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House of Representatives

The House met at 9 a.m.

PRAYER

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

We are grateful, O God, for all Your gifts to us and Your promises to all people. On this day we remember with gratitude those who have given of their talents and abilities in public service and who have sought to fulfill the biblical injunction to do justice, to love mercy, and to walk humbly with You. May the example of those who have served faithfully in this place remind others of their opportunity to be involved with public responsibility in working together for the common good. Bless all gathered here and be with all Your people, this day and every day, we pray. Amen.

THE JOURNAL

The SPEAKER. 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, the Journal stands approved.

Mr. DOGGETT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

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

Mr. DOGGETT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 1, rule I, further proceedings on this motion will be postponed until later this afternoon.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas [Mr. DOGGETT] come forward and lead the House in the Pledge of Allegiance.

Mr. DOGGETT 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 483. An act to amend title XVIII of the Social Security Act to permit medicare select policies to be offered in all States, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 395. An act to authorize and direct the Secretary of Energy to sell the Alaska Power Administration, and to authorize the export of Alaska North Slope crude oil, and for other purposes; and

S. 534. An act to amend the Solid Waste Disposal Act to provide authority for States to limit the interstate transportation of municipal solid waste, and for other purposes.

APPOINTMENT AS MEMBERS OF THE UNITED STATES DELEGATION TO ATTEND MEETING OF THE CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER. Pursuant to the provisions of 22 U.S.C. 276d, the Chair appoints as members of the United States delegation to attend the meeting of the Canada-United States Interparliamentary Group the following Members of the House: Mr. MANZULLO of Illinois, Chairman; Mr. LATHAM of Iowa; Mr. CRAPO of Idaho; Ms. DUNN of Washington; Mr. ZIMMER of New Jersey; Mrs. JOHNSON of Connecticut; Mr. GOODLING of Pennsylvania; Mr. JOHNSTON of Florida; Mr. DE LA GARZA of Texas; Mr. GIBBONS of Florida; Ms. SLAUGHTER of New York; and Mr. MCNULTY of New York.

RECESS

The SPEAKER. Pursuant to clause 12 of rule I, the House will stand in recess, subject to the call of the Chair, to receive the former Members of Congress.

Accordingly (at 9 o'clock and 5 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 0905

RECEPTION OF FORMER MEMBERS OF CONGRESS

The SPEAKER of the House presided.

The SPEAKER. On behalf of the Chair and this Chamber, I consider it a high honor and a distinct personal privilege to have the opportunity of welcoming so many of our former Members and colleagues as may be present here for this occasion. We are taking this recess for the purpose of welcoming them.

Let me say that I, in particular, want to take a moment to thank all of my former colleagues who are teaching, who are lecturing, and who are helping explain this complex and amazing process by which we try to do things. I think that all too often the country does not appreciate that the legitimate process of tension and debate and dialog are, in fact, how a free people makes decisions.

I would say to any of my former colleagues who are able and have the time and are willing to do so that you do the

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country a service and you continue your public service when you engage in that kind of opportunity.

Somebody who I have had several very enjoyable occaasions of trying to explain why we, on television, do not always seem to be pulling in the same direction, I yield to the distinguished gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Speaker, it is my high honor to be here today and to welcome our former colleagues. As I look around the room, I see many Members that I had the honor and pleasure to serve with, and we welcome all of you to the Chamber today.

If there has ever been a time in our history when we need to explain our form of Government to the American people, it probably is right now. We have a lot of reaction among the public, people saying, Why do you all go up there and argue and bicker so much?

I understand their frustration and concern, but all of you well know that that is what this place is about. It is about the resolution of conflict. People have to be a little more willing to have conflict resolved in our great society and, of course, that is what goes on in this room and in the room across the other way of the building.

I tried to stop, as I handed the Speaker the gavel a few months ago, and remind Americans that we should celebrate the passing of power, in this case after 40 years in the House of Representatives, from one party to another with peace and civility and respect. That is the hallmark of our society.

I simply wanted to rise today to congratulate all my former colleagues who have been such an important part of carrying on that tradition and, I am sure, are still carrying on that tradition as they continue to relate to the public and explain the meaning of what goes on here.

Mr. Speaker, it is good to be part of this ceremony today and to welcome our friends back. We look forward to talking to them today and greeting them.

The SPEAKER. Let me just say, my understanding is this is the 25th annual report to the Congress by the Association of Former Members. I want to encourage every Member to stay active and to stay involved.

I want to tell you that we, on our part, when I have a chance, for example, to talk with John Rhodes and pick his brain a little bit about where we are and what we are trying to do, it is very helpful to have the counsel of folks who have been here before and have done it before. It is good to be here with all of you. It is, frankly, a nice occasion to suspend all the other things we are doing that may not be quite this pleasant and have a chance to share with you.

The Chair recognizes the Honorable James W. Symington, immediate past president of the association, to take the chair.

Mr. SYMINGTON (presiding). The Clerk will now call the roll of former Members of Congress.

The Clerk called the roll of former Members of the Congress, and the following former Members answered to their name:

ROLLCALL OF FORMER MEMBERS OF CONGRESS ATTENDING MEETING, MAY 18, 1995

William H. Ayres of Ohio;
J. Glenn Beall, Jr. of Maryland;
Ed Bethune of Arkansas;
James H. Bilbray of Nevada;
Lindy Boggs of Louisiana;
Daniel B. Brewster of Maryland;
William S. Broomfield of Michigan;
James T. Broyhill of North Carolina;
John H. Buchanan, Jr. of Alabama;
M. Caldwell Butler of Virginia;
Elford A. Cederberg of Michigan;
Charles E. Chamberlain of Michigan;
R. Lawrence Coughlin of Pennsylvania;
James K. Coyne of Pennsylvania;
Hal Daub of Nebraska;
William D. Ford of Michigan;
Nick Galifianakis of North Carolina;
Robert Garcia of New York;
Robert A. Grant of Indiana;
Gilbert Gude of Maryland;
James M. Hanley of New York;
Robert P. Hanrahan of Illinois;
Ralph R. Harding of Idaho;
Jeffrey P. Hillelson of Missouri;
John W. Jenrette, Jr. of South Carolina;
Don Johnson of Georgia;
Hastings Keith of Massachusetts;
David S. King of Utah;
Ernest L. Konnyu of California;
Peter N. Kyros of Maine;
H. Martin Lancaster of North Carolina;
Norman F. Lent of New York;
John V. Lindsay of New York;
Manuel Lujan of New Mexico;
John Y. McCollister of Nebraska;
Romano L. Mazzoli of Kentucky;
Robert H. (Bob) Michel of Illinois;
James L. Nelligan of Pennsylvania;
Dick Nichols of Kansas;
Stanford E. Parris of Virginia;
Jerry M. Patterson of California;
Charles H. Percy of Illinois;
Shirley N. Pettis of California;
John J. Rhodes of Arizona;
John J. Rhodes III of Arizona;
John H. Rousselot of California;
Philip E. Ruppe of Michigan;
George E. Sangmeister of Illinois;
Ronald A. Sarasin of Connecticut;
Harold S. Sawyer of Michigan;
Richard S. Schweiker of Pennsylvania;
Carlton R. Sickles of Maryland;
Henry P. Smith III of New York;
Peter Smith of Vermont;
James W. Symington of Missouri;
Andrew Jackson Transue of Michigan;
Doug Walgren of Pennsylvania;
Charles W. Whalen, Jr. of Ohio;
Lyle Williams of Ohio;
Robert (Bob) Wilson of California; and
Larry Winn, Jr. of Kansas;

Mr. SYMINGTON (presiding). The Chair announces that 37 former Members of Congress have responded to their names. Any who may appear later will have their names added to the list.

The Chair now recognizes the gentleman from Michigan, Mr. Philip Ruppe.

Mr. RUPPE. First I would like to thank the Speaker and the majority leader for giving us the opportunity to be here today and to enable me to present to you the annual report of the former Members of Congress.

I must say we, we do have a very good turnout this morning. I recall how difficult it was to be down here at 9 in the morning when we were well paid for the effort. Considering that our remuneration is somewhat less at this particular time, I do want to thank everybody for showing up at 9, a very early hour, I suspect, for a number of us.

Mr. Speaker, my colleagues and I are very pleased and honored to have this opportunity, as I stated, to once again be on the floor of Congress to commemorate the 25th anniversary of the U.S. Association of Former Members of Congress. We want to thank you and we want to thank every Member, seated Member of Congress, for the warm welcome extended to our group today. The association, over 25 years since its inception, has grown to a membership of some 600 individuals, an annual budget in excess of $600,000.

The association, following the mandate of its charter, has developed a number of programs of which we are very proud, programs both domestic and international, to promote the improved public understanding of the Congress as an institution, and representative democracy as a system of Government.

One of our earliest initiatives was our highly successful Congressional-Campus Fellows Program. Launched in 1976, former Members of Congress visit colleges, universities, and high school campuses for 2, sometimes 5 days to have formal and informal meetings with the faculty and students. Also community representatives are invited to share with them firsthand knowledge about the operations of the U.S. Congress, the executive branch, and the Judiciary.

Under this program, 72 former Members of Congress have reached more than 100,000 students through 231 programs on 164 campuses in 49 States. Interestingly enough, this is the association's program that our members feel most strongly about, and it is a program which is going to receive renewed attention in our next program year.

I want to emphasize that, because we have done a good deal of reorganization, but the Campus Fellowship Program is popular with our members. It does a service to the communities where we are involved, and I think it is a very good way to show how the Congress operates and in the very best manner in which it operates.

Mr. Speaker, we have without exception a warm attachment, as we obviously indicate by being here today, to

this body, its traditions and its role in a democratic society, and we welcome, as we always did and will, the opportunity to speak out on behalf of all of its Members.

The association also provides opportunities for our members to share their congressional experiences overseas. Fourteen study tours have been carried out for members of the association who, entirely at their own expense, have participated in educational and cultural visits to China, the former Soviet Union, Eastern and Western Europe, the Middle East, South America, New Zealand, and Australia.

□ 0920

At this time, in fact just yesterday morning, we held discussions with our former colleague, Congressman Jim Jones of Oklahoma, our current Ambassador to Mexico, to explore the possibility of a study tour in that country. I would like to see that Ambassador Jones is very anxious that we do develop something in the way of a study trip to Mexico, and while we are there, USIA, our information agency, may well use our Members or former Members to interact with their Mexican counterparts south of the border. It could be not only a lot of fun, but an opportunity, I think, to enable us to explain better the role of Congress in our society.

The association cooperates with a number of other nonprofit organizations which make available for educational projects the experiences and perspectives of persons who have served in the Congress. It has provided former Members of Congress for programs sponsored by USIA's AMPARTS [American Participants] Program in Africa, Asia, Latin America, Europe, and Australia. USIA staff hope to involve more former Members of Congress in these programs and have asked us to notify them when any of our Members are traveling abroad who might be interested in participating in these programs, so I can say to all of you today, if you are traveling abroad, let us know your plans. USIA representatives in the field are anxious to get a hold of you, your experience, and your expertise.

The association also provides opportunities for current Members of Congress to share their expertise with legislators of other countries and to learn first hand the operations of those governments. It has continued serving as the secretariat for the Congressional Study Group on Germany, which is the largest and most active exchange program between the United States Congress and the Parliament of another country. The study group is an unofficial, informal, and bipartisan organization open to all Members of Congress. Currently, I am proud to say, it involves more than 100 Representatives and Senators, and provides opportunities for Members of Congress to meet with their counterparts in the German Bundestag to facilitate better understanding and greater cooperation between these great countries.

In addition to hosting a number of members of the Bundestag and other German Government leaders at the Capitol this past year, the study group hosted a retreat in early February in Maryland for new Members of Congress and new members of the Bundestag. This was enormously successful, and it was followed up by the 12th Annual Congressional-Bundestag Seminar which was held in April in Dresden, Germany, in which 10 Members of the Congress and 11 members of the Bundestag participated, along with two of our members, Lou Frey and Martin Lancaster. Also, four members, former members, of the Bundestag were involved, as well as having indepth discussions about the many facets of United States-German relations on the national level, and the participants had the opportunity to observe the progress that has been made in Eastern Germany since the reunification a few years ago, and to discuss continuing developmental efforts being conducted by state legislators in the new states of Saxony and Brandenberg.

The Study Group Program is funded primarily by the German Marshall Fund of the United States, and we do want to thank them again in this forum for their support. It has included joint meetings of the Agriculture Committees and the Bundestag, and visits by members of the Bundestag to observe the Illinois presidential primary and the Iowa caucus, as well as congressional districts throughout the country with Members of Congress to learn about the U.S. political process at the grassroots level. I hope they did not go back too confused, but I think it was a great experience for all of them.

The association also serves as the secretariat for the Congressional Study Group on Japan, which seeks to develop a congressional forum for the sustained study and analysis of policy options on major issues in United States-Japanese relations, and to increase opportunities for Members of Congress to meet with their counterparts in the Japanese Diet for frank discussions on these key issues. This informal, bipartisan group, which, again, is open to all Members of the Congress, has 67 Member participants, and an additional 45 Members of Congress have asked us to keep them informed of our activities. An ongoing activity of the study group, one of them, is to host breakfasts, luncheons, and discussions with Americans and Japanese who are experts on various facets of the United States-Japanese relationship. For example, just last week Ambassador Mickey Kantor met with study group members for what I am sure was a very lively discussion of the auto and auto parts negotiations.

The association's program to assist the new democratic nations in Central and Eastern Europe and the former Soviet Union, which was begun in 1989, has continued to expand. Under funding from the United States Information Agency, the association has hosted delegations of Members of the Parliaments of Poland, Hungary, the Czech Republic, and the United States, sent bipartisan teams of former Members of Congress, accompanied by either congressional or country expert, to Hungary, Poland, and Czechoslovakia, and has placed a congressional fellow in Budapest, and highly successfully so, for 2 years to provide technical assistance to the Members and staff of the Hungarian Parliament. The final aspect of this grant from USIA will be the hosting of a delegation of four Members of the Slovak Parliament in the United States next month.

Under a grant from the Pew Charitable Trusts, the association has placed one congressional fellow in Slovakia, a gentleman by the name of John Holstine, who has done a tremendous job, and another Congressional Fellow in the Ukraine, Cliff Downen there, has done an outstanding service to this country and to our organization. They have been at their posts for a year, and will remain until April 1996. Former Members of Congress, Lou Frey of Florida and Lucien Nedzi of Michigan, have visited these fellows to assist them in their work, and they have conducted workshops and participated in seminars with members of the Parliament. We plan to have additional former Members, and we would like to have additional former Members of Congress visit Slovakia and the Ukraine in the next calendar year.

Back here in the United States, the association has continued its program of hospitality for distinguished international visitors, parliamentarians, cabinet ministers, judges, academicians, and journalists here at the Capitol. This program, originally funded by the Ford Foundation, has been continued under grants from the German Marshall Fund of the United States. It has enabled us to host 306 events: breakfasts, lunches, dinners, receptions, and so forth, for visitors from 82 countries and the European Parliament, and has proved to be an effective avenue for improving communication and understanding between Members of the Congress and leaders of other nations.

In addition to our work with current parliamentarians, we maintain close relationships with associations similar to ours; that is, former members of the Parliaments of other countries. In this connection, Mr. Speaker, I am pleased to recognize and welcome two representatives of these associations who are with us today, Aideen Nicholson of the Canadian Association of Former Parliamentarians, and Joachim Raffert, of the Association of Former Members of the German Bundestag.

I might say they were both here well before 9 o'clock, setting a good example for their American counterparts.

These relationships have been cordial, they have been a lot of fun. We have made within the group lasting

friendships, and I think really have, through this process, developed a better understanding and appreciation of the common democratic institutions that we share.

Mr. Speaker, at this time it is my very sad and unhappy duty to inform the House of those persons within our membership who have served in the U.S. Congress and have now passed away since our report last year. Those deceased Members of the Congress are:

Glenn M. Anderson, California;
Irene B. Baker, Tennessee;
Joseph H. Ball, Minnesota;
Wallace F. Bennett; Utah;
Albert M. Cole; Kansas;
Emily Taft Douglas; Illinois;
John Dowdy, Texas;
Daniel Flood, Pennsylvania;
J.W. Fulbright; Arkansas;
Claude Harris, Alabama;
Patrick J. Hillings, California;
W. Pat Jennings, Virginia;
August E. Johnsen, Michigan;
Thomas H. Kuchel; California;
Thomas J. Lane, Maine;
Clarence D. Long, Maryland;
Gillis Long, Louisiana;
Richard Dean McCarthy; New York;
Thomas C. McGrath, Jr., New Jersey;
Hervey G. Machen, Maryland;
George Meader, Michigan;
D. Bailey Merrill, Indiana;
Jack R. Miller, Iowa;
Edward J. Patten, New Jersey;
Richard L. Roudebush, Indiana;
Hugh Scott, Pennsylvania;
Robert L.F. Sikes, Florida;
Jessie Summer, Illinois;
Roy A. Taylor, North Carolina;
Lera Thomas; Texas; and
Albert Watson, South Carolina.

Mr. Speaker, I would like to ask for a moment of silence in their memory.

Mr. Speaker, I suppose, since I have the platform, I can tell the story about one of the former Members who is deceased. I'm sure we all knew most of them. I can remember Dick Roudebush and others on the floor. I'm sure most of us have very great stories to tell about each of the individuals, but since I have the platform, I'm going to tell a little one on Roy Taylor.

One time when we were on the Interior Committee's Parks Committee we were out in Iowa and we were inspecting a site that may have been included or would have been included as a national park or wildlife refuge, but in any event, the Forest Service took us fishing. They helicoptered us up to this wonderful lake and gave us the opportunity to fish for cutthroat trout. There were about a dozen of us in the group, and Roy Taylor was the chairman.

We all got outfitted with fishing poles and we all went at it. Roy Taylor got the first six fish, and of course, we were a little nervous, but we knew the chairman of the committee deserved better service than the rest of us, so no one was too upset. Roy Taylor was a pretty good sport. He said, ''Fine, no problem, maybe the pole is lucky,'' so he gave the pole to somebody else and took another pole, and he got five more fish, all for the chairman.

Finally we said ''Roy, this is a little too much. We are going to move you off that site, because we know they have probably got some frogmen down below to put the fish on the hook,'' so we moved Roy about one-eighth of a mile to another site, and he got 4 more fish. Let me say, I think there were something like 14 or 15 fish, and Roy got them all, got every one of them, no matter where he was, what pole he used.

I grant you, he had talent, but it certainly shows, at least in those days, that chairmanship did indeed have rank and power. But he was a wonderful man, and I hope that his wife, Evelyn, realizes how much we think of him, and all of the other Members with whom we have served.

Mr. Speaker, it is now my happy duty to report that nominated to be our association's new president is our colleague, Lindy Boggs of Louisiana, and as vice president, Lou Frey of Florida.

Is Lindy Boggs here? I know some of them have had obligations this morning. Lou Frey was on his near deathbed in Florida with flu the other day. I should say that Lou and a couple other of our members are responsible for getting the very attractive pins that are now available or have been made available to all of our members. Lou Frey, over what I extended, which could be no more than lukewarm support, went on and got it, and the Speaker graciously consented to make it official, so we have a very lovely, handsome pin for the former Members of the Congress. Therefore, I believe the leadership of the association will be in capable and experienced hands.

I do want to say at this time that Linda Reed, who has been our acting director, has been a tremendous asset to this organization. She has worked countless hours, organized the exchanges with the Germans and the Japanese, gotten much of this program put together today, and has done a tremendous job. I would also like to say that Nola Golson, her executive and our executive assistant for the organization, again has done an outstanding job keeping the office going, keeping the mail moving, keeping those old Wang computers doing their job.

In Nola's case, she has two charming daughters that you may well have noted last evening helped us get our reception underway, and also have done the proverbial job of stuffing envelopes on a number of occasions, so we want to thank them both for an outstanding job.

