

for 1 minute and to revise and extend his remarks.)

Mr. CHRISTENSEN. Mr. Speaker, Republicans have promised a lot lately. We promised to make Congress subject to the same laws that the rest of the American people have to live with. We kept that promise. We promised to give the American people a balanced budget amendment. We kept that promise. We promised to put an end to burdensome unfunded mandates, and we kept that promise.

Mr. Speaker, Republicans are keeping every single promise we have made to the American people. Today we will fulfill another promise by voting and passing the line-item veto.

Mr. Speaker, I would like to make one more promise. Seven years ago President Ronald Reagan delivered his final State of the Union Address. He asked Congress to give the future Presidents the line-item veto. He would not have it, but he was asking for the American people and for every President to come after him to have that opportunity.

I promise to him on his 84th birthday today that we will give the President of the United States the line-item veto. I ask my colleagues to vote in favor of that today.

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#### CONGRESS MUST RESTORE THE 25-PERCENT DEDUCTION FOR HEALTH CARE EXPENSES TO FARMERS AND SMALL BUSINESS PEOPLE

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

Mr. GANSKE. Mr. Speaker, I am going to vote today for the line-item veto. Two summers ago in the State of Iowa when we had floods, we saw the disaster bill pay for courthouses in New York and strips of highway in West Virginia. However, I want to address another issue, also. I rise today to express the frustration of the people of Iowa over the failure of this body to restore the 25-percent deduction for health care expenses for self-employed individuals.

America's farmers, the heart and soul of this Nation, do not qualify for the same tax deduction for health care expenses which are available to employees of large corporations. Instead, they are provided with only a thin 25-percent deduction, and that expired at the end of 1993. Congress has still failed to take the steps necessary to restore this.

Mr. Speaker, farmers and other self-employed individuals across the State of Iowa and the rest of America are waiting for this important tax provision to be extended. At a time when every Member of Congress is working to expand this health care insurance, we must make this available again.

#### URGING CONGRESS TO DO JUSTICE TO RONALD REAGAN'S BIRTHDAY AND PASS A STRONG LINE-ITEM VETO

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

Mr. ROTH. Mr. Speaker, I want to join all of our colleagues this afternoon who have endorsed the line-item veto and are going to be voting for it today. I think it is important to recall the exact words of President Reagan when he was here January 21, 1988, and asked the House to do that. He said:

Let's help ensure our future prosperity by giving the President a tool that, though I will not get to use it, is one I know future Presidents of either party must have.

Give the President the same authority that 43 Governors use in their States: The right to reach into massive appropriation bills, pare away the waste, and enforce budget discipline. Let's approve the line-item veto.

Today we are going to carry that through on the President's wishes. Mr. Speaker, the line-item veto is an invaluable instrument in the arsenal to cut Government spending, and an absolute necessity to give the Congress the discipline we need to change the spending culture in Washington.

I applaud my colleagues for putting forth the hard work and finally bringing us to the line-item veto which we will face today.

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#### KEEP MOVING FORWARD ON THE CONTRACT—SUPPORT THE LINE-ITEM VETO

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

Mr. LATHAM. Mr. Speaker, I rise to encourage my colleagues to take the next step forward on fulfilling the Contract With America and approve the Presidential line-item veto.

During meetings with constituents over the last several weeks, I have been extremely pleased to hear their message. They say "We see you working hard, making real changes and keeping your promises, and we like what we are watching."

The line-item veto is the next step in making it harder for Congress to tax, spend and pile up debt. Asking the President to cut unnecessary spending without line-item veto is like asking a surgeon to do this work with a meat ax. His prospects for success are so slim, the most likely result is that he will not take the chance. That is why we need to provide him with a precision instrument, the line-item veto.

Members of Congress should not be afraid of the line-item veto or any other tool that increases accountability. By making ourselves more accountable, we are winning back the people's trust. And that is the most important tool in any democracy.

#### RAISING SPENDING IS NOT A SPENDING CUT

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

Mr. STEARNS. Mr. Speaker, in President Clinton's State of the Union that he gave just about 2 weeks ago in this Chamber, this is what he said: "Should we cut the deficit more? Well, of course we should." As many of the Members will remember, that was a great line, and many a lot of us applauded. However, his 1996 fiscal year budget came in, and the question is, why did he not?

I wonder, Mr. Speaker, does the Clinton administration still have as its highest priority reduced spending? Not only does his budget ring up almost \$200 billion in deficit for fiscal year 1996, but it projects deficits of almost \$200 billion every year to the year 2005. It uses the same old accounting gimmicks that we have seen before, and it claims \$144 billion in cuts in Federal spending over 5 years. The reality is that in fiscal year 1996 alone, the administration proposed increasing spending by \$50 billion.

Mr. Speaker, do we have to say it again? Raising spending by less than we plan is not a spending cut.

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#### PRESIDENT CLINTON'S BUDGET INCREASES THE DEFICIT

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

Mr. SMITH of Michigan. Mr. Speaker, Members of Congress were given the President's budget today, and once we look at that budget, I hope every Member, Republican and Democrat, as well as the American people, will be as upset as I am as I have gone through this budget.

Here is what I see: Spending every year goes up faster than inflation. Even the so-called reductions are gimmick accounting. They are not truly reductions.

Let me tell the Members what happens to the national debt.

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At the end of 1994, the national public debt of this country was \$4.6 trillion. This budget, by the year 2000, increases the debt to \$6.67 trillion, from \$4.6 to \$6.67 trillion in this 5-year period. Ladies and gentlemen, the interest on the public debt this year is going to be \$339 billion. That is 25 percent of all revenues coming into the Federal Government.

We have to do it better. Let us do it.

