, amended, to authorize the exchange of National Forest System lands in the Targhee National Forest in Idaho for non-Federal lands within the forest in Wyoming; and H.R. 562, amended, to modify the boundaries of Walnut Canyon National Monument in the State of Arizona.

LINE-ITEM VETO ACT

Committee on Rules: Ordered reported amended, by a record vote of 9 to 4, H.R. 2, Line-Item Veto Act.

COMMITTEE SCHEDULING

Committee on Rules: Ordered reported H. Res. 43, to amend clause 2(g)(3) of House rule XI to permit committee chairman to schedule hearings.

Subsequently, the Committee granted an open rule providing for consideration of H. Res. 43 in the House as in the Committee of the Whole.

CAPITAL GAINS TAX REFORM AND INVESTMENT IN SMALL BUSINESS

Committee on Small Business: Held a hearing on Capital Gains Tax Reform and Investment in Small Business. Testimony was heard from public witnesses.

DISPOSITION OF ICC'S RAIL MERGER AUTHORITY

Committee on Transportation and Infrastructure: Subcommittee on Railroads held a hearing on Disposition of the ICC's Rail Merger Authority. Testimony was heard from Steven C. Sunshine, Deputy Assistant Attorney General, Antitrust Division, Department of Justice; Frank Kruesi, Assistant Secretary, Policy, Department of Transportation; Gail McDonald, Chairman, ICC; and public witnesses.

CONTRACT WITH AMERICA

Committee on Ways and Means: Continued hearings on the Contract With America, with emphasis on provisions designed to encourage savings and investment. Testimony was heard from Representative Smith of Michigan; and public witnesses.

Hearings continue January 31.

COMMITTEE MEETINGS FOR FRIDAY, JANUARY 27, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on the Budget, to hold hearings to examine Government restructuring proposals, 9:30 a.m., SD–608.

House

Committee on Appropriations, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, on Public Witnesses, 10 a.m., 2358 Rayburn.

Subcommittee on National Security, to mark up the Defense supplemental for fiscal year 1995, 1 p.m., H–140 Capitol.

Committee on International Relations, to mark up H.R. 7, National Security Revitalization Act, 9:30 a.m., 2172 Rayburn.

Committee on the Judiciary, to mark up the following bills: H.R. 665, Victim Restitution Act of 1995; H.R. 666, Exclusionary Rule Reform Act of 1995; H.R. 667, Violent Criminal Incarceration Act of 1995; and H.R. 668, Criminal Alien Deportation Improvements Act of 1995, time to be announced, 2141 Rayburn.

Committee on National Security, hearing on H.R. 7, National Security Revitalization Act, 10 a.m., 2118 Rayburn.

Committee on Small Business, hearing on Regulation—Paperwork Reduction Act, 10 a.m., 2359 Rayburn.

Committee on Ways and Means, Subcommittee on Health, hearing on the health insurance tax deduction for the self-employed, 12 p.m., 1310 Longworth.

Subcommittee on Human Resources, to continue hearings on H.R. 4, Personal Responsibility Act, 9 a.m., 1100 Longworth.

Subcommittee on Oversight, hearing on Internal Revenue Code section 1071 (the operation and administration of the provision which allows the FCC to grant tax relief with respect to the sales of radio, television, and other properties under certain circumstances), 10 a.m., B–318 Rayburn.

Permanent Select Committee on Intelligence, to mark up H.R. 7, National Security Revitalization Act, 10 a.m., H–405 Capitol.

JOINT MEETINGS

Commission on Security and Cooperation in Europe, to hold hearings to examine the Administration's position on Russia's military intervention in Chechnya, and its implications for United States-Russian relations, 10 a.m., 2255 Rayburn Building.

Next Meeting of the SENATE

9:30 a.m., Friday, January 27

Senate Chamber

Program for Friday: Senate will resume consideration of S. 1, Unfunded Mandates, with a cloture vote to occur thereon at 3 p.m.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Friday, January 27

House Chamber

Program for Friday: Continue consideration of H.R. 5, Unfunded Mandates Reform.

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