Mr. Speaker, each year the association presents a Distinguished Service Award to an outstanding public servant. This award rotates between political parties, as do our officers. Last year's recipient on the Republican side was former Ohio Representative, Clarence J. ''Bud'' Brown.

This year, the Democratic recipient has been the distinguished former Representative and Senator from Tennessee and the current Vice President of the United States, ALBERT GORE, Jr. The award was presented to Vice President GORE during our congressional reception last evening in the Hart Building.

Mr. Speaker, I ask permission to insert in the RECORD at this point my remarks in presenting the award to the Vice President, and the Vice President's remarks in accepting the award:

PHILIP RUPPE'S INTRODUCTORY REMARKS

This is a very special occasion tonight, the 25th Anniversary of the founding of the U.S. Association of Former Members of Congress. In 1970, Walter Judd of Minnesota and Brooks Hays of Arkansas conceived this organization to promote the improved public understanding of the Congress as an institution, and representative democracy as a system of government.

Tonight, I speak for every member of FMC as well as our friends, families and our guests from abroad, when I state that we are honored indeed to have with us at this our anniversary celebration, Mr. Al Gore, the Vice President of the United States.

We are proud, Vice President Gore, that you began your political career in the United States Congress where, following graduation from Harvard University and a tour of wartime duty in Vietnam, you served eight years representing the 4th district of Tennessee. In 1984, you went on to be elected to the United States Senate.

Since most of us in this room can attest to the fact that campaigning is a pretty rugged business, I should point out that when Al Gore was re-elected in 1990, he was the first candidate in modern history—Republican or Democrat—to win all of Tennessee's 95 counties.

Vice President Gore has had a long and distinguished career of leadership in Congress and in the Executive Branch of government. These accomplishments are both national and international.

In 1992, he chaired the U.S. Senate Delegation to the Earth Summit in Reo de Janeiro, the world's largest gathering ever of heads of state whose focus was directly on the envionment.

Last year, Vice President Gore helped President Clinton unveil the Global Climate Change Action Plan, a public-private partnership to dramatically reduce greenhouse gas emissions in the atmosphere while promoting economic development.

As a Member of the Senate, Al Gore introduced and steered to passage the High Performance Computing Act to create a national, high speed computer network, and increase research and development of high performance technologies.

As Vice President, Al Gore chairs the Community Enterprise Board of the President's Empowerment Zone and Enterprise Community Program which will designate certain areas of the country as eligible to receive federal assistance and support for the development of strategic plans for revitalization.

Al, press accounts suggest that you are focusing much of your time on reinventing government. It seems to me that you have already been doing that for a full 20 years.

Also, Mr. Vice President, we cheered and applauded—as did millions of Americans—when you led the U.S. delegation to the inauguration of the first freely-elected President of South Africa, Nelson Mandela. What a victory for freedom and democracy.

Last, and most importantly, or, as has been said about most of us in this room, ''lucky for him,'' he is married to Mary Elizabeth Aitcheson—Tipper Gore—mother of

four lovely children, articulate campaigner and author—a truly gracious lady.

It is my pleasure, as President of the U.S. Association of Former Members of Congress, speaking on behalf of the members of our Association—your friends and admirers all—to present to you this plague for exemplary service to the nation and these two books of letters from your friends.

REMARKS OF VICE PRESIDENT AL GORE

It's such an honor to get a Distinguished Service Award from a group that epitomizes Distinguished Service.

And, I'm pleased to be a part of the 25th Annual Spring Meeting. For the last 25 years, every spring, a group of individuals have come together to reflect on—and to add to—the role they played in the oldest democracy in the world—a government that more than any other can shape life.

In or out of office, you serve your country—by your leadership, by your dedication, and by your very example.

In Congress, we entered a world of traditions. There are those who will never understand why in the midst of a heated debate that we refer to opponents as ''My distinguished colleague'' or ''My esteemed friend from the other side of the aisle.''

Though, of course, there are limits. Thaddeus Stevens (R–PA) once said, ''I will now yield to my honorable colleague * * * who will make a few feeble remarks.''

Then there was Senator Homer Capehart of Indiana. He once got so carried away with the rhetorical courtesies that he referred to himself as ''The Distinguished Senator from Indiana.''

But those of us who have been lucky enough to serve in our Nation's Capitol, know that these traditions ensure civility when we need it most.

And we also know, that when we say ''good friends on the other side of the aisle* * *'' that it is not only civil * * * that it is not only just tradition of our Congress * * * but something which is absolutely true.

I know that your service and your contribution hasn't stopped with your retirement from Congress. Of course, sometimes retirement is involuntary. My father, who ''retired'' from the Senate in 1970, likes to say, it was due to a marginal error on the part of the people of Tennessee.

There is a line attributed to Jefferson that ''When a man assumes a public trust, he should consider himself as public property.''

That isn't always easy.

Two reasons come to my mind right away.

First, regardless of what side of the aisle you sit on—you came here with the intent to serve your constituents and your nation the best way you knew how. And not only was that your goal: it was your accomplishment.

And second, and on a more personal note, no one knows more than all of you how much you sacrificed during your time in office. You were on the road * * * working long hours * * * you were away from the family. You missed the kids' baseball games for a hearing on the budget. Instead of helping your daughter with her homework, you had to be in the Cloakroom—eating a hot dog for dinner—waiting for a vote.

Your spirit of self-sacrifice has always inspired me to remember what really matters. Serving the nation. And for me to be honored by a group of people with such noble intentions—that is the highest compliment I could be paid.

President Kennedy once said that: ''Mothers all want their sons to grow up to the President. They don't want them to become politicians in the process.''

You have all been politicians. None of us has been President. But on this week after Mother's Day, I hope you feel you've made not only your family, but your country very proud.

Mr. RUPPE. Mr. Speaker, I would like to say one thing, I thought the Vice President was very, very kind and gracious to give us his time last evening. I think I can say to everyone here that his remarks certainly reflected his empathy with Members, former and present Members of the U.S. Congress.

The Speaker was bipartisan, he was gracious, he was kind, and I think he really was, as he well should have been, indeed, the highlight of that evening. I hope his friends and his family realize how important his being there and accepting that award was for all of us as former Members of Congress.

Lindy Boggs, our new president coming up.

Lindy, I just want to say how pleased we are as an association that you will be the next president, and how happy we were that you did, I'm sure, a great deal of work in getting Vice President GORE to be with us last evening. It was a marvelous evening, an outstanding event, and he was very, very gracious to join us.

I would also like to put in a statement from the Ukrainian People's Deputies of the Former Verkhovna Rada, who, for their association, extended to us their greetings at the time of their 25th anniversary:

MAY 18, 1995.

Hon. PHILIP E. RUPPE,
President, U.S. Association of Former Members of Congress, Washington, DC.

DEAR MR. RUPPE: On behalf of the Association of Ukrainian People's Deputies of Former Verkhovna Rada we want to, first of all, congratulate you and AFMC on the occasion of your 25th Anniversary. We wish you enjoyable festivities and many, many more years of success.

Secondly, we want to take this opportunity to express our appreciation to you and, through you, to your entire membership, first of all—Kyiv Representative of FMC Mr. Cliff Downen, for the support, both advisory and financial, that the U.S. Association of Former Members of our Association.

Our organization's meeting was held on the floor of the Verkhovna Rada on the 31st of March with the participation of the Chairman of Verkhovna Rada and almost two hundred former members. We signed up 168 member's of our Association on the first day. We look forward to working with you and other former members associations of the World in the years ahead.

Thank you again for your assistance and support.

With warm regards and our best wishes for your continued success,

PAVLO KYSLYI,
President of Association.
OLEXANDR BARABASH,
LEONID BILYI,
JURYJ GNATKEVICH,
Vice Presidents of Association.

Mr. RUPPE. Mr. Speaker, this concludes the 25th Annual Report to the Congress by the U.S. Association of Former Members of Congress.

I want to say to the Speaker that we were very honored by his warm welcome and by his generous comments to all of us here today. We want to thank those seated Members of the Congress for their very personal greetings. It is always fun to come back on the floor and see some of the Members with whom we have served in the past, or others whom we have gotten to know via C–SPAN or other forms of media, and have the opportunity to greet them personally.

I think I can say for everyone in this group, and I certainly can say it for me, that being a Member of Congress was probably the most exciting and the most challenging moment of my life, so this, for me, and I think it is for all of us, is a rare and thoroughly enjoyable opportunity to greet old friends, to feel for a moment the majesty of this Chamber, and share with everyone here the activities of its former Members.

Finally, Mr. Speaker, we want you to know that this association will continue its efforts to promote greater public understanding of and appreciation for this very uniquely American legislative body, the U.S. Congress.

The SPEAKER pro tempore. The Chair thanks the very distinguished Member, and the statements will be conveyed to the Speaker wholeheartedly.

The Chair wishes to thank the former Members of Congress for their presence here today. I should say, before terminating these proceedings, the Chair would like to invite all those former Members who did not respond when the roll was called to give their names to the reading clerks for inclusion on the roll.

The Chair wishes to thank all the other former Members of the House for their presence here today. Good luck to you all.

The House will continue in recess until 10 a.m.

Accordingly (at 9 o'clock and 37 minutes a.m.), the House continued in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. WATTS of Oklahoma] at 10 o'clock a.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will recognize each side for five 1-minutes.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. DAVIS. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the CONGRESSIONAL RECORD and that all Members and former Members who spoke during the recess have the privilege of revising and extending their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

REPUBLICANS COMMITTED TO BALANCING THE BUDGET

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

Mr. DAVIS. Mr. Speaker, the changes going on here in Washington are truly historic. The new majority here in the House has said goodbye to the old Washington ways.

Congress is now run by those who see that the Federal Government is not a solution to everything. It has become much too big and it spends too much.

For the first time in a generation, Congress has stood up to the mess we call a budget. We are committed to balancing this budget, so that our children will have a future free of debt and full of opportunity.

The defenders of the status quo on the other side of the aisle though criticize us, they offer no alternative. They have no vision and they have no plan. The only thing they have left are worn-out class welfare slogans and programs that will continue out Nation's course to more spending, more taxes, higher interest rates, and greater debt for our children and grandchildren.

Mr. Speaker, Republicans are moving ahead to preserve the American Dream for our children and their children. We have a plan, we have a vision of a debt-free America, and we will balance the budget.

BUDGET DEBATE IS ABOUT REAL PEOPLE

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

Mr. BONIOR. Mr. Speaker, this debate comes down to one simple question: Do you think we should be cutting Medicare, Medicaid, and Social Security in order to pay for tax breaks for the privileged few in our society?

I can tell you one thing—Margaret Leslie doesn't think so.

I have a picture here of Margaret. She is a senior citizen who lives in my district.

During World War II, she was known as ''Margie the Riveter.''

She helped build the B–29's that helped the Allies defeat Hitler in the Second World War. Today, she lives on Social Security.

After paying for her rent, her medicine, her Medicare and MediGap premiums, she is left with about $130 each month to pay for food, bill, and everything else.

Mr. Speaker, this budget before us today will take $240 out of Margaret's pocket because of cuts in Social Security.

And over the next 7 years—it will force her to pay an additional $3,500 for Medicare.

Not to cut the deficit. Not to balance the budget. But to pay for tax breaks for the wealthiest few in our society.

Mr. Speaker, we need to defeat this budget.

REPUBLICANS OFFER HISTORIC PLAN TO BALANCE OUT-OF-CONTROL FEDERAL BUDGET

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

Mrs. SEASTRAND. Mr. Speaker, our liberal friends are tragically on the wrong side of history. Their time has come and gone. Their ideas have been clearly refuted with evidence, their representatives defeated at the polls. For those that remain in this House, there cannot be much to motivate them as we move to smaller, less costly Government.

Clearly, the promise of big Government has crumbled and given way to a total reassessment of the Federal Government.

Something else is just as clear—the need to balance the budget.

Republicans have offered a historic plan to balance the out-of-control Federal budget. I can think of few things more important to our future and the future of our children than to balance the budget. We will return power to families and local governments as we shift the focus of governing away from Washington.

Republicans believe in the ability of the individual and of families to make the right choices, instead of big Government.

This philosophy places us against status quo liberalism here in Washington, but squarely on the side of the American people.

MILLIONS OF NEEDY AMERICANS DEPEND ON MEDICARE

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

Mr. HOYER. Mr. Speaker, this is Tom McDonough. Tom McDonough is not interested in liberal or conservative. Tom McDonough is interested in the problems he has as a family member. Tom McDonough is 66 years of age. Tom McDonough's heart is failing, Tom McDonough lives in Bowie, MD, in my district and he gets $800 on Social Security.

And the Republicans' budget wants to say to Tom McDonough, we are not going to help you pay for the medical care you need. We promised it as a Nation. We made a promise, and we talk about promises kept, but this is a promise broken.

Social Security is going to be cut in 5 years, in 4 years, and in 3 years for Tom McDonough. He does not think that is a promise made and a promise kept.

His Medicare is going to be cut back. Tom McDonough does not think that is a promise made or a promise kept.

REPUBLICAN PLAN WILL SAVE MEDICARE

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

Mr. BASS. Mr. Speaker, when we began this debate yesterday or since we have begun this debate yesterday the debt has risen by $846 million. That is $846 million more that you and I and our children and our grandchildren are going to have to pay.

We will see the other side all day long today produce props and photographs of individuals who will be affected by this so-called budget reduction, which is not a reduction unless you live inside the beltway.

But I am here today in Congress for these people. Here today are my two children, Lucy and Jonathan. That is what it is all about today, because today is historic. The Republican Budget Committee is going to turn this budget around, and I would like to see the American people judge this Congress not by the harsh rhetoric and the hard choices that we will be making over the next couple of days but by the country and the government that we give to our children and our children's children long after we are gone.

AMERICANS WILL PAY MORE FOR MEDICARE

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

Mr. DOGGETT. Mr. Speaker, Lewis and Ed Kierklewski are two hard-working Texans. They have worked hard all of their lives. One is retired, one is nearing retirement, and they deserve to have the security of Medicare and Social Security.

But today that security is threatened, because the Republicans say we need to have the largest corporations in this country pay less taxes and we need for Lewis and Ed to pay more for Medicare.

Interestingly enough, as peaceful as Ed and Lewis look, the Republicans are scared to death of them, and so in 6 hours of debate, they have provided us this plan. This is exactly what they have told Lewis and Ed they will do with their Medicare.

Now we know that on this sheet of blank paper there is nothing about doubling the deductible for Lewis and Ed. There is nothing about raising their premium every year. There is nothing about increasing their costs, because the Republicans are afraid to stand in this well and tell Lewis and Ed and millions of American seniors the truth that they are about to hike their out-of-pocket expenses for Medicare to pay for tax breaks for the wealthy.

CLINTON'S CHANGE OF HEART CONCERNING MEDICARE

(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, let me just say as one Member who speaks in this well to the Member who just spoke, the Democrats have bankrupted Medicare for 30 years. It is now the Republicans' responsibility and obligation to preserve, protect, and improve the Medicare system, which we intend to do.

Mr. Speaker, I want to give you a quote and ask who said this quote:

> Today Medicaid and Medicare are going up at three times the rate of inflation. We propose to let it go up at two times the rate of inflation. That is not a Medicare or Medicaid cut. We are going to have to have increases in Medicare and Medicaid, but a reduction in the rate of growth.

Who said that? President Clinton said that last year.

Let me give you a quote from Mrs. Clinton:

> We feel confident * * * that we can reduce the rate of increase in Medicare without undermining quality for Medicare recipients.

That is Mrs. Clinton. That is what she said. So when the President or Mrs. Clinton proposed slowing down the rate of growth in Medicare and Medicaid, it was not a cut. But now that the Republicans offer our budget which contains a similar proposal, the Democrats are now saying it is a cut.

My friends, let us put aside our differences and work in a bipartisan manner to solve the problems of how to save the Medicare program.

HOW THE BUDGET WILL AFFECT ANTOINETTE ''TONI'' PODOJIL

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

Ms. KAPTUR. Mr. Speaker, these Republican Medicare cuts are not just number-crunching, they mean real medical service reductions affecting real people.

Let me introduce you to Toni Podojil from Cleveland. Toni is 83 years old. She worked in the textile industry before her first retirement, but with minimum pension benefits and Social Security benefits, which is true with many women she had to get a job with the united labor agency. She will have to retire again soon and they will then live on a combined pension of about $600 a month.

Toni is a survivor of uterine cancer, she has had a heart attack, and she suffers from a hearing loss. Uncovered medical expenses now equal almost half her retirement income. When she retires a second time at age 83, what can she expect under this unfair budget? A doubled Medicare part B premium; over $553 more a year? An increased part A deductible over $1,200 more a year?

Let us balance the budget, not give away tax breaks to the wealthiest in this country.

PRESIDENT'S PROMISED VETO OF RESCISSIONS BILL IRRESPONSIBLE

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

Mr. CHRISTENSEN. Mr. Speaker, President Clinton's promise to veto the rescissions bill is irresponsible and lacking of leadership: irresponsible because just 2 weeks ago the President pretended to negotiate in good faith with House Republicans, only to back out at the last minute for short-term political gain; lacking of leadership because this President who only 2 years ago was promising a balanced budget by 1996 is now incapable of cutting $16 billion, $16 billion, that is only 1 percent that he says he cannot cut.

What reasons does he give? Well, first he says he wants to eliminate more pork, but then turns around and says well, we cannot cut the AmeriCorps program, the biggest boondoggle there ever was.

Then he says, ''You can't cut efforts to help people,'' and then turns around and says he is going to veto the relief package to Oklahoma City.

The fact the President would save his veto for this bill demonstrates that he is more interested in playing politics than acting as leader. Does anyone wonder why the American people consider the President irrelevant to the process?

MEDICARE CHECK

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

Mr. GUTIERREZ. Mr. Speaker, this country once had a system of checks and balances. Now with the Republican budget scam we have checks without balances. Here is one check, Mr. Speaker, a big check, a whopping $228 billion check made out by the senior citizens of this country who face a massive cut in Medicare, and who is this check written out to, Mr. Speaker? To the wealthiest, who will rake in billions thanks to the Republican budget scam.

Yes, the oldest Americans in this country will face $3,500 in out-of-pocket medical bills, while the richest Americans will put $20,000 into their pockets. What a shame.

But big checks are nothing new to the GOP. Think about all of the big campaign checks they got in 1994.

So, Mr. Speaker, go ahead and protect the wealthy and the powerful, and we Democrats will protect the health of the powerless.

Go ahead and help those who helped finance your victory in the last election, while we Democrats will help those seniors who led us all to victory in World War II.

Seeing this huge check makes me realize that the Republicans must have checked their compassion and decency at the door, Mr. Speaker.