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#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
U.S. HOUSE OF REPRESENTATIVES,  
Washington, DC, February 3, 1995.

Hon. NEWT GINGRICH,  
The Speaker, U.S. House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Friday, February 3, 1995 at 4:30 p.m. and said to contain a message from the President whereby he informs the Congress of his intent to add Armenia to the list of beneficiary developing countries for the purposes of the generalized system of preferences program.

With great respect, I am

Sincerely yours,

ROBIN H. CARLE,  
Clerk, U.S. House of Representatives.

ADDITION OF ARMENIA TO LIST OF BENEFICIARIES UNDER THE GENERALIZED SYSTEM OF PREFERENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-26)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed.

*To the Congress of the United States:*

The Generalized System of Preferences (GSP) program offers duty-free treatment to specified products that are imported from designated beneficiary countries. It is authorized by the Trade Act of 1974, as amended.

I am writing to inform you of my intent to add Armenia to the list of beneficiary developing countries for purposes of the GSP program. I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, I have determined that it is appropriate to extend GSP benefits to Armenia.

I am also writing to inform you of my decision to terminate the designation of The Bahamas and the designation of Israel as beneficiary developing countries for purposes of the GSP program. Pursuant to section 504(f) of the Trade Act of 1974, I have determined that the per capita gross national products of The Bahamas and of Israel have exceeded the applicable limit provided for in section 504(f). Accordingly, I have determined that it is appropriate to terminate the designation of The Bahamas and Israel as GSP beneficiaries.

This notice is submitted in accordance with sections 502(a)(1) and 502(a)(2) of the Trade Act of 1974.

WILLIAM J. CLINTON,  
THE WHITE HOUSE, February 3, 1995.

UNITED STATES BUDGET, FISCAL YEAR 1996—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-3)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

*To the Congress of the United States:*

The 1996 Budget, which I am transmitting to you with this message, builds on the Administration's strong record of economic progress during the past two years and seeks to create a brighter future for all Americans.

When I took office two years ago, the economy was suffering from slow growth, inadequate investment, and very low levels of job creation. We moved quickly and vigorously to address these problems. Working with Congress in 1993, we enacted the largest deficit reduction package in history. We cut Federal spending by \$255 billion over five years, cut taxes for 40 million low- and moderate-income Americans, and made 90 percent of small business eligible for tax relief, while increasing income tax rates only on the wealthiest 1.2 percent of Americans. And while we placed a tight "freeze" on overall discretionary spending at 1993 levels, we shifted spending toward investments in human and physical capital that will help secure our future.

As we fought for our budget and economic policies, we moved aggressively to open world markets for American goods and services. We negotiated the North American Free Trade Agreement with Canada and Mexico, concluded negotiations over the Uruguay Round of the General Agreement on Tariffs and Trade, and worked with Congress to enact implementing legislation for both.

Our economic plan helped bring the deficit down from \$290 billion in 1992, to \$203 billion in 1994, to a projected \$193 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President. Measured as a percentage of our economy—that is, Gross Domestic Product (GDP)—our plan will cut the deficit in half.

By reassuring the financial markets that we were serious about getting our fiscal house in order, our plan also lowered interest rates while holding inflation in check. That helped to stimulate private investment and exports, and sparked the creation of 5.6 million new jobs—more than twice the number in the previous four years.

Now that we have brought the deficit down, we have no intention of turning back. My budget keeps us on the course of fiscal discipline by proposing \$81 billion in additional deficit reduction through the year 2000. I am proposing to save \$23 billion by reinventing Cabinet departments and two other major agencies, to save \$2 billion by ending

more than 130 programs altogether, and to provide better service to Americans by consolidating more than 270 other programs. Under my plan, the deficit will continue to fall as a percentage of GDP to 2.1 percent, reaching its lowest level since 1979.

Despite our strong economic record, however, many Americans have not shared in the fruits of recovery. Though these Americans are working harder and harder, their incomes are either stagnant or falling. The problem is particularly acute among those with less education or fewer of the skills needed to compete in an increasingly global economy. To build a more prosperous America, one with rising living standards for all Americans, we must turn our attention to those who have not benefited from the current recovery.

My budget proposes to do that.

PROMOTING A RISING STANDARD OF LIVING FOR ALL AMERICANS

I am proposing a Middle Class Bill of Rights, which will provide tax relief to middle-income Americans. The Middle Class Bill of Rights includes a \$500 per child tax credit for middle-income families with children under 13; expands eligibility for Individual Retirement Accounts and allows families to make penalty-free withdrawals for a range of educational, housing, and medical needs; and offers a tax deduction for the costs of college, university, or vocational education. Also as part of my Middle Class Bill of Rights, I am proposing to revamp our confusing array of job training programs by consolidating some 70 of them. In my G.I. Bill for America's Workers, I propose to offer dislocated and low-income workers "Skill grants" through which they can make their own choices about the training they need to find new and better jobs.

The G.I. Bill for America's Workers is the final element of my effort to improve the education and skills of Americans, enabling them to compete in the economy of today and tomorrow. In the last two years, we enacted Goals 2000 to encourage States and localities to reform their education systems; revamped the student loan program to make post-secondary education affordable to more Americans; and pushed successfully for the School-to-Work program that enables young Americans to move more easily from high school to training or more education.

And I am proposing to pay for this Middle Class Bill of Rights with specific spending cuts. In fact, I am proposing enough spending cuts to provide more than twice as much in budget savings—\$144 billion—as the tax cuts will cost—\$63 billion—over five years.

CREATING OPPORTUNITY AND ENCOURAGING RESPONSIBILITY

By itself, the Federal Government cannot rebuild America's communities. What it can do is give communities some of the tools and resources to address their problems in their own way.