□ 1015

THE JOURNAL

The SPEAKER pro tempore (Mr. WATTS of Oklahoma). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TATE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 360, nays 37, answered ''present'' 1, not voting 36, as follows:

[Roll No. 341]

YEAS—360

Ackerman	Collins (IL)	Gejdenson
Allard	Collins (MI)	Gekas
Andrews	Combest	Geren
Archer	Condit	Gilchrest
Bachus	Conyers	Gilman
Baesler	Cooley	Gonzalez
Baker (CA)	Cox	Goodlatte
Baker (LA)	Coyne	Goodling
Baldacci	Cramer	Gordon
Ballenger	Crapo	Goss
Barcia	Cremeans	Graham
Barr	Cubin	Greenwood
Barrett (NE)	Cunningham	Gutknecht
Barrett (WI)	Danner	Hall (OH)
Bartlett	Davis	Hall (TX)
Barton	Deal	Hamilton
Bass	DeLauro	Hancock
Bateman	DeLay	Hansen
Becerra	Dellums	Hastert
Beilenson	Deutsch	Hastings (WA)
Bentsen	Diaz-Balart	Hayes
Bereuter	Dickey	Hayworth
Bevill	Dicks	Hefner
Bilbray	Dixon	Heineman
Bilirakis	Doggett	Herger
Bishop	Dooley	Hilleary
Bliley	Doolittle	Hobson
Blute	Dornan	Hoekstra
Boehlert	Doyle	Hoke
Boehner	Dreier	Holden
Bonilla	Duncan	Horn
Bonior	Dunn	Hostettler
Borski	Edwards	Houghton
Boucher	Ehlers	Hoyer
Brewster	Ehrlich	Hunter
Browder	Emerson	Hutchinson
Brown (FL)	English	Hyde
Brown (OH)	Eshoo	Inglis
Bryant (TN)	Evans	Jackson-Lee
Bryant (TX)	Everett	Jefferson
Bunn	Ewing	Johnson (CT)
Bunning	Farr	Johnson (SD)
Burr	Fawell	Johnson, E. B.
Burton	Fields (LA)	Johnson, Sam
Buyer	Flake	Johnston
Callahan	Flanagan	Jones
Calvert	Foglietta	Kanjorski
Camp	Foley	Kaptur
Canady	Forbes	Kasich
Cardin	Ford	Kelly
Castle	Fowler	Kennedy (RI)
Chabot	Fox	Kennelly
Chambliss	Frank (MA)	Kildee
Chenoweth	Franks (CT)	Kim
Christensen	Franks (NJ)	King
Chrysler	Frelinghuysen	Kingston
Clement	Frisa	Klink
Clinger	Frost	Klug
Clyburn	Funderburk	Knollenberg
Coble	Furse	Kolbe
Coleman	Gallegly	LaFalce
Collins (GA)	Ganske	LaHood

Lantos
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McDade
McDermott
McHale
McInnis
McIntosh
McKeon
Meek
Metcalf
Meyers
Mfume
Mica
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 (MN)
Petri
Pomeroy
Porter
Portman
Poshard
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Reynolds
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spratt
Stearns
Stenholm
Stockman
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NAYS—37

Brown (CA)
Clayton
Costello
Crane
DeFazio
Durbin
Engel
Fazio
Filner
Gephardt
Gibbons
Gillmor
Green
Hastings (FL)
Hefley
Hilliard
Jacobs
Kennedy (MA)
Levin
Lewis (GA)
McKinney
McNulty
Menendez
Miller (CA)
Peterson (FL)
Pickett
Pombo
Rush
Sabo
Schroeder
Shays
Stark
Taylor (MS)
Thompson
Vento
Volkmer
Waters

ANSWERED ''PRESENT''—1

Harman

NOT VOTING—36

Abercrombie
Armey
Berman
Bono
Brownback
Chapman
Clay
Coburn
de la Garza
Dingell
Ensign
Fattah
Fields (TX)
Gunderson
Gutierrez
Hinchey
Istook
Kleczka
Largent
Laughlin
Livingston
McCrery
McHugh
Meehan
Moran
Pryce
Richardson
Riggs
Smith (WA)
Solomon
Spence
Stokes
Tucker
Weldon (FL)
Wise
Young (AK)

□ 1035

So the Journal was approved.

The result of the vote was announced as above recorded.

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1996

The SPEAKER pro tempore (Mr. WATTS of Oklahoma). Pursuant to House Resolution 149 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 concurrent resolution, House Concurrent Resolution 67.

□ 1035

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 concurrent resolution (H. Con. Res. 67) setting forth the congressional budget for the U.S. Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, with Mr. SENSENBRENNER in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, May 17, 1995, all time for general debate had expired.

Pursuant to the rule, the amendment printed in House Report 104–125 is adopted and the concurrent resolution, as amended, is considered read for amendment under the 5-minute rule.

The text of House Concurrent Resolution 67, as amended by House Resolution 149, is as follows:

H. CON. RES. 67

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,057,500,000,000.
Fiscal year 1997: $1,058,500,000,000.
Fiscal year 1998: $1,099,600,000,000.
Fiscal year 1999: $1,138,700,000,000.
Fiscal year 2000: $1,189,300,000,000.
Fiscal year 2001: $1,247,200,000,000.
Fiscal year 2002: $1,316,600,000,000.

and the amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1996: $14,987,000,000.
Fiscal year 1997: −$24,393,000,000.
Fiscal year 1998: −$34,772,000,000.
Fiscal year 1999: −$48,354,000,000.
Fiscal year 2000: −$58,836,000,000.
Fiscal year 2001: −$69,275,000,000.
Fiscal year 2002: −$71,859,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: $103,815,000,000.
Fiscal year 1997: $108,986,000,000.
Fiscal year 1998: $114,877,000,000.
Fiscal year 1999: $120,698,000,000.
Fiscal year 2000: $126,893,000,000.
Fiscal year 2001: $133,590,000,000.
Fiscal year 2002: $140,425,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1996: $1,285,900,000,000.
Fiscal year 1997: $1,321,900,000,000.
Fiscal year 1998: $1,355,800,000,000.
Fiscal year 1999: $1,388,800,000,000.
Fiscal year 2000: $1,421,800,000,000.
Fiscal year 2001: $1,436,000,000,000.
Fiscal year 2002: $1,459,800,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1996: $1,287,000,000,000.
Fiscal year 1997: $1,313,900,000,000.
Fiscal year 1998: $1,326,800,000,000.
Fiscal year 1999: $1,363,500,000,000.
Fiscal year 2000: $1,400,800,000,000.
Fiscal year 2001: $1,414,200,000,000.
Fiscal year 2002: $1,437,300,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1996: −$229,500,000,000.
Fiscal year 1997: −$255,400,000,000.
Fiscal year 1998: −$227,200,000,000.
Fiscal year 1999: −$224,800,000,000.
Fiscal year 2000: −$211,500,000,000.
Fiscal year 2001: −$167,000,000,000.
Fiscal year 2002: −$120,700,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1996: $5,195,000,000,000.
Fiscal year 1997: $5,516,100,000,000.
Fiscal year 1998: $5,809,800,000,000.
Fiscal year 1999: $6,099,700,000,000.
Fiscal year 2000: $6,374,300,000,000.
Fiscal year 2001: $6,614,400,000,000.
Fiscal year 2002: $6,806,100,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001 are as follows:

Fiscal year 1996:
(A) New direct loan obligations, $37,600,000,000.
(B) New primary loan guarantee commitments, $193,400,000,000.

Fiscal year 1997:
(A) New direct loan obligations, $40,200,000,000.
(B) New primary loan guarantee commitments, $187,900,000,000.

Fiscal year 1998:
(A) New direct loan obligations, $42,300,000,000.
(B) New primary loan guarantee commitments, $185,300,000,000.

Fiscal year 1999:
(A) New direct loan obligations, $45,700,000,000.
(B) New primary loan guarantee commitments, $183,300,000,000.

Fiscal year 2000:
(A) New direct loan obligations, $45,800,000,000.
(B) New primary loan guarantee commitments, $184,700,000,000.

Fiscal year 2001:
(A) New direct loan obligations, $45,800,000,000.
(B) New primary loan guarantee commitments, $186,100,000,000.

Fiscal year 2002:
(A) New direct loan obligations, $46,100,000,000.
(B) New primary loan guarantee commitments, $187,600,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:
(A) New budget authority, $267,300,000,000.
(B) Outlays, $265,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $269,300,000,000.
(B) Outlays, $265,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $277,300,000,000.
(B) Outlays, $265,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $281,300,000,000.
(B) Outlays, $271,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $287,300,000,000.
(B) Outlays, $279,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $287,300,000,000.
(B) Outlays, $279,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $287,200,000,000.
(B) Outlays, $279,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1996:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $15,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $11,300,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,700,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $10,000,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $11,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $10,700,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
(3) General Science, Space, and Technology (250):
Fiscal year 1996:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $15,700,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1996:
(A) New budget authority, $4,400,000,000.
(B) Outlays, $4,300,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $3,900,000,000.
(B) Outlays, $3,200,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $3,900,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,500,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $3,500,000,000.
(B) Outlays, $2,300,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1996:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $20,200,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $19,100,000,000.
(B) Outlays, $19,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $18,200,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $17,800,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1996:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $10,400,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $11,400,000,000.
(B) Outlays, $10,100,000,000.
(C) New direct loan obligations, $11,600,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,200,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $11,400,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $7,100,000,000.
(C) New direct loan obligations, $11,100,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $7,000,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):
Fiscal year 1996:
(A) New budget authority, $2,300,000,000.
(B) Outlays, −$6,900,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $4,100,000,000.
(B) Outlays, −$2,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $2,800,000,000.
(B) Outlays, −$4,700,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $2,200,000,000.
(B) Outlays, −$3,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $1,900,000,000.
(B) Outlays, −$2,200,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $1,300,000,000.
(B) Outlays, −$2,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $1,000,000,000.
(B) Outlays, −$2,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.

(8) Transportation (400):
Fiscal year 1996:
(A) New budget authority, $40,500,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $42,700,000,000.
(B) Outlays, $37,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $43,500,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $43,700,000,000.
(B) Outlays, $35,600,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $44,300,000,000.
(B) Outlays, $34,900,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $43,800,000,000.
(B) Outlays, $34,200,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $43,300,000,000.
(B) Outlays, $33,700,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):
Fiscal year 1996:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $9,900,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $7,800,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $6,500,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $6,600,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1996:
(A) New budget authority, $45,700,000,000.
(B) Outlays, $52,300,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $45,000,000,000.
(B) Outlays, $46,400,000,000.
(C) New direct loan obligations, $16,300,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $44,900,000,000.
(B) Outlays, $44,600,000,000.
(C) New direct loan obligations, $19,100,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $45,400,000,000.
(B) Outlays, $44,700,000,000.
(C) New direct loan obligations, $21,800,000,000.
(D) New primary loan guarantee commitments, $14,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $45,900,000,000.
(B) Outlays, $45,200,000,000.
(C) New direct loan obligations, $21,900,000,000.
(D) New primary loan guarantee commitments, $15,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $45,000,000,000.
(B) Outlays, $44,200,000,000.
(C) New direct loan obligations, $22,000,000,000.
(D) New primary loan guarantee commitments, $15,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $44,600,000,000.
(B) Outlays, $43,700,000,000.
(C) New direct loan obligations, $22,200,000,000.
(D) New primary loan guarantee commitments, $16,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $121,900,000,000.
(B) Outlays, $122,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $127,700,000,000.
(B) Outlays, $127,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $132,100,000,000.
(B) Outlays, $132,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $136,700,000,000.
(B) Outlays, $136,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $141,500,000,000.
(B) Outlays, $141,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $146,300,000,000.
(B) Outlays, $146,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $149,100,000,000.
(B) Outlays, $148,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $177,600,000,000.
(B) Outlays, $175,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $186,600,000,000.
(B) Outlays, $185,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $195,900,000,000.
(B) Outlays, $194,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $206,300,000,000.
(B) Outlays, $203,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $214,800,000,000.
(B) Outlays, $212,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $224,400,000,000.
(B) Outlays, $222,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $234,600,000,000.
(B) Outlays, $232,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $222,700,000,000.
(B) Outlays, $225,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $231,800,000,000.
(B) Outlays, $235,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $248,400,000,000.
(B) Outlays, $243,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $255,400,000,000.
(B) Outlays, $254,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $265,900,000,000.
(B) Outlays, $267,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $267,600,000,000.
(B) Outlays, $269,000,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $277,600,000,000.
(B) Outlays, $279,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $11,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $12,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $14,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $38,100,000,000.
(B) Outlays, $38,100,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $21,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $39,100,000,000.
(B) Outlays, $39,000,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $18,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $39,200,000,000.
(B) Outlays, $40,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $19,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $41,200,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $19,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $40,100,000,000.
(B) Outlays, $41,600,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $20,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $17,800,000,000.
(B) Outlays, $17,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,600,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $16,400,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $16,400,000,000.
(B) Outlays, $16,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $16,000,000,000.
(B) Outlays, $16,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $16,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1996:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,300,000,000.
(B) Outlays, $11,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,300,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $295,800,000,000.
(B) Outlays, $295,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $304,100,000,000.
(B) Outlays, $304,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $308,400,000,000.

(B) Outlays, $308,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $314,300,000,000.

(B) Outlays, $314,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $319,400,000,000.

(B) Outlays, $319,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $320,000,000.

(B) Outlays, $320,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $322,600,000,000.

(B) Outlays, $322,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Allowances (920):

Fiscal year 1996:

(A) New budget authority, −$2,300,000,000.

(B) Outlays, −$1,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$2,400,000,000.

(B) Outlays, −$2,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$2,400,000,000.

(B) Outlays, −$2,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$2,500,000,000.

(B) Outlays, −$2,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$2,600,000,000.

(B) Outlays, −$2,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$2,600,000,000.

(B) Outlays, −$2,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$2,600,000,000.

(B) Outlays, −$2,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1996:

(A) New budget authority, −$34,400,000,000.

(B) Outlays, −$34,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$34,200,000,000.

(B) Outlays, −$34,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$37,600,000,000.

(B) Outlays, −$37,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $36,400,000,000.

(B) Outlays, $36,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$38,100,000,000.

(B) Outlays, −$38,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$37,900,000,000.

(B) Outlays, −$37,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$39,000,000,000.

(B) Outlays, −$39,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

SEC. 4. RECONCILIATION.

(a)(1) Not later than July 14, 1995, the House committees named in paragraphs (1) through (12) of subsection (b) of this section shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(2) Each committee named in paragraphs (1) through (11) of subsection (b) shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee for—

(A) fiscal year 1996,

(B) the 5-year period beginning with fiscal year 1996 and ending with fiscal year 2000, and

(C) the 7-year period beginning with fiscal year 1996 and ending with fiscal year 2002,

does not exceed the total level of direct spending in that period in the paragraph applicable to that committee.

(3) Each committee named in paragraphs (2)(B), (4)(B), (5)(B), and (6)(B) of subsection (b) shall report changes in laws within its jurisdiction as set forth in the paragraph applicable to that committee.

(4) The Committee on Ways and Means shall carry out subsection (b)(12).

(b)(1) The House Committee on Agriculture: $35,824,000,000 in outlays in fiscal year 1996, $171,886,000,000 in outlays in fiscal years 1996 through 2000, and $263,102,000,000 in outlays in fiscal years 1996 through 2002.

(2)(A) The House Committee on Banking and Financial Services: −$12,897,000,000 in outlays in fiscal year 1996, −$43,065,000,000 in outlays in fiscal years 1996 through 2000, and −$57,184,000,000 in outlays in fiscal years 1996 through 2002.

(B) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that would reduce the deficit by: $0 in fiscal year 1996, −$100,000,000 in fiscal years 1996 through 2000, and −$260,000,000 in fiscal years 1996 through 2002.

(3) The House Committee on Commerce: $293,665,000,000 in outlays in fiscal year 1996, $1,726,600,000,000 in outlays in fiscal years 1996 through 2000, and $2,625,094,000,000 in outlays in fiscal years 1996 through 2002.

(4)(A) The House Committee on Economic and Educational Opportunities: $13,727,000,000 in outlays in fiscal year 1996, $61,570,000,000 in outlays in fiscal years 1996 through 2000, and $95,520,000,000 in outlays in fiscal years 1996 through 2002.

(B) In addition to changes in law reported pursuant to subparagraph (A), the House Committee on Economic and Educational Opportunities shall report program changes in laws within its jurisdiction that would result in a reduction in outlays as follows: −$720,000,000 in fiscal year 1996, −$5,908,000,000 in fiscal years 1996 through 2000, and −$9,018,000,000 in fiscal years 1996 through 2002.

(5)(A) The House Committee on Government Reform and Oversight: $57,725,000,000 in outlays in fiscal year 1996, $313,647,000,000 in outlays in fiscal years 1996 through 2000, and $455,328,000,000 in outlays in fiscal years 1996 through 2002.

(B) In addition to changes in law reported pursuant to subparagraph (A), the House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that would reduce the deficit by: −$988,000,000 in fiscal year 1996, −$9,618,000,000 in fiscal years 1996 through 2000, and −$14,740,000,000 in fiscal years 1996 through 2002.

(6)(A) The House Committee on International Relations: $14,246,000,000 in outlays in fiscal year 1996, $62,076,000,000 in outlays in fiscal years 1996 through 2000, and $83,206,000,000 in outlays in fiscal years 1996 through 2002.

(B) In addition to changes in law reported pursuant to subparagraph (A), the House Committee on International Relations shall shall report changes in laws within its jurisdiction that would reduce the deficit by: −$19,000,000,000 in fiscal year 1996, −$95,000,000,000 in fiscal years 1996 through 2000, and −$123,000,000 in fiscal years 1996 through 2002.

(7) The House Committee on the Judiciary: $2,580,000,000 in outlays in fiscal year 1996, $14,043,000,000 in outlays in fiscal years 1996 through 2000, and $20,029,000,000 in outlays in fiscal years 1996 through 2002.

(8) The House Committee on National Security: $38,769,000,000 in outlays in fiscal year 1996, $224,682,000,000 in outlays in fiscal years 1996 through 2000, and $328,334,000,000 in outlays in fiscal years 1996 through 2002.

(9) The House Committee on Resources: $1,558,000,000 in outlays in fiscal year 1996, $6,532,000,000 in outlays in fiscal years 1996 through 2000, and $12,512,000,000 in outlays in fiscal years 1996 through 2002.

(10) The House Committee on Transportation and Infrastructure: $16,636,000,000 in outlays in fiscal year 1996, $83,227,000,000 in outlays in fiscal years 1996 through 2000, and $117,079,000,000 in outlays in fiscal years 1996 through 2002.

(11) The House Committee on Veterans' Affairs: $19,041,000,000 in outlays in fiscal year 1996, $105,965,000,000 in outlays in fiscal years 1996 through 2000, and $154,054,000,000 in outlays in fiscal years 1996 through 2002.

(12)(A) The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee for—

(i) fiscal year 1996,

(ii) the 5-year period beginning with fiscal year 1996 and ending with fiscal year 2000, and

(iii) the 7-year period beginning with fiscal year 1996 and ending with fiscal year 2002,

does not exceed the following level in that period: $356,336,000,000 in outlays in fiscal year 1996, $2,152,905,000,000 in outlays in fiscal years 1996 through 2000, and $3,297,787,000,000 in outlays in fiscal years 1996 through 2002.

(B) In addition to changes in law reported pursuant to subparagraph (A), the House Committee on Ways and Means shall report changes in laws within its jurisdiction such that the total level of revenues for that committee for—

(i) fiscal year 1996,

(ii) the 5-year period beginning with fiscal year 1996 and ending with fiscal year 2000, and

(iii) the 7-year period beginning with fiscal year 1996 and ending with fiscal year 2002,

is not less than the following amount in that period: $1,027,612,000,000 in fiscal year 1996, $5,371,087,000,000 in fiscal years 1996 through 2000, and $7,836,405,000,000 in fiscal years 1996 through 2002.

(c)(1) Not later than September 14, 1995, the House committees named in paragraphs (2) and (3) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Budget Committee shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revisions.

(2) In addition to changes in laws reported pursuant to subsection (b)(3), the House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee for—

(A) fiscal year 1996,

(B) the 5-year period beginning with fiscal year 1996 and ending with fiscal year 2000, and

(C) the 7-year period beginning with fiscal year 1996 and ending with fiscal year 2002,

does not exceed the following level in that period: $287,165,000,000 in outlays in fiscal year 1996, $1,592,200,000,000 in outlays in fiscal years 1996 through 2000, and $2,338,694,000,000 in outlays in fiscal years 1996 through 2002.

(3) In addition to changes in laws reported pursuant to subsection (b)(12), the House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee for—

(A) fiscal year 1996,

(B) the 5-year period beginning with fiscal year 1996 and ending with fiscal year 2000, and

(C) the 7-year period beginning with fiscal year 1996 and ending with fiscal year 2002,

does not exceed the following level in that period: $349,836,000,000 in outlays in fiscal year 1996, $2,018,505,000,000 in outlays in fiscal years 1996 through 2000, and $3,009,387,000,000 in outlays in fiscal years 1996 through 2002.

(d) For purposes of this section, the term ''direct spending'' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 5. AGRICULTURAL SAVINGS.

Congress shall re-examine budget reductions for agricultural programs in the United States Department of Agriculture for fiscal years 1999 and 2000 unless the following conditions are met—

(1) land values on agricultural land on January 1, 1998, are at least 95 percent of the same values on the date of adoption of this resolution;

(2) there is enacted into law regulatory relief for the agricultural sector in the areas of wetlands regulation, the Endangered Species Act, private property rights and cost-benefit analyses of proposed regulations;

(3) there is tax relief for producers in the form of capital gains tax reduction, increased estate tax exemptions and mechanisms to average tax loads over strong and weak income years; and

(4) there is no government interference in the international market in the form of agricultural trade embargoes in effect and there is successful implementation and enforcement of trade agreements,

including the General Agreement on Tariffs and Trade (GATT) and the North American Free Trade Agreement (NAFTA) to lower export subsidies and reduce import barriers to trade imposed by foreign governments.

SEC. 6. SALE OF GOVERNMENT ASSETS.

(a) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the prohibition on scoring asset sales has discouraged the sale of assets that can be better managed by the private sector and generate receipts to reduce the Federal budget deficit;

(2) the President's fiscal year 1996 budget included $8,000,000,000 in receipts from asset sales and proposed a change in the asset sale scoring rule to allow the proceeds from these sales to be scored;

(3) assets should not be sold if such sale would increase the budget deficit over the long run; and

(4) the asset sale scoring prohibition should be repealed and consideration should be given to replacing it with a methodology that takes into account the long-term budgetary impact of asset sale.

(b) BUDGETARY TREATMENT.—For purposes of the Congressional Budget Act of 1974, the amounts realized from sales of assets shall be scored with respect to the level of budget authority, outlays, or revenues.

(c) DEFINITION.—For purposes of this section, the term ''sale of an asset'' shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(d) TREATMENT OF LOAN ASSETS.—For purposes of this section, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

SEC. 7. INTERNAL REVENUE SERVICE COMPLIANCE INITIATIVE.

(a) ADJUSTMENTS.—(1) For purposes of points of order under the Congressional Budget Act of 1974 and concurrent resolutions on the budget—

(A) the discretionary spending limits under section 601(a)(2) of that Act (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(B) the allocations to the Committee on Appropriations under sections 302(a) and 602(a) of that Act; and

(C) the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

shall be adjusted to reflect the amounts of additional new budget authority or additional outlays (as defined in paragraph (2)) reported by the Committee on Appropriations in appropriation Acts (or by the committee of conference on such legislation) for the Internal Revenue Service compliance initiative activities in any fiscal year, but not to exceed in any fiscal year $405,000,000 in new budget authority and $405,000,000 in outlays.

(2) As used in this section, the terms ''additional new budget authority'' or ''additional outlays'' shall mean, for any fiscal year, budget authority or outlays (as the case may be) in excess of the amounts requested for that fiscal year for the Internal Revenue Service in the President's Budget for fiscal year 1996.

(b) REVISED LIMITS, ALLOCATIONS, AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the chairman of the Committee on the Budget of the Senate or the House of Representatives (as the case may be) shall submit to that chairman's respective House appropriately revised—

(1) discretionary spending limits under section 601(a)(2) of the Congressional Budget Act of 1974 (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(2) allocations to the Committee on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

to carry out this subsection. These revised discretionary spending limits, allocations, and aggregates shall be considered for purposes of congressional enforcement under that Act as the discretionary spending limits, allocations, and aggregates.

(c) REPORTING REVISED SUBALLOCATIONS.—The Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974 to carry out this section.

(d) CONTINGENCIES.—

(1) The Internal Revenue Service and the Department of the Treasury have certified that they are firmly committed to the principles of privacy, confidentiality, courtesy, and protection of taxpayer rights. To this end, the Internal Revenue Service and the Department of the Treasury have explicitly committed to initiate and implement educational programs for any new employees hired as a result of the compliance initiative made possible by this section.

(2) This section shall not apply to any additional new budget authority or additional outlays unless—

(A) the chairmen of the Budget Committees certify, based upon information from the Congressional Budget Office, the General Accounting Office, and the Internal Revenue Service (as well as from any other sources they deem relevant), that such budget authority or outlays will not increase the total of the Federal budget deficits over the next five years; and

(B) any funds made available pursuant to such budget authority or outlays are available only for the purpose of carrying out Internal Revenue Service compliance initiative activities.

SEC. 8. SENSE OF THE CONGRESS ON BASELINES.

(a) FINDINGS.—The Congress finds that:

(1) Baselines are projections of future spending if existing policies remain unchanged.

(2) Under baseline assumptions, spending automatically rises with inflation even if such increases are not provided under current law.

(3) Baseline budgeting is inherently biased against policies that would reduce the projected growth in spending because such policies are scored as a reduction from a rising baseline.

(4) The baseline concept has encouraged Congress to abdicate its constitutional responsibility to control the public purse for programs which are automatically funded under existing law.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that baseline budgeting should be replaced with a form of budgeting that requires full justification and analysis of budget proposals and maximizes congressional accountability for public spending.

SEC. 9. SENSE OF CONGRESS ON EMERGENCIES.

(a) FINDINGS.—The Congress finds that:

(1) The Budget Enforcement Act of 1990 exempted from the discretionary spending limits and the Pay-As-You-Go requirements for entitlement and tax legislation funding requirements that are designated by Congress and the President as an emergency.

(2) Congress and the President have increasingly misused the emergency designation by—

(A) designating funding as an emergency that is neither unforeseen nor a genuine emergency, and

(B) circumventing spending limits or passing controversial items that would not pass scrutiny in a free-standing bill.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Congress should study alternative approaches to budgeting for emergencies, including codifying the definition of an emergency and establishing contingency funds to pay for emergencies.

SEC. 10. SENSE OF CONGRESS REGARDING PRIVATIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION (SALLIE MAE).

(a) FINDINGS.—The Congress finds that:

(1) The Student Loan Marketing Association was established in 1972 as a government-sponsored corporation dedicated to ensuring adequate private sector funding for federally guaranteed education loans.

(2) Since 1972, student loan volume has grown from $1,000,000,000 a year to $25,000,000,000 a year. The Student Loan Marketing Association was instrumental in fostering this expansion of the student loan program.

(3) With securitization and 42 secondary markets, there currently exist numerous alternatives for lenders wishing to sell or liquidate their portfolios of student loans.

(4) Maintaining Student Loan Marketing Association as a Government-sponsored enterprise exposes taxpayers to an unnecessary liability.

(b) SENSE OF CONGRESS.—It is the sense Congress that the Student Loan Marketing Association should be restructured as a private corporation.

SEC. 11. SENSE OF HOUSE OF REPRESENTATIVES REGARDING DEBT REPAYMENT.

It is the sense of the House of Representatives that—

(1) the Congress has a basic moral and ethical responsibility to future generations to repay the Federal debt;

(2) the Congress should enact a plan that balances the budget, and then also develops a regimen for paying off the Federal debt;

(3) after the budget is balanced, a surplus should be created, which can be used to begin paying off the debt; and

(4) such a plan should be formulated and implemented so that this generation can save future generations from the crushing burdens of the Federal debt.

SEC. 12. SENSE OF CONGRESS REGARDING REPEAL OF HOUSE RULE XLIX AND THE LEGAL LIMIT ON THE PUBLIC DEBT.

It is the sense of Congress that—

(1) rule XLIX of the Rules of House of Representatives (popularly known as the Gephardt rule) should be repealed;

(2) the fiscal year 1996 reconciliation bill should be enacted into law before passage of the debt limit extension; and

(3) the debt limit should only be set at levels, and for durations, that help assure a balanced budget by fiscal year 2002 or sooner.

SEC. 13. SENSE OF CONGRESS REGARDING THE BUDGETARY TREATMENT OF THE ADMINISTRATIVE COSTS FOR DIRECT LOANS.

(a) FINDINGS.—The Congress finds that the Federal Credit Reform Act of 1990 understates the cost to the Government of direct loans because administrative costs are not included in the net present value calculation of Federal direct loan subsidy costs.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the cost of a direct loan should be the net present value, at the time the direct loan is disbursed, of the following cash flows for the estimated life of the loan:

(1) Loan disbursement.

(2) Repayments of principal.

(3) Interest costs and other payments by or to the Government over the life of the loan after adjusting for estimated defaults, prepayments, fees, penalties, and other recoveries.

(4) In the case of a direct loan made pursuant to a program for which the Congressional Budget Office estimates that for the coming fiscal year (or any prior fiscal year) loan commitments will equal or exceed $5,000,000,000, direct expenses, including expenses arising from—

(A) activities related to credit extension, loan origination, and loan servicing;

(B) payments to contractors, other Government entities, and program participants;

(C) management of contractors;

(D) collection of delinquents loans; and

(E) write-off and close-out of loans.

SEC. 14. SENSE OF THE CONGRESS REGARDING COMMISSION ON THE SOLVENCY OF THE FEDERAL MILITARY AND CIVIL SERVICE RETIREMENT FUNDS.

(a) FINDINGS.—The Congress finds that the Federal retirement system, for both military and civil service retirees, currently has liabilities of $1.1 trillion, while holding assets worth $340 billion and anticipating employee contributions of $220 billion, which leaves an unfunded liability of $540 billion.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that a high-level commission should be convened to study the problems associated with the Federal retirement system and make recommendations that will ensure the long-term solvency of the military and civil service retirement funds.

The CHAIRMAN. No further amendments are in order except the amendments printed in section 2 of House Resolution 149, which may be considered in the following order:

First, an amendment in the nature of a substitute by the gentleman from Missouri [Mr. GEPHARDT], printed in the CONGRESSIONAL RECORD of May 16, 1995;

Second, an amendment in the nature of a substitute by the gentleman from Wisconsin [Mr. NEUMANN] or the gentleman from New York [Mr. SOLOMON], consisting of the text of House Concurrent Resolution 66;

Third, an amendment in the nature of a substitute by the gentleman from New Jersey [Mr. PAYNE] or the gentleman from New York [Mr. OWENS], printed in the CONGRESSIONAL RECORD of May 16, 1995; and

Fourth, an amendment in the nature of a substitute by the minority leader or a designee based on a revised Presidential budget, if printed in the CONGRESSIONAL RECORD of May 17, 1995.

The amendments may be offered by a Member designated, shall be considered as read and shall not be subject to amendment. Each amendment will be debatable for 1 hour, equally divided and controlled by the proponent and an opponent of the amendment.

The adoption of any amendment in the nature of a substitute shall constitute conclusion of the amendment process.

At the conclusion of consideration of the concurrent resolution for amendment, there will be a final period of general debate which shall not exceed 10 minutes, equally divided and controlled by the chairman and ranking minority member on the Committee on the Budget.

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

Mr. GEPHARDT. Mr. Chairman, pursuant to the rule, 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. GEPHARDT:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriated for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,043,412,000,000.
Fiscal year 1997: $1,083,818,000,000.
Fiscal year 1998: $1,136,201,000,000.
Fiscal year 1999: $1,191,632,000,000.
Fiscal year 2000: $1,253,089,000,000.
Fiscal year 2001: $1,322,134,000,000.
Fiscal year 2002: $1,397,102,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $0.
Fiscal year 2000: $0.

Fiscal year 2001: $0.
Fiscal year 2002: $0.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: $103,800,000,000.
Fiscal year 1997: $109,000,000,000.
Fiscal year 1998: $114,900,000,000.
Fiscal year 1999: $120,700,000,000.
Fiscal year 2000: $126,900,000,000.
Fiscal year 2001: $133,600,000,000.
Fiscal year 2002: $140,400,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1996: $1,278,100,000,000.
Fiscal year 1997: $1,308,900,000,000.
Fiscal year 1998: $1,356,100,000,000.
Fiscal year 1999: $1,395,400,000,000.
Fiscal year 2000: $1,452,800,000,000.
Fiscal year 2001: $1,474,400,000,000.
Fiscal year 2002: $1,523,900,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1996: $1,279,800,000,000.
Fiscal year 1997: $1,305,800,000,000.
Fiscal year 1998: $1,334,700,000,000.
Fiscal year 1999: $1,377,200,000,000.
Fiscal year 2000: $1,430,300,000,000.
Fiscal year 2001: $1,459,800,000,000.
Fiscal year 2002: $1,506,100,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1996: $236,400,000,000.
Fiscal year 1997: $222,000,000,000.
Fiscal year 1998: $198,500,000,000.
Fiscal year 1999: $185,600,000,000.
Fiscal year 2000: $177,200,000,000.
Fiscal year 2001: $137,700,000,000.
Fiscal year 2002: $109,300,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1996: $5,195,000,000,000.
Fiscal year 1997: $5,516,100,000,000.
Fiscal year 1998: $5,809,800,000,000.
Fiscal year 1999: $6,099,700,000,000.
Fiscal year 2000: $6,374,300,000,000.
Fiscal year 2001: $6,614,400,000,000.
Fiscal year 2002: $6,806,100,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001 are as follows:

Fiscal year 1996:
(A) New direct loan obligations, $37,600,000,000.
(B) New primary loan guarantee commitments, $193,400,000,000.
Fiscal year 1997:
(A) New direct loan obligations, $40,200,000,000.
(B) New primary loan guarantee commitments, $187,900,000,000.
Fiscal year 1998:
(A) New direct loan obligations, $42,300,000,000.
(B) New primary loan guarantee commitments, $185,300,000,000.
Fiscal year 1999:
(A) New direct loan obligations, $45,700,000,000.
(B) New primary loan guarantee commitments, $183,300,000,000.
Fiscal year 2000:
(A) New direct loan obligations, $45,600,000,000.
(B) New primary loan guarantee commitments, $184,700,000,000.
Fiscal year 2001:
(A) New direct loan obligations, $45,800,000,000.
(B) New primary loan guarantee commitments, $186,100,000,000.
Fiscal year 2002:
(A) New direct loan obligations, $46,100,000,000.
(B) New primary loan guarantee commitments, $187,600,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):
Fiscal year 1996:
(A) New budget authority, $257,700,000,000.
(B) Outlays, $261,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $253,300,000,000.
(B) Outlays, $257,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $259,600,000,000.
(B) Outlays, $254,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $266,200,000,000.
(B) Outlays, $259,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $275,900,000,000.
(B) Outlays, $267,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $275,900,000,000.
(B) Outlays, $273,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $281,300,000,000.
(B) Outlays, $276,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):
Fiscal year 1996:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $15,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $11,300,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,700,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $10,000,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $11,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $10,700,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):
Fiscal year 1996:
(A) New budget authority, $16,600,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $16,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $15,800,000,000.

(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1996:
(A) New budget authority, $2,900,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $2,100,000,000.
(B) Outlays, $1,400,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $4,500,000,000.
(B) Outlays, $3,800,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $4,900,000,000.
(B) Outlays, $3,800,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $4,100,000,000.
(B) Outlays, $2,800,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $4,100,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $4,00,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1996:
(A) New budget authority, $19,500,000,000.
(B) Outlays, $20,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $18,400,000,000.
(B) Outlays, $20,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $17,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $18,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $16,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $15,000,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $16,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1996:
(A) New budget authority, $13,600,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $12,900,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $11,600,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $11,600,000,000.
(C) New direct loan obligations, $11,400,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,400,000,000.
(B) Outlays, $10,400,000,000.
(C) New direct loan obligations, $11,100,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $10,100,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1996:
(A) New budget authority, $2,500,000,000.
(B) Outlays, $−7,000,000,000.
(C) New direct loan obligations, $1,900,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $1,600,000,000.
(B) Outlays, $−5,400,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $600,000,000.
(B) Outlays, $−7,100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $100,000,000.
(B) Outlays, $−5,100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $1,500,000,000.
(B) Outlays, $−3,900,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $500,000,000.
(B) Outlays, $−3,200,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $300,000,000.

(B) Outlays, $−3,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(E) New secondary loan guarantee commitments, $0.
(8) Transportation (400):
Fiscal year 1996:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $40,000,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $41,200,000,000.
(B) Outlays, $35,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $42,300,000,000.
(B) Outlays, $34,300,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $43,300,000,000.
(B) Outlays, $35,000,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $44,500,000,000.
(B) Outlays, $35,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $44,300,000,000.
(B) Outlays, $35,200,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $44,100,000,000.
(B) Outlays, $35,300,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1996:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,900,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $7,900,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $6,900,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,000,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1996:
(A) New budget authority, $53,300,000,000.
(B) Outlays, $53,700,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $53,200,000,000.
(B) Outlays, $53,200,000,000.
(C) New direct loan obligations, $16,300,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $52,300,000,000.
(B) Outlays, $51,900,000,000.
(C) New direct loan obligations, $19,100,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $53,600,000,000.
(B) Outlays, $52,700,000,000.
(C) New direct loan obligations, $21,800,000,000.
(D) New primary loan guarantee commitments, $14,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $53,800,000,000.
(B) Outlays, $53,000,000,000.
(C) New direct loan obligations, $21,900,000,000.
(D) New primary loan guarantee commitments, $15,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $53,500,000,000.
(B) Outlays, $52,800,000,000.
(C) New direct loan obligations, $22,000,000,000.
(D) New primary loan guarantee commitments, $15,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $54,500,000,000.
(B) Outlays, $53,600,000,000.
(C) New direct loan obligations, $22,200,000,000.
(D) New primary loan guarantee commitments, $16,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $124,500,000,000.
(B) Outlays, $124,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $130,600,000,000.
(B) Outlays, $130,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $138,500,000,000.
(B) Outlays, $139,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $146,500,000,000.
(B) Outlays, $146,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $153,400,000,000.
(B) Outlays, $153,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $159,500,000,000.
(B) Outlays, $159,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $166,400,000,000.
(B) Outlays, $166,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $171,900,000,000.
(B) Outlays, $169,500,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $182,900,000,000.
(B) Outlays, $181,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $198,300,000,000.
(B) Outlays, $196,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $215,300,000,000.
(B) Outlays, $212,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $235,900,000,000.
(B) Outlays, $234,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $254,400,000,000.
(B) Outlays, $252,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $277,900,000,000.
(B) Outlays, $275,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $227,300,000,000.
(B) Outlays, $226,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $239,000,000,000.
(B) Outlays, $240,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $259,700,000,000.
(B) Outlays, $252,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $263,400,000,000.
(B) Outlays, $265,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $281,300,000,000.
(B) Outlays, $281,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $286,400,000,000.
(B) Outlays, $286,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $300,600,000,000.
(B) Outlays, $300,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $10,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $11,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $10,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $5,100,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $3,400,000,000.
(B) Outlays, $5,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $38,100,000,000.
(B) Outlays, $38,100,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $21,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $39,100,000,000.
(B) Outlays, $39,000,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $39,200,000,000.
(B) Outlays, $40,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $19,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $41,200,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $19,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $40,100,000,000.
(B) Outlays, $41,600,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $20,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $18,400,000,000.
(B) Outlays, $19,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $19,200,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:

(A) New budget authority, $19,000,000,000.
(B) Outlays, $20,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $18,400,000,000.
(B) Outlays, $19,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $18,100,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1996:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $10,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $10,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $10,700,000,000.
(B) Outlays, $10,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $296,000,000,000.
(B) Outlays, $296,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $302,800,000,000.
(B) Outlays, $302,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $304,600,000,000.
(B) Outlays, $304,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $307,700,000,000.
(B) Outlays, $307,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $310,500,000,000.
(B) Outlays, $310,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $309,300,000,000.
(B) Outlays, $309,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $311,100,000,000.
(B) Outlays, $311,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1996:
(A) New budget authority, $−8,600,000,000.
(B) Outlays, $−6,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $−8,400,000,000.
(B) Outlays, $−8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $−7,300,000,000.
(B) Outlays, $−7,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$6,800,000,000.
(B) Outlays, −$7,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$5,700,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$5,700,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$5,700,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1996:
(A) New budget authority, −$33,100,000,000.
(B) Outlays, −$32,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$33,800,000,000.
(B) Outlays, −$33,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$36,300,000,000.
(B) Outlays, −$35,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $−37,800,000,000.
(B) Outlays, $−38,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $−39,900,000,000.
(B) Outlays, $−41,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $−41,600,000,000.
(B) Outlays, $−41,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $−42,900,000,000.
(B) Outlays, $−42,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

SEC. 4. RECONCILIATION.

(a) Not later than September 14, 1995, the House committees named in subsections (b) through (o) of this section shall submit their recommendations to the House Budget Committee. After receiving those recommendations, the House Budget Committee shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $1,120,000,000 in budget authority and $1,120,000,000 in outlays in fiscal year 1996, $2,530,000,000 in budget authority and $2,530,000,000 in outlays in fiscal year 1997, $2,650,000,000 in budget authority and $2,650,000,000 in outlays in fiscal year 1998, $2,810,000,000 in budget authority and $2,810,000,000 in outlays in fiscal year 1999, $2,650,000,000 in budget authority and $2,650,000,000 in outlays in fiscal year 2000, $2,700,000,000 in budget authority and $2,700,000,000 in outlays in fiscal year 2001, and $2,760,000,000 in budget authority and $2,760,000,000 in fiscal year 2002.

(c) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $910,000,000 in budget authority and $910,000,000 in outlays in fiscal year 1996, $930,000,000 in budget authority and $930,000,000 in outlays in fiscal year 1997, $950,000,000 in budget authority and $950,000,000 in outlays in fiscal year 1998, $1,030,000,000 in budget authority and $1,030,000,000 in outlays in fiscal year 1999, $1,050,000,000 in budget authority and $1,050,000,000 in outlays in fiscal year 2000, $1,070,000,000 in budget authority and $1,070,000,000 in outlays in fiscal year 2001, and $1,070,000,000 in budget authority and $1,070,000,000 in fiscal year 2002.

(d) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $15,780,000,000 in budget authority and $15,650,000,000 in outlays in fiscal year 1996, $30,830,000,000 in budget authority and $30,830,000,000 in outlays in fiscal year 1997, $36,070,000,000 in budget authority and $36,080,000,000 in outlays in fiscal year 1998, $49,820,000,000 in budget authority and $50,010,000,000 in outlays in fiscal year 1999, $59,140,000,000 in budget authority and $59,140,000,000 in outlays in fiscal year 2000, $68,760,000,000 in budget authority and $68,760,000,000 in outlays in fiscal year 2001, and $82,480,000,000 in budget authority and $82,480,000,000 in fiscal year 2002.

(e) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $460,000,000 in budget authority and $390,000,000 in outlays in fiscal year 1996, $770,000,000 in budget authority and $730,000,000 in outlays in fiscal year 1997, $800,000,000 in budget authority and $790,000,000 in outlays in fiscal year 1998, $830,000,000 in budget authority and $830,000,000 in outlays in fiscal year 1999, $880,000,000 in budget authority and $880,000,000 in outlays in fiscal year 2000, $1,210,000,000 in budget authority and $1,200,000,000 in outlays in fiscal year 2001, and $1,290,000,000 in budget authority and $1,280,000,000 in fiscal year 2002.

(f) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $280,000,000 in budget authority and $280,000,000 in outlays in fiscal year 1996, $570,000,000 in budget authority and $570,000,000 in outlays in fiscal year 1997, $890,000,000 in budget authority and $890,000,000 in outlays in fiscal year 1998, $1,220,000,000 in budget authority and $1,220,000,000 in outlays in fiscal year 1999, $1,810,000,000 in budget authority and $1,810,000,000 in outlays in fiscal year 2000, $840,000,000 in budget authority and $840,000,000 in outlays in fiscal year 2001, and $1,160,000,000 in budget authority and $1,160,000,000 in fiscal year 2002.

(g) The House Committee on International Relations shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000, $0 in budget authority and $0 in outlays in fiscal year 2001, and $0 in budget authority and $0 in fiscal year 2002.

(h) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $120,000,000 in budget authority and $120,000,000 in outlays in fiscal year 1996, $130,000,000 in budget authority and $130,000,000 in outlays in fiscal year 1997, $140,000,000 in budget authority and $140,000,000 in outlays in fiscal year 1998, $270,000,000 in budget authority and $150,000,000 in outlays in fiscal year 1999, $270,000,000 in budget authority and $160,000,000 in outlays in fiscal year 2000, $280,000,000 in budget authority and $160,000,000 in outlays in fiscal year 2001, and $290,000,000 in budget authority and $170,000,000 in fiscal year 2002.

(i) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000,

(j) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $60,000,000 in budget authority and $60,000,000 in outlays in fiscal year 1996, $80,000,000 in budget authority and $80,000,000 in outlays in fiscal year 1997, $2,330,000,000 in budget authority and $2,330,000,000 in outlays in fiscal year 1998, $1,090,000,000 in budget authority and $1,090,000,000 in outlays in fiscal year 1999, $290,000,000 in budget authority and $290,000,000 in outlays in fiscal year 2000, $3,970,000,000 in budget authority and $3,970,000,000 in outlays in fiscal year 2001, and $3,380,000,000 in budget authority and $3,380,000,000 in fiscal year 2002.

(k) The House Committee on Science shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000, $0 in budget authority and $0 in outlays in fiscal year 2001, and $0 in budget authority and $0 in fiscal year 2002.

(l) The House Committee on Small Business shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000, $0 in budget authority and $0 in outlays in fiscal year 2001, and $0 in budget authority and $0 in fiscal year 2002.

(m) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $550,000,000 in budget authority and $550,000,000 in outlays in fiscal year 1996, $550,000,000 in budget authority and $550,000,000 in outlays in fiscal year 1997, $550,000,000 in budget authority and $550,000,000 in outlays in fiscal year 1998, $610,000,000 in budget authority and $610,000,000 in outlays in fiscal year 1999, $620,000,000 in budget authority and $620,000,000 in outlays in fiscal year 2000, $620,000,000 in budget authority and $620,000,000 in outlays in fiscal year 2001, and $620,000,000 in budget authority and $620,000,000 in fiscal year 2002.

(n) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $300,000,000 in budget authority and $300,000,000 in outlays in fiscal year 1996, $300,000,000 in budget authority and $300,000,000 in outlays in fiscal year 1997, $400,000,000 in budget authority and $400,000,000 in outlays in fiscal year 1998, $500,000,000 in budget authority and $500,000,000 in outlays in fiscal year 1999, $1,200,000,000 in budget authority and $1,200,000,000 in outlays in fiscal year 2000, $1,300,000,000 in budget authority and $1,300,000,000 in outlays in fiscal year 2001, and $1,500,000,000 in budget authority and $1,500,000,000 in fiscal year 2002.

(o) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit, as follows: $14,370,000,000 in fiscal year 1996, $27,550,000,000 in fiscal year 1997, $28,460,000,000 in fiscal year 1998, $35,960,000,000 in fiscal year 1999, $35,340,000,000 in fiscal year 2000, $42,320,000,000 in fiscal year 2001, and $50,220,000,000 in fiscal year 2002.

(p) For purposes of this section, the term ''direct spending'' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the term ''new budget authority'' has the meaning given to such term in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 5. SENSE OF CONGRESS REGARDING TAX CUTS.

It is the sense of the Congress that changes in tax laws which stimulate private investment of savings should be enacted if the deficit reduction targets in this resolution are met.

SEC. 6. SENSE OF CONGRESS REGARDING EMERGENCIES.

It is the sense of the Congress that Congress should study alternative approaches to budgeting for emergencies, establishing regular procedures and funds for paying for emergencies.

SEC. 7. SENSE OF CONGRESS REGARDING DEBT REDUCTION.

It is the sense of the Congress that eliminating the deficit by producing a balanced budget is only the first step toward the ultimate goal of reducing and eventually eliminating the public debt.

SEC. 8. SENSE OF CONGRESS REGARDING TRUST FUND SURPLUSES.

Congress finds that all recent year Federal budgets, as well as both fiscal year 1996 budget resolutions reported out by the Budget Committees of the House of Representatives and the Senate, have masked the magnitude of annual deficits by counting various trust

fund surpluses. Therefore, it is the sense of the Congress that upon reaching a balance in the Federal budget, the Government should move toward balance without consideration of trust fund surpluses.

SEC. 9. SENSE OF CONGRESS REGARDING LOCK-BOX.

(a) It is the sense of the Congress that:

(1) The current practice of reallocating for other spending purposes spending cuts made during floor consideration of appropriations bills should be ended.

(2) A ''Deficit Reduction Lock-Box'' should be established to collect these spending reductions.

(3) These spending reductions should be used for deficit or debt reduction.

(b) To facilitate Deficit Reduction Lock-Box compliance by the Committees on Appropriations, the Congressional Budget Office shall score all general appropriation measures and have such score card published in the Congressional Record.

SEC. 10. SENSE OF CONGRESS REGARDING FIREWALLS.

It is the sense of the Congress that the discretionary spending totals for defense, international, and domestic spending should be enforced through spending limits for each category with firewalls to prevent funds from being shifted between categories.

SEC. 11. SENSE OF CONGRESS REGARDING BUDGET ENFORCEMENT.

It is the sense of the Congress that, in order to ensure that a balanced budget is achieved by 2002 and remain in balance thereafter, strict enforcement should be enacted. Such language should—

(1) require the Federal Government to reach a balanced Federal budget by fiscal year 2002 and remain in balance thereafter;

(2) establish procedures for developing honest, accurate, and accepted budget estimates;

(3) require that the President propose annual budgets that would achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, use accurate assumptions;

(4) require the Committees on the Budget of the House of Representatives and Senate to report budget resolutions that achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, using accurate assumptions; [and]

(5) establish a comprehensive system of budgetary enforcement to ensure that the levels of discretionary spending, mandatory spending, and revenues in this resolution are met.

SEC. 12. INTERNAL REVENUE SERVICE COMPLIANCE INITIATIVE.

(a) ADJUSTMENTS.—(1) For purposes of points of order under the Congressional Budget Act of 1974 and concurrent resolutions on the budget—

(A) the discretionary spending limits under section 601(a)(2) of that Act (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(B) the allocations to the Committee on Appropriations under sections 302(a) and 602(a) of that Act; and

(C) the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

shall be adjusted to reflect the amounts of additional new budget authority or additional outlays (as defined in paragraph (2)) reported by the Committee on Appropriations in appropriation Acts (or by the committee of conference on such legislation) for the Internal Revenue Service compliance initiative activities in any fiscal year, but not to exceed in any fiscal year $405,000,000 in new budget authority and $405,000,000 in outlays.

(2) As used in this section, the terms ''additional new budget authority'' or ''additional outlays'' shall mean, for any fiscal year, budget authority or outlays (as the case may be) in excess of the amounts requested for that fiscal year for the Internal Revenue Service in the President's Budget for fiscal year 1996.

(b) REVISED LIMITS, ALLOCATIONS, AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the chairman of the Committee on the Budget of the Senate or the House of Representatives (as the case may be) shall submit to that chairman's respective House appropriately revised—

(1) discretionary spending limits under section 601(a)(2) of the Congressional Budget Act of 1974 (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(2) allocations to the Committee on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

to carry out this subsection. These revised discretionary spending limits, allocations, and aggregates shall be considered for purposes of congressional enforcement under that Act as the discretionary spending limits, allocations, and aggregates.

(c) REPORTING REVISED SUBALLOCATIONS.—The Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974 to carry out this section.

(d) CONTINGENCIES.—

(1) The Internal Revenue Service and the Department of the Treasury have certified

(2) This section shall not apply to any additional new budget authority or additional outlays unless—

(A) the chairmen of the Budget Committees certify, based upon information from the Congressional Budget Office, the General Accounting Office, and the Internal Revenue Service (as well as from any other sources they deem relevant), that such budget authority or outlays will not increase the total of the Federal budget deficits over the next five years; and

(B) any funds made available pursuant to such budget authority or outlays are available only for the purpose of carrying out Internal Revenue Service compliance initiative activities.

SEC. 13. SENSE OF CONGRESS REGARDING MEDICAID BLOCK GRANTS.

It is the Sense of Congress that Medicaid block grants should be distributed based on a formula that takes into account the proportion of individuals with income below the poverty level in each State.

The CHAIRMAN. Under the rule, the gentleman from Missouri [Mr. GEPHARDT] will be recognized for 30 minutes and a Member opposed will be recognized for 30 minutes.

Does the gentleman from Ohio [Mr. KASICH] rise in opposition to the amendment?

Mr. KASICH. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri [Mr. GEPHARDT] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. KASICH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I ask unanimous consent that the time allotted to me under the rule be yielded to the gentleman from Utah [Mr. ORTON], a key author of the amendment, and that he may control the time.

The CHAIRMAN. Is their objection to the request of the gentleman from Missouri?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Chairman, I thank the minority leader for submitting our budget resolution to the committee when the Committee on Rules refused to make it in order and allow us to bring it to the floor. So I thank the gentleman for doing that, Mr. Chairman.

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, first of all I would like to acknowledge and thank the gentleman from Missouri [Mr. GEPHARDT], the minority leader, for allowing us this opportunity to present this budget this morning. On behalf of the coalition I extend a warm appreciation to him for this time because we may not have had this opportunity had it not been for Mr. GEPHARDT allowing us to present this budget. I also want to recognize and commend the task force chairman from the Coalition, the gentleman from Utah [Mr. ORTON] and the gentleman from Texas [Mr. STENHOLM] the gentleman from Alabama [Mr. BROWDER], and the gentleman from Oklahoma [Mr. BREWSTER] for their work on this budget. Let me also say three members on that task force are members of the Committee on the Budget, and for the Members who may not be committed yet on this proposal, they should understand that those three Members are well informed about the budgetary process, about this proposal, and they intend to explain it today and hopefully persuade my colleagues to be supportive of it.

Mr. Chairman, let me also say that none of the proposals before this House today is perfect. I say to my colleagues, if you're looking for perfection, you will not find it because we have to make some serious choices about where we're headed in terms of the financing of this country, and some of the choices that we have to make are difficult and hard, and we don't want to make them, but let me tell you it's been 27 years since we've had a balanced budget in this country, 27 years, and if we move to 2002, that makes it 35 years until we've had a balanced budget in this country. That is way too long.

Mr. Chairman, it is time that we came to grips with this issue and that we restored integrity, financial integrity, to this Government, to this House. So I would urge my colleagues today:

You know, if you're looking for perfection, you won't find it, but if you're

looking for a beginning, a beginning to balance the budget, to get us on a glide path, this is your opportunity. I encourage you to support this budget proposals today.

Mr. Chairman, for the past several months the coalition, a group of 23 Democrats committed to seeking bipartisan solutions to our Nation's problems, has played an active and constructive role in the issues considered by the House. As a cochair of the coalition, I have been extremely proud of our work on unfunded mandates, regulatory reform, tort reform, welfare, the Clean Water Act, and numerous other issues. Today, the coalition will play a central role in the passage of a balanced Federal budget.

I rise today in strong support of a balanced Federal budget. As all of us know, our current budgetary policies cannot continue. The budget deficit in 1994 was around $200 billion. The accumulated national debt is approaching $4.8 trillion. The human costs of the national debt are staggering. For every $200 billion we add to the debt, each American child will pay an additional $7,000 in taxes over their working lifetime just to meet debt service costs. A few years ago, the cost of the net national debt to every man, woman, and child was $10,000. If spending patterns are not changed, the national debt will be about $64,000 per American in the year 2030. Clearly, these levels are unsustainable.

Just a few months ago, this body debated a balanced budget amendment to the U.S. Constitution. Opponents of the amendment said it was unnecessary because Congress already had the ability to balance the budget. Those people were right, we do have the ability to balance the budget—all we need now is the will to do it.

Well, today is the day that my colleagues can demonstrate whether their actions match their words. If you support a balanced budget, then vote for a balanced budget. Before the House today are four alternatives that will get the budget in balance by the year 2002.

The budget resolution authored by my good friend, Congressman ORTON of Utah, which is offered on behalf of the coalition, is a good budget. It is a realistic proposal that makes the necessary cuts in a fair and reasonable manner. It actually produces a bigger budget surplus in the year 2002 than does the House Budget Committee budget. By not including the tax reductions that are included in the House Budget Committee proposal, the coalition budget allows the deficit to be eliminated with less cuts in Medicare, Medicaid, and student loans. For these reasons, I prefer the coalition budget to the other alternatives, and I will support it when it comes up for a vote.

Should the coalition budget fail, and I suspect that it might, I will also support the budget produced by the House Budget Committee under the leadership of Chairman JOHN KASICH.

When I came to this body in 1989, budget deficits were running around $300 billion a year. To think that the budget resolution that we pass today will bring about a balanced Federal budget is an enormous and historic accomplishment.

Many of my colleagues have criticized the House Budget Committee budget as being too harsh on various segments of our society. In 1990 and 1993, we avoided tough spending cuts and increased taxes in order to reduce the deficit. As we know, neither of these proposals gave us a balanced budget. In 1993, my constituents told me over and over that we should cut spending first. The House Budget Committee proposal does this. It eliminates numerous Federal programs, cuts other programs, and reduces the rate of growth in others.

We have heard a lot of talk about Medicare cuts during this debate. While no one is pretending that reducing the deficit will be easy or painless, the fact of the matter is that Medicare spending in the House Budget Committee document will increase over the next 7 years. Current projections have the Medicare Program increasing by 11 percent a year. The House Budget Committee budget increases Medicare by 5 percent a year over the next 7 years. Only in Washington is a 5-percent increase in a program considered a cut.

Another point about Medicare that needs to be made is that the trustees of the program have informed the Congress and the administration that the Medicare Program will become insolvent in the year 2002 if we do not change course. I think it is a shame that some would ignore the looming bankruptcy of our Nation's health program for senior citizens in order to score a few cheap political points. This is the type of behavior that the American people rejected last November and want changed.

Under the House Budget Committee budget, total Federal spending over the next 7 years will go from $9.4 to $11.9 trillion. Is an increase of $2.5 trillion over 7 years too cruel for America to withstand? I don't think so and I suspect that most Americans don't either.

Our last balanced Federal budget was in 1968—27 long years ago. Every year we keep saying that we'll do better—and we never do. Today some are saying that we cannot and should not try to balance the budget in 7 years. Wait until 2010, until 2020, they say. They justify these views by saying that cutting the spending necessary to balance the budget will hurt too much. Mr. Chairman, the pain will only get worse the longer we wait. We cannot afford to postpone this task any longer. Today, we should be bold and responsible and vote for a balanced budget.

Because of our debt and our spending patterns, over 70 percent of the budget is already determined for us. Mandatory entitlement programs and interest on the debt already consumes most of our revenues and leaves very little left over to spend on other Federal priorities. Our debt service is close to $300 billion each year. The money we spend on interest payments for the debt is money that is denied to health care, nutrition programs, national defense, student loans, farm programs, community development, crime, education, and aid to local governments. By being fiscally responsible and eliminating our budget deficit, we will free up billions of dollars which can be reinvested in these worthy public policy concerns.

Rarely do we have before us a truly historic vote. Today we set upon the path to a balanced Federal budget. No more excuses, no more evasions, no more misrepresentations. The partisan bickering and gamesmanship needs to be put aside. Instead of a partisan dispute, the national debt belongs to all of us—and the solution we adopt will determine our future as a nation. None of the proposals are perfect—and they never will be. There are few attractive options to balancing the budget, but we must do it. Let us begin now. I urge all of my colleagues to vote to balance the budget.

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

Mr. Chairman, first of all let me begin by saying that I commend the gentleman from Utah [Mr. ORTON] and the other members of his group for the effort that they have made, and I do think that they have certainly made something that would have to be considered a substantial improvement over what the President submitted in his budget. This, after all, the proposal before us, does reach a balanced budget, but I think it is seriously flawed. It is seriously flawed in several respects, and let me just highlight for the moment, as we begin this debate, what I would say are some of the errors or the flaws in this proposal.

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In the first case, it does spend considerably more than the committee's budget proposal does, 102 billion more in spending. That is actual spending. Now again, let us recognize that we get to the same balanced budget but it has more spending in it.

It contains total discretionary spending nearly identical with that of the committee budget, but it spends more than $50 billion more on welfare over 5 years than the committee would propose to do. It also cuts defense spending by $55 billion below that that is in the committee level.

I think all the Members of this body who have, certainly those that have been around here a few years or who have looked at budgets over the last several years can see the decline that we have had in defense spending. I think most of us recognize that there is a point below which you do not cut spending without significantly damaging the national security of this country.

Where that is exactly, I think, is open for debate. But I think most of us, most in this body would agree that the 55 billion additional cut coming on top of the one steady decreasing baseline that we have seen over the last 10 years in the budget, in defense spending, is precipitous, is probably not warranted and certainly is subject to a lot more debate before we could justify that kind of cut.

The alternative proposal that we are debating now also contains $8 billion in fees, including an airport slot fee and a Commodity Futures Trading Commission transaction fee. These fees, we would suggest, are really not much more than some kind of tax on certain groups.

There are $96 billion more on Medicare than in the committee budget, but it does nothing. It has no plan to really reform the program. Thus, it fails to ensure any kind of long-term solvency for the Medicare program.

The proposal that is offered by the gentleman from Missouri [Mr. GEPHARDT] and the gentleman from Utah [Mr. ORTON] would spend $49 billion

more over the next 7 years on Medicaid than the committee proposes in its mark. It provides most importantly, and this is where we get to the bottom line because we do both agree, we have a zero at the end for a balanced budget, most importantly with the discretionary cuts that it has, which are going to be painful. They are going to be difficult. This committee, this proposal has no tax relief for families or for seniors, no incentives for economic growth. In other words, it preserves entirely the $250 billion tax increase that this Congress enacted in 1993 as part of President Clinton's tax increase proposal.

I think when we are talking about this kind of cut in discretionary spending, and we acknowledge, we must acknowledge that there are going to be difficulties, there is going to be pain. And you cannot do this easily, that when we do this, that we should acknowledge, we should say to people, there is going to be some reward at the end. There is something for you in this. And the something for you should be for American families to have some kind of tax relief, for senior citizens some kind of tax relief, and for the economy, for the country to have some kind of tax incentives for economic growth.

None of that, none of that is going to be found in the alternative budget proposal that we are debating here today. So I would say, Mr. Chairman, that this proposal, while certainly it represents a step forward from what the president submitted to this Congress, is far, falls far short of what we should be doing in terms of balancing the budget, reforming Medicare, and giving tax relief to American taxpayers.

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

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

Mr. Chairman, again I wish to thank our minority leader, Mr. GEPHARDT, for filing this substitute budget resolution on our behalf, when the Committee on Rules refused to make it in order, and allowing us to bring it to the floor. Without his action, we would not have had the opportunity to present a balanced budget proposal which does come to balance in the year 2002.

During the 1980's, Congress made a fundamental error in attempting to balance the budget. They cut taxes first and then never got around to cutting spending. Here we are again, $3½ trillion later. This time we believe we should cut spending first, balance the budget, and then cut taxes. If you are trying to climb out of a $5 trillion hole, you do not start by digging yourself $700 billion deeper.

The coalition budget actually reaches a budget surplus in the year 2002 and does it by cutting spending ratably over 7 years. Our cuts are not back loaded. We have a gradual glidepath to balance where the Kasich budget continues deficits well over $100 billion until the 6th year and then falls off the cliff.

Our reductions are more responsible and allow funding of high priority programs while balancing the budget and actually accumulating a $160 billion less in public debt over the next 7 years.

Specifically, our budget funds Medicare with $112 billion more than Kasich and $65 billion more than Domenici but $174 billion less than the current baseline. We reduce growth in Medicare costs sufficient to maintain solvency, but do not take an additional $100 billion to pay for a tax cut.

We fund Medicaid with $50 billion more than Kasich and $38 billion more than Domenici but $138 billion less than current baseline. This allows States a more reasonable transition to block granting of Medicaid.

We also assume the coalition welfare reform proposal, which saves $25 billion over the 7 years.

The coalition budget continues $19 billion of funding for student loans and in agriculture, which has already been cut by 60 percent, our budget cuts $13 billion less than the Kasich budget.

We spend $60 billion less on defense than Kasich, but $37 billion more than the current baseline. By the way, this is also $11 billion more than the Solomon-Neumann budget, which you will have an opportunity to vote on later today, and $11 billion more than the Domenici budget.

Nondefense discretionary programs receive $62 billion more than Kasich. By the way, $35 billion of this is in education. Our budget provides $56 billion more in domestic discretionary programs than Domenici. But this is still over $400 billion less than the current baseline.

Finally, our budget does not include the $353 billion in upfront taxes, which, by the way, will cost almost $700 billion over the next 10 years, nor does it include the unspecified $25 billion in corporate tax increases included in the Kasich budget.

In summary, the coalition budget provides sufficient funding to maintain solvency in the Medicare trust fund, provide a more reasonable transition to Medicaid block grants for States, preserve American agriculture, continue student loan assistance, reform welfare, continue funding for Head Start, President Bush's Goals 2000, drug-safe schools, public libraries, Public Broadcasting, children's health and immunization, women's health programs, rural health programs, basic health research, economic development programs such as CDBG, and many, many more high priorities while balancing the budget and saving $160 billion in debt accumulation by 2002.

We say, cut spending first, balance the budget, then cut taxes.

I urge a ''yes'' vote on the coalition budget substitute.

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

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank my colleague from Arizona for yielding time to me.

I thank my friends on the other side of the aisle who brought forth this amendment. I listened with interest to my good friend from Utah thanking the distinguished minority leader for the time to bring this to the floor. I am sorry the minority leader had to leave the floor so quickly because I believe inherent in any question of policy is the question of process. So I find it very curious that it is widely speculated upon in the press that the distinguished minority leader will not vote for the budget plan which bears his own name.

Perhaps there will be some late-breaking developments in this case, but I find it incredibly interesting that so bereft of ideas is the other side of the aisle that the minority leader, in final summation of the arguments, will not vote for this budget plan and indeed, despite the valiant efforts of our friends who are blue dogs, they are truly blue dogs today, in all respect I say that, because so many Members of their own party will abandon them.

Mr. ORTON. Mr. Chairman, it is so ludicrous to bring up process, I will not even respond.

Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, let me thank the gentleman from Utah for yielding time to me.

Mr. Chairman, under the arbitrary restrictions that Republicans have imposed on discussing the most important economic document that we are going to vote on, the coalition substitute is by far the best option that we have before us.

It provides more deficit reduction without the draconian cuts that are in the Republican budget. How is that accomplished? It is $188 billion actually less borrowing over the 7-year period. It is accomplished by providing earlier deficit reduction, by not giving defense a priority. The Republican budget exempts defense from any of the other cuts. That is not fair. Defense should be treated the same as any other program.

And the coalition budget does deficit reduction first and does not provide for the tax breaks for the wealthy.

Because of those changes, it allows us to restore $163 billion of the Republican cuts in Medicare and Medicaid, which is desperately needed in order not to reduce the quality of care that our seniors are receiving. It allows us to restore the student loan cuts that the Republicans are suggesting to make it more difficult for students to be able to attend college. This budget removes that cut and restores those funds.

It provides more realistic caps on domestic spending so that we can argue

on the floor the restoration of the cuts proposed by the Republicans on environmental clean up or commuter rail. We had the opportunity to restore those cuts.

Mr. Chairman, there is a clear choice before us. You have a choice to do deficit reduction first before tax breaks for the wealthy. You can do that if you vote for the coalition budget. I urge my colleagues to do that.

Mr. Chairman, the annual debate we hold in this Chamber on the budget resolution is the most important statement we make on the role of the Federal Government in the kind of country we want to live in.

Given the importance of this debate, it is vital that we have a full range of options to consider. We should present to the American people a broad discussion of each aspect of the budget.

The overriding issue, of course, is the direction of fiscal policy we will take. We have strong agreement in this body that the most single important challenge we face remains the need to reduce the Federal budget deficit.

We have less agreement on the best set of policies to achieve that goal. We disagree on the mix of spending cuts that should be enacted to reduce the deficit. We disagree on the wisdom of cutting taxes before we have even brought the deficit under control.

The point of reducing the deficit is to strengthen the economy. The decision of whether to reduce the deficit by $500 billion, or $700 billion, or $1 trillion over the next 7 years should be driven by what's best for the economy. It should also be driven by consideration of the value of the government programs that will be cut.

Unfortunately, the Republican leadership of the House has denied the American people the debate they deserve. The people who promised an open house have made sure that we would not have a full and open debate on this crucial issue.

Instead, they set up an arbitrary requirement. They said that it is not enough to propose a budget that dramatically reduces the deficit. They said the magic test is to balance the budget in 7 years or less, using their standards.

The Republicans have brought the budget resolution to the floor under a gag rule designed to prevent either substitutes or amendments that do not comply with their narrow notion of sound fiscal policy. By shutting off debate and preventing responsible alternatives, they have denied a debate on the priorities that would reflect the interests of my constituents.

The Republican leadership has set up artificial and short-sighted constraints to prevent a full and open debate on budget policy. But within those ideologically driven and extreme limits, one budget proposal has the promise of preserving America's priorities.

The coalition budget meets all the requirements. It balances the budget in 7 years. In fact, over the period, it has dramatically lower deficits than the Republican committee budget.

Let me emphasize that point. The coalition budget would borrow $188 billion less over the 7-year period than the Republican budget. To those of us who are concerned about excess borrowing and the soaring expense of interest of the debt, the coalition budget is far superior to the Kasich budget. It will save billions of dollars in interest costs.

In addition to lower deficits, the coalition budget also gets to a balanced budget without inflicting the harsh damage on important priorities the American people care about. The American people understand the need to make sharp spending reductions to reduce the deficit. But they do not understand making those cuts any deeper or more damaging than is absolutely necessary to achieve the goal.

The Republican committee budget cuts Medicare and Medicaid by $475 billion over 7 years. They have tried to justify this draconian plan by saying they are rescuing Medicare. I will work to rescue the Medicare trust fund. But we should do that work in the context of health care reform. This budget will force Medicare recipients to pay more for less. It does so not in the interest of improving or reforming health care for the elderly or anybody else, but to balance the budget and offset $360 billion in tax cuts.

The coalition budget substitute will restore $163 billion of the cuts that the committee budget would make in Medicare and Medicaid. The coalition budget refuses to balance the budget on the backs of the elderly and the sick, and it says no to tax breaks until we have brought the deficit under control.

When we set priorities to try to ensure our country's economic prosperity, nothing looms larger than the imperative of providing higher education to our young people. Yet the Republican committee budget will cut guaranteed student loans by nearly $19 billion. The coalition preserves full funding for guaranteed student loans, proving that we can balance the budget without turning back on young Americans trying to afford a college education.

Another area where the coalition budget is far preferable to the Republican committee plan is in the preservation of valuable domestic priorities. The Republican committee budget will force drastic reductions in high priority programs like mass transit assistance, water treatment, women and children's health care, and the National Institutes of Health research, just to mention a few. When the American people say they want us to get spending under control and eliminate wasteful spending, these are not the types of programs they have in mind. They know better, and the coalition budget will permit us to fund these priorities.

Finally, the chairman of the Budget Committee has said that he is especially proud that his budget leaves no aspect of the budget untouched. But under the committee budget, one area of Federal spending escapes the budget axe. Over 7 years, the plan will increase military spending by $76 billion. At a time when every other area of the budget is facing severe restraint, when children and the elderly and students are facing significant cuts in services, we cannot afford to increase spending on defense.

For all these reasons, in my judgment, the coalition budget is much the best of a poor set of choices. It is far superior to the Republican committee budget, for all the reasons I have mentioned and many more.

Under the arbitrary and unfair ground rules that have controlled this debate, the priorities of my constituents have not been given fair consideration. But the coalition budget comes closest to achieving the goals that are important to my district and to the country, and I will vote for it as a substitute to the badly flawed Republican budget.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, I thank the chairman of the Committee on the Budget for yielding time to me.

Mr. Chairman, last night, as we debated the first Budget Committee plan to balance the budget in 25 years, our friends on the other side of the aisle were upset about our tax relief for the American family. We hear this same objection in the amendment we are debating. Many of the same people who 2 years ago supported the largest tax hike in history can't believe that we're trying to return some of this money to the American family.

They tried to divide American against American, employer against employee, worker against worker. But underlying their opposition to tax relief for American families is one undeniable, unbelievable fact: They actually think it's their money.

They've gotten so used to a big Federal Government that takes $1 out of every $4 the American family earns that they actually have forgotten who earns the money. They forget that it's the American family's money to spend. It's not Washington's money to take.

Mr. Chairman, the American family's hard earned dollars belong to the American family, not the Federal Government. It's the American people's money, Mr. Chairman, it's not ours. Support the balanced budget plan that reduces the government's budget and restores the family budget. Support the Budget Committee proposal.

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

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

Mr. BENTSEN. Mr. Chairman, I rise in support of the Orton-Stenholm Democratic substitute, the fair balanced budget.

Mr. Chairman, today is an historic debate that could result in balancing the Federal budget. I strongly support the Orton-Stenholm balanced budget, because it is the only fair, responsible budget this House will consider.

The Orton-Stenholm budget is the best option for a difficult task. It balances the Federal budget in 7 years. It makes tough but reasonable cuts without dramatically hurting children and seniors as the Kasich budget would. It does not include tax cuts for the wealthiest which we cannot afford. This is right, because we should not cut taxes before our budget is balanced. We tried this in 1981 and quadrupled the national debt in the process.

In contrast, the Republican budget is ill-conceived legislation. The Medicare cuts in the Republican budget are devastating for both seniors and the institutions that serve them. I will not support a bill which cuts health services to senior citizens, especially after they have already paid into the system. It will result in higher copayments, deductibles, and out of pocket costs and less choice of doctors. No matter how you shape it, less services for more money is a cut. It cuts Medicaid which will result in higher out of pocket costs to senior citizens for long-term care in nursing

homes. That is a cut. And the Republican budget cuts Medicare and Medicaid to pay for its tax breaks. This is imprudent.

In my district, these cuts will have a severe impact on the Texas Medical Center. I am particularly concerned about the cuts that will reduce funding for graduate medical education. For many teaching hospitals such as Baylor College of Medicine and University of Texas Medical Center, these reductions will reduce the number of trained physicians. Medicare is a major contributor toward the cost of this education. Yet this budget will cut this function dramatically.

The Orton-Stenholm budget is better for our Nation's children. Another institution in my area, Texas Children's Hospital, receives 48 percent of its funding from the Medicaid Program in the form of reimbursement and disproportionate care. The Republican budget will cut Medicaid by 30 percent. This is unfair and should be stopped. The Stenholm budget restores $50 billion for Medicaid. Medicaid serves children and we should not forget these children in our efforts to balance the budget.

Health research is also unfairly cut by the Republican budget. Their plan would cut over 10 percent in fiscal year 1996—that means many research projects for breast cancer, Alzheimer's, and HIV will go unfinished. I am pleased that the Orton-Stenholm budget will provide $11 billion more for health research programs like those conducted at University of Texas Health Science Center, M.D. Anderson, Methodist, St. Luke's, Baylor, and Hermann Hospitals.

The Orton-Stenholm budget also incorporates all of the provisions of democratic welfare reform bill that requires welfare recipients to work. Ultimately, with a good paying job, welfare will not be necessary.

The Orton-Stenholm budget restores funding of $18.7 billion for student loans. For many middle-class families, these student loans are critical to pay for the cost of a college education. The Republican budget would give a tax break to the very wealthiest in the name of economic growth and investment and yet it would cut student loans, education, and job training. This is an ironic folly.

The Orton-Stenholm budget helps veterans. The Republican budget hurts veterans by reducing benefits for those who have served. The Republican budget breaks the promise that we made when we asked these valiant Americans to serve our Nation. I will not support breaking that promise.

The Orton-Stenholm budget is better for Federal employees. The Republican budget will reduce pension benefits and health care benefits for Federal employees. The Stenholm budget will not require these cuts.

The Orton-Stenholm budget also includes more funding for housing and economic development. In my district, a place to live and a job are the keys to one's success. Many of these housing programs help families to purchase their first home. I believe it is good public policy to encourage home ownership, not reduce it.

It is a question of fairness. My constituents will accept cuts, if they are fair. Orton-Stenholm is fair. The Republican budget is not because it cuts benefits for senior citizens, children, students, and veterans while giving a tax break we cannot afford to the very wealthiest.

As a new Member of Congress, I was elected by my constituents to reduce the deficit. And although there are many tough choices to be made and many programs ultimately will be cut, the Orton-Stenholm plan is the best way to achieve a balanced budget and a healthier economy without sacrificing our investments in the American people.

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Mr. ORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. PETERSON], a member of our task force.

(Mr. PETERSON of Minnesota asked and was given permission to revise and extend his remarks.)

Mr. PETERSON of Minnesota. Mr. Chairman, I rise in strong support of the substitute, which is the coalition budget proposal. This budget, which was drafted by the coalition budget task force and has been endorsed by the coalition, is the most responsible and sensible budget before the House.

The coalition budget is based on the common-sense principle that we should not cut taxes until we have done the hard work to balance the budget. The coalition is not opposed to tax cuts. In fact, coalition members strongly support tax cuts to stimulate investment and savings. What the coalition budget says very clearly is that we should make certain that the budget is on a clear path toward balance before we consider tax cuts. If we do not bring the deficit under control first, any economic benefit from tax cuts will be undercut by the continued drag that our national debt places on the economy.

We recognize that if we are not careful when we make changes in Medicare and Medicaid there will be severe consequences for individuals who depend on these programs and the small hospitals that will not be able to survive if we are not careful. The coalition budget calls for significant reforms to achieve savings in the Medicare and Medicaid Programs, but is based on a careful review of how much we can reduce those programs with out having an adverse impact on our health care system.

The same is true in agriculture programs. Once again, agriculture is being asked to bear more than its fair share of cuts. Cuts of this magnitude will unilaterally disarm Americans farmers in the battle in the global economy. The coalition budget will require real cuts in agricultural programs that will require sacrifice on the part of many of my constituents. However, the coalition budget sets a reasonable level of cuts that can be made without dismantling agriculture policy.

The budget we pass should make our country stronger for future generations by stopping the practice of putting an increasing burden of debt on their back and by providing funds for programs such as education, research and other programs which invest in the future of our country. We do not include reductions in the Stafford loan program that the committee budget requires. We provide $35 billion more than the committee in education and training programs that will help us achieve a strong economy and high standard of living.

The coalition budget is a realistic budget that balances the budget by 2002 without jeopardizing valuable programs. I urge its adoption.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. RADANOVICH].

Mr. RADANOVICH. Mr. Chairman, as we enter into this budget debate, I think it is very important to consider the job and the task at hand. Let us not miss this opportunity to reduce the role of the Federal Government in our lives.

In the budget process, I think we need to concentrate on two things, and that is if government has a role in anything, let us push it to the most local level. Second, let us review and get out of the things that government should never have been doing. Let us being to privatize. That is what the Kasich budget does.

We must also never pass up the opportunity to make the point that if people are taxed and regulated less, that they will be more productive, and there needs to be room in a budget to assume that that more productivity returns revenue into the Treasury.

Third, let us not underestimate the ability of the American people to rise to the challenge of less bureaucratic control in Washington, DC. That is what the Kasich budget does.

Fourth, let us beware of any proposal by a party whose leadership does not believe in less Federal Government in Washington, DC, and the leadership of a party who thrives on your dependence on a bureaucracy.

Mr. ORTON. 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 thank the gentleman for yielding time to me.

Mr. Chairman, I speak for seniors and working families, children and the most needy. Already the State of Texas is burdened under this very horrible rescissions bill that we are facing with all of these cuts. However, after an extensive late-night review of all of the proposed budgets, the Republicans will certainly force greater hardships on poor, working, and middle-class Americans, without asking for a comparable sacrifice from those Americans who are comfortable and well off.

Mr. Chairman, America's fiscal reality dictates that we begin to take effective action against our deficits and debt, because they represent the greatest danger to the futures of our children, so many of them in our community, and our grandchildren. The political reality is that the Republicans have the absolute wrong budget. It is important that we try to minimize the harm ultimately to the families of constituents that I represent, and throughout America's urban neighborhoods.

The CHAIRMAN. The time of the gentlewoman from Texas [Ms. JACKSON-LEE] has expired.

Ms. JACKSON-LEE. We must be in on the process. This budget process is going on, and we must save Medicare, education, science, and research, legal services, student loans, and major job training.

The CHAIRMAN. The time of the gentlewoman from Texas [Ms. JACKSON-LEE] has expired.

Ms. JACKSON-LEE. We must support a fair budget. Support the Stenholm-Orton budget to be as fair as we can to all Americans.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The gentlewoman from Texas [Ms. JACKSON-LEE] will confine her remarks to the time that has been yielded to her.

Ms. JACKSON-LEE. I am doing so, Mr. Chairman.

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

Mr. Chairman, I really want to, first of all, say that a lot of the people that are involved in this project are people that I like and respect, and I am hoping that at the end of the day they will be constructive partners with us, but there are some things that I have to point out.

For those who are trying to understand why this is not a good proposal, first of all, I want to commend this group for using essentially the CBO economics that we have felt is the most conservative economics. They in fact have used it.

What is the problem with this bill? The problem with this bill is this spends $233 billion more than the Domenici proposal. We are trying to figure out precisely how much more that is than our proposal. What I will tell the Members, though, Domenici does not save as much as we do, and this is $233 billion more in spending than Domenici.

Of course they cannot afford tax cuts, because they take this money and they spend it on more programs. That is what they do in this proposal. They have $140 billion in interest savings, all of which they take and they spend. It is a hybrid of Clinton, essentially. This does not even get close to Domenici. This proposal takes all the interest savings, which is $140 billion. They spend $80 billion in spending more than Domenici, so that is $220 billion, plus $13 billion and more cuts in defense, it is $233 billion.

Rather than taking the $233 billion and giving it back to the American taxpayers in tax relief, which they say that we should not do, they take the $233 billion, and instead of saving it, they spend it. Of course they cannot afford both tax relief and this proposal, because they do not have any money left over for tax relief, because they spend it all. That is the problem with this proposal. It is $207 billion more in social spending than what we have in our bill. That does not even count all the interest.

The simple fact of the matter is that this does not do the job. This is warmed-over status quo. They made an effort to make some changes in some programs, and I compliment them.

Frankly, I think if the conservative Democrats had been able to put together this proposal on their own, without having to reach out and moderate the proposal, frankly, I expected something much different than this. I expected a proposal that was going to be pretty much like the Senate budget proposal in terms of fiscal discipline, but that is not what we have here.

Therefore, when Members are wondering about why there are no tax cuts, and the refrain is, ''We should not do tax relief until we balance the budget,'' of course we cannot do tax relief when we are going to spend $233 more on every program sprinkled throughout the Federal Government in order to attract the maximum number of votes.

What I would suggest is, Mr. Chairman, we defeat this proposal, we come to the floor, we actually get to a balanced budget, we give people some of their money back in tax relief, and we will do precisely what we promised and precisely what the American people want. We do not need to keep pumping up the programs and refusing to pull any wasteful programs out by the roots. What we really need to do is to make some hard choices to get this budget on the path toward being balanced over the long haul by making necessary decisions. This simply falls short.

If Members want to cut spending first, downsize Government, and give people some of their money back, then vote ''no.'' If they want to add $233 billion in additional spending over where the Senate plan is, then go ahead and vote for it. That is not where the American people are.

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

Mr. ORTON. Mr. Chairman, I yield myself 10 seconds to point out that our budget balances and actually reduces the debt by $160 billion more than the Kasich budget over the same 7-year period.

Mr. Chairman, I yield 3 minutes to the gentleman from Alabama [Mr. BROWDER], a member of the Committee on the Budget and of our task force.

Mr. BROWDER. Mr. Chairman, first let me congratulate my friend on the other side for changing the nature of the debate that we are having around here, but also let me thank him for allowing us to come forward in response to his budget with what is a better budget.

Mr. Chairman, I want to give the House today my top 10 reasons why the Coalition budget is better for America and my constituents than the other budgets being offered today.

Reason No. 1, why our plan is better is that the Coalition plan balances the budget by 2002 with a sensible glide path, a deficit decline in every year to 2002.

Reason No. 2, Medicare is not abused to balance the budget. Medicare savings are set at $174 billion, an amount sufficient to extend solvency of the Medicare Part A trust fund for 10 years.

Reason No. 3, Medicaid is turned over to the States as a block grant, but we restore $50 billion to help the States adjust to this new responsibility, without raising local taxes.

Reason No. 4, the coalition plan does not eliminate in-school interest subsidies on student loans, and has sufficient funding to continue the impact aid program.

Reason No. 5, it makes responsible cuts in farm programs, so we do not unilaterally disarm our farmers, who must compete against heavily subsidized foreign producers.

Reason No. 6, it does not eliminate the Appalachian Regional Commission and Economic Development Administration, which support planning and industry in rural areas, allowing these areas to compete for jobs, and restores community development block grants that help small cities upgrade and provide services for their citizens.

Reason No. 7, it does not require the sale of the power marketing administrations, an action which would require rural rate increases, and would make rural areas less attractive to new industries.

Reason No. 8, it does not break faith with American working people on trade adjustment assistance training, which is designed to help areas that lose jobs to foreign competition.

Reason No. 9, it does not make severe cuts in NASA funding, which would threaten the space industry and our high-technology economy.

Reason No. 10, finally, it does not raise the retirement contributions from those people who work for our Government, but does call for congressional pension plans to be scaled back, to be in line with other Federal pension plans.

That brings me back to No. 1, which is the most important reason: our budget balances the budget by 2002 with a sensible glide path.

Mr. KASICH. Mr. Chairman I yield 1 minute to the gentleman from Ohio [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman I want to commend the other side for helping us with an argument that we have been having with a number of people on their side of the aisle relating to the CPI. While we may disagree about what the number might be, apparently they have adopted and do not question the fact that the CPI is incorrect.

Mr. ORTON. Mr. Chairman will the gentleman yield for 5 seconds?

Mr. HOBSON. I yield to the gentleman from Utah.

Mr. ORTON. Mr. Chairman, we assume a five-tenths of 1 percent reduction in CPI.

Mr. HOBSON. Reclaiming my time, Mr. Chairman, I understand we disagree about the number, but obviously

those on the gentleman's side who have demagogued on this thing, not you and the other people who put this up, the gentleman is helping us, and I want to thank him for that argument, because we agree that there is a problem and it needs to be fixed.

I think this brings the legitimacy across the aisles to this argument that we need to get it done, even though we do not agree as to what you wind up with in your budget, but I want to thank the gentleman for doing it. I think it is going to be helpful to get us on the road.

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Mr. ORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

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

Mr. HOYER. Mr. Chairman, I rise to express my support for this substitute offered by Congressmen STENHOLM and ORTON.

As my colleagues know, I believe it is essential for us to balance the Federal budget.

Today we have the opportunity to adopt a plan that moves us toward a balanced budget.

The Stenholm-Orton plan is not perfect. But it makes real choices—difficult choices to balance the budget and, without any doubt, is a better alternative than the plan prepared by Chairman KASICH and the Republicans of the Budget Committee.

The Kasich plan is an attack on working class Americans.

Education would be severely slashed. Under this resolution, when needy students from Waldorf or Lexington Park in my district go to apply for a Perkins loan they would be told, ''Sorry—the Republicans have ended the low-interest loan program for needy college students.''

Some 40 percent of Pell grant recipients come from families that earn less than $12,000. The Republicans have not left that program alone either.

Even grants to help illiterate Marylanders learn basic work skills to become employable, taxpaying citizens would be terminated by the Republicans' proposal.

The cuts in programs to educate, train, and prepare Americans for productive work are staggering. If I were in the majority party, I would be embarrassed to be associated with these extreme proposals.

Health programs have fared little better. Over the past 20 years, a bipartisan commitment to funding the National Institutes of Health has put the United States on the cutting edge of global biomedical research.

The economic returns—and the improvements in our Nation's health—as a result of this investment are immense. The Republican decision to cut NIH and preventive health resources are shortsighted and will cost us dearly down the line.

Veterans programs, a priority for many of my constituents, would also be severely cut by the Kasich resolution.

The Kasich proposal continues the assault on Federal employees by assuming that these civil servants will contribute an extra 2.5 percent annually to the Civil Service Retirement System and the newer Federal Employees Retirement System.

As I have said time and time again, this proposal is not fair. It violates the contract we made with these employees when they were hired.

Essentially, what this provision does is impose increased taxes on Federal workers to pay for a tax cut for the wealthy.

The House should not have included these provisions in the Archer tax bill and we shouldn't have them in the budget resolution either.

A lot has been said about the Republican cuts in Medicare—a total of $283 billion over the next 7 years.

Mr. Chairman, all of us know that changes must be made in Medicare to ensure that it remains a strong program well into the 21st century. But the arbitrary, unspecified cuts included in the Kasich resolution will clearly have a devastating impact on the seniors that depend upon this program for basic health care.

My question to every Member of this body is, ''will you join me in opposing a budget that will force seniors to pay an extra $1,060 a year for Medicare by 2002 simply so that those with much will have more?

Let us not forget, Mr. Chairman, that more than 80 percent of Medicare recipients have incomes below $25,000 a year. I would suggest that some of my colleagues talk to their constituents, as I have in Maryland's Fifth District, about how tough it is to be retired and live on a fixed income.

I want to take the rest of my time to say what is right with the substitute that we are now debating.

There are changes I would make in the Stenholm-Orton substitute. I don't approve of the provisions included that would cap Government contributions to the Federal employee health benefit plans and base Federal retirement on employees' high-5 years.

I remain concerned by the cuts in health and education funding that is included in this alternative.

Mr. Chairman, the choices are hard. There is no easy way to balance our budget—a goal that must guide us as we consider this year's budget resolution.

But it is my view that the Stenholm/Orton substitute is the best way to achieve that goal. This resolution actually results in a surplus of about $1 billion in 2002.

Yet, in sharp contrast to the Republican plan, the Democratic substitute does so without the same draconian impact on the most vulnerable Americans.

The Stenholm substitute rejects the proposed cuts in guaranteed student loans and sets more reasonable levels for Head Start, job training, and other education programs.

Yes, it does not give a tax cut, but these programs are important for those in America who are going to rely on those young people being able to participate in the workplace.

As a Democrat who believes that national defense must remain one of our highest priorities, I am pleased that the Stenholm bill actually raises defense spending starting in the year 2000.

This Democratic alternative does not provide for tax cuts for the wealthy or for any other American until the budget is in balance. It remains my strongly held belief, as I have stated before on the floor, that deficit reduction must be our primary goal.

I support language in the Stenholm substitute that calls for tax cuts to stimulate savings and investment once our Federal budget is in balance.

That is the appropriate time to consider tax cuts. To do so now would be irresponsible, especially when you recall that the House-passed tax bill gives almost half of its benefits to the wealthiest 10 percent of Americans.

Mr. Chairman, I came to this House at the time of another Republican-prescribed revolution. The formula is much the same today as it was in the early 1980's.

Tax cuts and easy spending cuts right away. Postpone the tough decisions and deepest cuts until after the next election.

That is the strategy of the Kasich resolution. We do not know how Medicare and Medicaid savings will actually be achieved.

What we do know is that their plan pushes the most severe cuts in domestic spending off to the last 3 years. In contrast, the Stenholm plan is a true and realistic glidepath to a balanced budget. The Kasich plan has what I think has been correctly characterized as a cliff in 2000 and 2001.

Mr. Chairman, we all know the disastrous results of the easy road taken in the 1980's even though some still do not like to admit it.

I urge my colleagues to reject a repeat scenario. Vote for the Stenholm substitute—the best alternative for realistic yet fair achievement of a balanced Federal budget.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from Texas, Mr. SAM JOHNSON.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I can't believe that the other side of the aisle can, in good conscience, vote today against balancing our Nation's budget. I can't believe that they are able to look their families in the eye after so carelessly playing partisan politics with their futures.

The other side sees more importance in pitting Americans against Americans in class warfare than they do in securing the fiscal future of the Nation and its people.

And they can stand down here all day long and talk about what the Republican budget will do. But, I have said it before and I will say it again, don't try to fool the American people into believing that balancing the budget and cutting taxes will hurt them—they know better.

They know that the Government spends too much money. And they know that the only way to stop the Government from spending too much is to not give them too much money in the first place.

And I want to remind you that this is not our money. This money belongs to

the taxpayers that get up every day and work hard for a living.

So I have to ask how you can justify voting today to take more of that person's money to support your out-of-control spending habits—which will drive the debt out of control and leave our children with nothing? I can't imagine what reasonable thinking person would vote that way.

We need to remember what this vote is about. It is about the American people—it is their future that is on the line here. I challenge everyone in this body to make the most important vote in history—vote to balance the budget and restore security and prosperity to America—vote against this substitute and for the Republican balanced budget plan.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. BREWSTER], a member of our task force.

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

Mr. BREWSTER. Mr. Chairman, I rise in strong support of the coalition budget substitute.

The coalition budget is a responsible budget alternative that meets all the deficit reduction requirements for a balanced budget by 2002.

In order to balance the budget, we must all support some cuts in valuable programs. However, cutting programs and eliminating them are two totally different alternatives. The coalition budget is much kinder on many programs important to all Americans than the Republican bill.

We make no cuts in guaranteed student loans, while the Republicans cut student loans a drastic $18.7 billion. The coalition budget cuts $52 billion less in education, Head Start, rural health and economic development than the Republican bill. We cut agriculture $10 billion less than the Republican budget.

We have $109 billion less in Medicare cuts than the Republican budget. We have $50 billion less in Medicaid cuts than the Republican bill. And, in addition to that, we save $160 billion on the debt over the Republican substitute.

Mr. Chairman, this substitute reaches the same goal as the Republican budget—a balanced budget by 2002. And yet the coalition substitute provides more money for those in need.

Mr. Chairman, whether or not you support tax cuts is not the issue today. Many of us in the coalition support tax cuts, and our bill will provide for tax cuts after we are on a path to balance our budget.

I have long been an advocate for the capital gains tax. And, I strongly support the AMT tax relief which greatly helps our oil and gas industry. However, I firmly believe you ought to cut spending first before you give the money out for tax cuts.

The coalition budget substitute, however, treats tax cuts in a much more responsible manner. If deficit targets are met and we are on the glidepath to a balanced budget, the coalition bill will allow tax cuts to be targeted to encourage savings and investments and stimulate jobs and growth.

Mr. Chairman, I urge my colleagues to support the coalition substitute.

Mr. KASICH. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Texas [Mr. DELAY], the Republican whip.

Mr. DELAY. Mr. Chairman, I want to add all my congratulations to the chairman of the Budget Committee and all his members and particularly the staff for an incredible piece of work and being part of history.

Mr. Chairman, a great scientist once said, ''All truth, in the long run, is only commonsense clarified.''

The Republican budget, in the long run, is common sense clarified.

Everyone who has spoken today knows the truth.

Our country faces a crisis. Our budget deficit threatens the security and stability of America's future. Our Medicare system nears bankruptcy. Interest payments eat up more and more of our discretionary spending. Entitlements, if unchecked, will break our financial backs.

And if we do not change fundamentally our Government, our Nation may not remain prosperous and free into the next century.

This substitute amendment does not fundamentally change government. This continues government, just at a little less cost.

The substitute amendment we have before us is a flawed choice, but at least it is an alternative.

I look to the leaders of the opposition, and wonder where they have been. I hear Mr. GEPHARDT may not vote for his own alternative. That is a shame.

President Clinton worked to defeat the balanced budget amendment while refusing to submit a fiscally responsible budget alternative. That is a shame.

It is a shame, because to get our country out of this crisis, to successfully change government to meet the needs of all the American people, we need their help.

This debate should not be about politics. It should not be about class war. It should be about Democrats and Republicans coming together to make commonsense changes to save America's future.

But Mr. Chairman, when it comes to the battle to balance the budget, Democrat leaders have been conscientious objectors, sitting out this fight instead of finding ways to stop crippling deficits and runaway spending.

Republicans and many responsible Democrats reject that passive policy.

Republicans offer a plan that faces this budget crisis head-on.

It will balance the budget by 2002.

It changes programs, agencies, and bureaucracies to not only save money, but to also make government more efficient and more effective.

Some of my Democrat friends have come to the floor with photographs of people they say will be affected by our budget reforms.

I don't need photographs to remind me of the people who will be hurt by the inaction advocated by the Democrat leadership. I only need to look out into the gallery today, or walk down the street, or go home to my constituents.

Because if we refuse to act today to save our future, every single one of us will be adversely affected. Our seniors will be hurt by a bankrupt Medicare system. Our children will be hurt by impossibly high tax rates. And our grandchildren will be hurt by limited economic opportunity.

Inaction may be the choice of some of my colleagues. But that is not my choice.

Yes, we will provide tax relief to people who need it the most.

We have all heard the charges about our tax cuts. But who among us can say that families with children, taxed at rates approaching 50 percent, do not deserve a tax break?

Who can say that we should not have an adoption tax credit? Who will claim that our seniors deserve to be taxed at a rate twice that of millionaires if they choose to work? I dare my colleagues to make those claims.

Tax relief is not about giving people something they don't deserve. It is about letting our citizens keep more of their own money to spend as they see fit.

It is about freedom, not about giveaways. I hope someday, the Democrat leadership will finally get the message. But I'm not holding my breath.

Mr. Chairman, today we make a historic choice. We can take the path of least resistance. We can please the interest groups and the bureaucrats. We can continue to spend at the present destructive rate. We can protect the status quo.

Or we can take a courageous stand for America. We can make the Government work for people, while cutting out wasteful spending and cutting down painful taxes.

If we make the first choice, I fear that America will become fiscally frail, economically weak, a land of limited opportunity awash in a sea of tax troubles and Government waste.

But if we take the responsible course, I am confident that this great land of ours will awaken to limitless opportunity, abound in free market creativity, spurred on by low interest rates and low taxes.

And in the final analysis, when our budget is balanced, when our Government is stable, and when our people are free, we will see that this choice was in fact common sense clarified.

I urge my colleagues to vote against this flawed substitute and vote for the Kasich budget.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message from the President.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore [Mr. CASTLE] assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The committee will resume its sitting.

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1996

The Committee resumed its sitting.

□ 1130

The CHAIRMAN. When the committee rose, the gentleman from Utah [Mr. ORTON] had 8 minutes and 50 seconds remaining, and the gentleman from Ohio [Mr. KASICH] had 7½ minutes remaining.

Mr. ORTON. Mr. Chairman, I include for the RECORD two letters of support for the amendment, one from the American Council on Education, the other from the National Association of Student Financial Aid Administrators.

The letters referred to are as follows:

AMERICAN COUNCIL ON EDUCATION,
Washington, DC, May 16, 1995.

Hon. BILL ORTON,
U.S. House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE ORTON: The American Council on Education, on behalf of our 1700 college and university members, urges all members to support the Stenholm-Orton substitute to H. Con. Res. 67—the FY 1996 Concurrent Budget Resolution. The Stenholm-Orton substitute achieves the goal of deficit elimination, while maintaining the critical federal student loan, grant and work programs that ensure access to college for students from middle- and lower-income families.

In stark contrast, H. Con. Res. 67 would increase the cost of college by more than $24 billion over seven years, subjecting middle-class families to the largest tuition hike in the nation's history. This burden will be borne by students currently in college, as well as by children as young as thirteen years of age who will reach college age during the period of time governed by this resolution.

Earlier this month, the Census Bureau released the results of a detailed survey of American business commissioned by President Bush, documenting that increases in workers' education levels produce twice the gain in workplace efficiency as comparable increases in the value of tools and machinery. According to this study, for each additional year of schooling in their workforce, employers gain an 8 percent increase in productivity, rising to 11 percent in the nonmanufacturing sector.

The Stenholm-Orton substitute recognizes the strong linkage between higher education and future national productivity and economic growth. We urge you to vote to defeat the seriously flawed H. Con. Res. 67, and to adopt the Stenholm-Orton substitute.

Sincerely,

TERRY W. HARTLE,
Vice President.

NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS,
Washington, DC, May 17, 1995.

DEAR REPRESENTATIVE: On behalf of the National Association of Student Financial Aid Administrators (NASFAA) representing over 3,200 postsecondary institutions across the country, we urge passage of the Stenholm/Orton substitute amendment to the House Budget Resolution. We are supporting the Stenholm/Orton substitute because it restores $35 billion in Function 500 for education programs from levels contained in the committee-reported resolution. It also retains the in-school interest subsidy for student loan borrowers.

Our members are well aware of the need to constrain federal spending and are fully supportive of responsible efforts to reduce the deficit. However, we respectfully urge you to consider that the federal student aid programs have been essentially frozen since FY–93 and are not contributing to the deficit. To the contrary, research shows increased educational attainment, made possible for millions because of these programs, has accounted for 27 percent of the growth in the national economy during this century. Some will argue that eliminating the interest exemption on student loans will not prevent students from obtaining the loans and will be an additional expense which borrowers can easily repay because they will have higher future earnings. But the fact remains that such a policy will result in significantly higher yearly payments for these individuals and will reduce their ability to purchase other goods and services and save for their children's education. Federal student aid expenditures are an investment in the nation's future, and the monies spent on these programs today are returned by the program recipients many times over in the future.

Public opinion polls show that there is overwhelming support by Americans from all income categories and of all political persuasions for federal spending on programs to help students go to college. These polls clearly show that 75% of Americans do not want to see federal student aid programs and benefits sacrificed in the name of deficit reduction or tax cuts. We therefore strongly urge you and your fellow House members to consider all of the consequences before voting to reduce federal student aid programs below existing levels, or imposing mandatory reductions in spending which would result in a loss of benefits to current and future recipients.

It is for these reasons that we urge you to vote for the Stenholm/Orton substitute.

Sincerely,

DALLAS MARTIN,
President.

Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. TANNER], a member of the coalition.

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

Mr. TANNER. Mr. Chairman, I want to thank Chairman KASICH for bringing a bill to the floor that we think we have an opportunity to make better. I would like to thank our minority leader, Mr. GEPHARDT, for giving the coalition this opportunity to be on the floor.

All of us here in this House in the coalition that many of us belong to here came to Washington to try to get something done. People are tired of partisan political bickering. They are tired of the gamesmanship that is being played in this town while the country does not do very well.

Our group, the coalition, has tried to make a difference, a commonsense difference, and I would suggest that this is a defining moment for us in this budget document.

Let me say why I think that. Any business person in this country, man or woman, faced with a $4½ trillion debt and wondering how to right the wrongs that have been done in the past would say if only this would say this. It makes no sense to add another $160 billion on the debt as we go to ground zero. At 6 percent that is almost $10 billion more in interest payments alone that will have to be made if we adopt the Kasich approach.

I can go home to Tennessee through West Virginia or Kentucky or I go home to Tennessee through Virginia and Tennessee. We both get to ground zero. There is a businesslike, commonsense way to take our deficit down in a way that makes sense, that spends less money, that ties revenues to expenditures, as any business person would do, and that is exactly what this commonsense, businesslike proposal does. I would recommend it to my colleagues. I hope they will consider it and I hope they will give it their independent thought and judgment. It deserves that.

Mr. KASICH. Mr. Chairman, how much time remains on both sides?

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] has 7½ minutes remaining, and the gentleman from Utah [Mr. ORTON] has 6 minutes and 50 seconds remaining.

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] has the right to close.

Mr. ORTON. Mr. Chairman, I am happy to yield 1 minute to the gentleman from Minnesota [Mr. SABO], the ranking member of the Committee on the Budget.

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

Let me congratulate Messrs. ORTON, STENHOLM, BROWDER, and other Members who have presented this budget. I intend to vote for it. It represents a vary substantial improvement over the Republican base bill, both as it relates to basic fiscal policy and as it relates to dealing with fundamental problems of the American people. I congratulate the gentleman on this amendment and wish him well. I hope his amendment prevails.

Mr. ORTON. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. SPRATT].

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

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

Mr. Chairman, we have a tall order before us, $1.2 trillion in spending reductions to get to 2002 in a balanced budget.

The problem I have with the Kasich resolution to start with is it adds $400 billion to that problem. It makes tough choices even tougher, $70 billion more for defense and $350 billion more out of revenues.

Second, these spending increases in defense are going into effect right now. They will be fully implemented in 2 fiscal years. We are marking up the defense budget $9 billion now. Tax cuts will be implemented, but what do we do? We get spending out of Medicare and Medicaid.

If there is any lesson learned from the fiscal history of the last several years it is we have found these goals of reducing Federal health care entitlements very elusive, and if we do not reach those goals, this will make the deficit worse, not better. So Kasich is not a disciplined resolution. It is dangerous. The disciplined, doable resolution is the one before us, and we should all support it.

We have before us a tall order: according to CBO, we will need $1,210 trillion in spending reduction to get to a balanced budget by 2002. This calls for tough choices, tougher than we have ever attempted in our efforts to get rid of the deficit.

The first problem I have with the Republican budget resolution is that it makes these choices even tougher. Over 7 years, the Kasich resolution adds $70 billion to defense spending and takes $350 billion away from revenues. So, instead of having to dig $1,210 billion into spending, we have to dig deeper. We have to make $1,600 billion in spending cuts over the next 7 years.

That's my first problem with the Kasich resolution. Here is the next. The tax cuts the Kasich resolution supports go into the Tax Code this year. The capital gains tax cut dates back to January 1, 1995, for example. The revenue losses are backloaded; and grow exponentially over time, but they begin immediately, in fiscal year 1995.

The plus-up in defense spending also begins immediately. Indeed, it goes into the defense authorization bill we are marking up right now, increasing defense spending $9.5 billion beyond what the Pentagon sought for fiscal year 1996, and $15.9 billion beyond what is programmed for fiscal year 1997.

With the $70 billion plus-up in defense spending and the $350 billion in tax cuts in the Kasich resolution, the deficit becomes worse and the solution gets harder. Stenholm-Orton is more likely to reach the target, because it forgoes tax cuts and holds the line on defense spending.

Stenholm-Orton is the conservative choice because it follows the lessons of history. If there is any lesson to be learned from history of the budget, it's that our efforts to cut or contain entitlement spending always fall far short of the goal. And here the Kasich budget resolution is bolder—some would say rasher—than anything anyone has ever proposed: $288 billion in Medicare cuts, $187 billion in Medicaid cuts. Can cuts on this order be achieved? Who knows? All we have before us are the numbers, not the policies.

If these huge numerical goals are not reached, what happens? Well, first of all, it will take 2 to 3 years to realize that the entitlement numbers are not tracking; and by that time, the defense spending increases will be in place, and the tax cuts will be buried in the code. Both will be hard to root out and reverse. And the deficit—the deficit will be worse, not better.

That's the near-term risk, as I see it, with the Kasich resolution. Stenholm-Orton lowers that risk greatly by forgoing tax cuts, by holding the line on defense spending, and by targeting far more conservative savings on Medicare and Medicaid. So, Stenholm-Orton is better, because it's more likely to succeed.

There is a longer term problem with Kasich that has hardly been mentioned in this debate. Assuming the unlikely, assuming that in 2002, the budget is in balance, under the Kasich resolution, it does not stay in balance. It is not in equilibrium. That's because the tax cuts are back-loaded, and the wedge they take out of revenues keeps getting wider and wider in the out-years. In 2003, 2004, 2005, the revenue losses increase by over $300 billion. So, under Kasich, when we get to 2002, we are not home-free, even if the budget that year is in balance; we have to got to keep on cutting Medicare and Medicaid and student loans, and so on, by another $300–400 billion to make up for the additional revenue losses.

That is why Kasich is not a disciplined resolution; it's a dangerous resolution. It could lead us down the path to deeper deficits. Stenholm-Orton is not perfect, but it is disciplined and doable, and should be supported by all us.

Mr. KASICH. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. BROWNBACK], a member of the Committee on the Budget.

Mr. BROWNBACK. Mr. Chairman, I will make my comments brief. I applaud the coalition plan for coming forward. I appreciate that at least now there is something we can have discussion about. There has not been a Democrat alternative there, and I think that is a great failing on the part of the other side, so I am pleased we can now have at least a discussion about options.

One critical thing I would point out, and that is simply that if we are looking at growing this country and growing our way out of this debt, we have to have some growth built into it, and that is why we have to have the tax cuts, particularly the capital gains tax cuts, so we can grow the economy. The last two times this Nation has cut capital gains rates, under the Kennedy and Reagan administrations, revenues to the Federal Government actually grew. We need that in this plan. That is not in the alternative, the coalition plans, and it is one of the failings against it, and it is one of the reasons I will be voting against the coalition plan.

Mr. ORTON. 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 strong support of the Orton-Stenholm substitute.

Mr. Chairman, I rise in opposition to the leadership budget resolution and in favor of the approach offered by Congressman STENHOLM and other conservative Democrats.

I have been in Congress since 1989, and have tried my best during that time to learn about the budget process and help people in Illinois understand the choices we face. I have held hundreds of town meetings where we have gone over the difficult decisions about which programs to cut and which must be spared. I have learned that while the issues are complex and the process highly technical, we reached this point today, where we run $200 billion deficits and have a debt approaching $5 trillion, by operating on a prescription for economic disaster.

For far too long, we've had leadership in the executive branch which opposed tax increases or even supported tax cuts, leadership in the legislature which refused to eliminate programs we couldn't afford, and a public which came to expect the best of all worlds—no tax increases, no program cuts and a balanced budget.

The Nation can no longer withstand this approach to spending. I have long sponsored a balanced budget amendment, knowing full well that at some point in time, I would have to vote on how to get us there. I am prepared to do that.

In any budget proposal, you can select one line and make a case for or against it. One of the key questions in this debate will be Medicare, so let me spend just a moment discussing why I oppose the leadership plan and support the budget offered by Congressman STENHOLM and other conservative Democrats.

You will hear a lot about Medicare cuts, and whether a reduction in growth is a cut or whether it's an increase in previous year spending. Let me try to address this question in a fairly simple way, using round numbers which are meant purely as a way of explaining the issue.

Suppose this year a certain medical procedure costs $50. Medicare, using Federal tax dollars, pays the health care provider $40, leaving the patient with a $10 responsibility through a copayment, deductible or other expense. By the year 2002, suppose the same procedure costs $75, and Medicare pays $55, requiring the patient to make up the $20 difference, a difference between provider cost and Government payment which has grown since 1995.

Any responsible budget proposal will require us to slow the growth of Medicare and ask beneficiaries to help us keep pace with the costs of the program. But the difference is the leadership proposal asks the elderly American to make up more of the costs in Medicare in order to finance $350 billion in tax cuts for the wealthiest citizens of this country. In the Stenholm approach, we do ask folks to help us keep pace, but we don't ask them to subsidize tax breaks which this country can't afford.

There are items in every proposal we consider today which I strongly support and strongly oppose. But these proposals must be considered on balance and in their entirety.

The Stenholm proposal meets my broad standards for a good budget—tough spending cuts which occur early in the process and a recognition of priorities in health care, education and job creation. Most importantly, it does not cut programs for the average Americans to fund unwise and unnecessary tax cuts for the wealthiest of Americans. The best tax cut we can provide the American people is deficit reduction. And the best prescription for deficit reduction and economic growth is to cut Federal spending and balance the budget.

Mr. ORTON. Mr. Chairman, I yield 1 minute and 30 seconds to the gentleman from Indiana [Mr. ROEMER].

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

Mr. Chairman, balancing the budget is like trying to take a sip out of a fire hydrant. Every time you try to do something like that, you get pushed back. It is very difficult to do. Mr. ORTON's bill that I strongly support does it. Mr. KASICH's bill that I will not support today does it as well, and I would explain why. I salute the gentleman from Ohio [Mr. KASICH] and have voted for most of his amendments to cut spending over the last 4 years.

First of all we have to make tough choices, but they have to result in fair cuts. The Kasich bill does not. It cuts Medicare by $283 billion because it provides a tax cut. The best tax cut we can provide for all Americans, whether they make $200,000 a year or $20,000 a year, is to balance the budge and reduce the deficit.

Second, the budget on the Republican side cuts student loans by $18 billion. Many students will not go to college, many of them will be forced to pick in a two-tiered process between some of the more expensive schools and a different set. We think all students should be able to provide open choices and not be limited by those choices by a $18 billion cut.

Finally, I would say we need to even go further. I will support amendments and offer amendments to cut the space station, to cut star wars, and to cut the Central Intelligence Agency, but I salute both Mr. KASICH and Mr. ORTON.

Mr. ORTON. Mr. Chairman, I yield such time as he may consume to the 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 rise in opposition to the Democratic substitute.

Mr. Chairman, I rise in opposition to the Gephardt substitute and in support of the Republican budget resolution and urge my colleagues to support it as well.

For years, people in this body have talked about balancing the budget. But nothing happened. Deficits keep rolling along. The debt kept climbing.

But now, we can change that. We have a budget resolution before us that will actually put us on a path to a balanced budget. We cannot afford to pass this opportunity.

Because of the election results last November, we have a window of opportunity that may never happen again. We have to do it now.

The Republican budget resolution we consider today is not perfect. It is definitely not easy. But it puts us on a path to a balanced budget and we have done it in a way that makes spending reductions as fairly and as honestly as we could.

Make no mistake about it, Congress is going to be forced, under this budget, to make some very hard choices. That's what leadership is all about.

Unfortunately, the administration provided nothing in the way of leadership. The Clinton budget was nothing more than status quo—business as usual in large letters—and large numbers—$200 billion deficits as far as the eye can see. As a result, no one on the minority side even plans to offer the Clinton ''deficits forever'' budget as an alternative today.

On the other hand, we promised that we would produce a proposal that would lead to a balanced budget by the year 2002—we did it.

We promised the American people that we would produce a budget that provided them much needed tax relief—we did it.

And finally, we promised that we would produce a budget that protects the Social Security trust fund and protects Social Security benefits.

And as the chairman of the Social Security Subcommittee, I am proud to say, we did it.

So, we have a window of opportunity to provide the kind of leadership our Nation deserves—the kind of leadership the next generation deserves. Honest leadership—leadership that keeps its promises. our budget fully preserves and protects Social Security. Our budget assumes absolutely no changes—no changes of any kind—in the Social Security Program. No COLA cuts. No benefit cuts. No tax increases.

Unfortunately, there are those who prefer the status quo and who are willing to resort to all sorts of fear-mongering and false statements designed to frighten senior citizens.

They used these tactics to help kill—at least temporarily—the balanced budget amendment in the Senate. They suggested that a balanced budget amendment would result in cuts in Social Security benefits.

Our budget resolution today proves them wrong. We can—and we will—balance the budget without damaging Social Security.

In fact, the majority proposal today would actually strengthen Social Security.

As it stands right now, the greatest single threat to the long term solvency of Social Security is continued runaway Federal spending.

A balanced budget is the greatest guarantee possible that the promise of Social Security will be kept.

A balanced budget is the best long-term protection that we can offer for the Social Security trust fund. And our budget will put us on a realistic path to a balanced budget.

If you want to vote to preserve and strengthen Social Security—you can vote for the majority budget and feel confident that you are doing the right thing.

This is the right thing to do.

Unfortunately, some of our colleagues here in the House have chosen to demagogue the issue. They are distorting one of the economic assumptions in the Republican budget resolution to suggest that Republicans are trying to cut Social Security COLA's or to raise taxes because of anticipated adjustments in the Consumer Price Index.

This is pure hogwash. It is totally dishonest.

Our economic assumptions do assume that the Bureau of Labor Statistics will make a correction in the way the Consumer Price Index is computed. Every 10 years the Bureau of Labor Statistics does review the CPI and does make adjustments to make sure that it measures inflation correctly.

Economists generally agree that the CPI currently overinflates the rate of inflation by any where between .5 and 1.5 percent. It is generally assumed by honest Republicans and Democrats that the Bureau of Labor statistics will correct this problem in 1998 when they make their next round of CPI adjustments.

For this reason, we included, in our budget, an estimate of a .6 percent adjustment in the CPI to take effect in 1999. This is not something Republicans in Congress will do—it is something we assume that the BLS will do.

Some people are characterizing this as a Republican COLA cut for Social Security and a tax increase. This is totally dishonest and hypocritical.

I would like to point out that in 1987, when the Democrats controlled Congress, the Bureau of Labor statistics made a .4 percent downward adjustment in the CPI. No one called that a Democrat COLA cut. It was a technical correction.

And I would also like to point out that Mr. GEPHARDT'S substitute budget today includes economic assumptions that also include a .5 percent downward adjustment in the CPI in 1999—almost identical to the Republican estimate.

If you vote for Gephardt, you are voting for virtually the same CPI adjustment as the one included in the Republican budget.

So my friends, don't play fast and loose with the truth and try to scare senior citizens. We are not cutting COLA's—we are not cutting benefits.

The fact of the matter is that, no matter what the Bureau of Labor statistics does in 1988, the Republican budget does nothing to change Social Security law, Social Security benefits or Social Security COLA's.

Mr. KASICH. Mr. Chairman, I yield 2½ minutes to the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I thank the distinguished chairman for yielding the time to me.

Mr. Chairman, I rise in strong support of House Concurrent Resolution 67, the House budget resolution, and in opposition to the Gephardt substitute. Let me just say I think it is a tremendous effort by those who believe in the necessities to cut budgets that they have put this forward, but I happen to believe that the right vehicle is the Kasich budget which we are working on here today.

As one who has balanced budgets eight times, as one who has seen the States of the United States of America address this problem of deficits and realize that the only way to manage the economies of the States and the economies of the United States of America is to balance the budgets, I stand here pleading with each and every one of us to support the budget resolution, which we are ultimately going to go to today.

We all talk as politicians about tough choices and setting priorities, and then when it comes down to it and you really are starting to make tough choices and you really are starting to set priorities, people start to say well, we are cutting too much. It hurts the young people too much, it hurts the old people too much, it hurts the colleges too much, or whatever it may be. The bottom line is what has hurt the United States of America is the tremendous

deficit each year and debt we have accumulated, and all of the payments on that debt and the impact which that has on the economy of the United States of America.

The gentleman from Ohio [Mr. KASICH] last year, to his everlasting credit, came forward when a lot of Republicans said do not do it and presented a budget that would eventually have us in balance by the year 2002. This year he is in the majority and he has done so again, and he has put some very tough choices in there, and I recognize that and I think that is vitally important.

There is discussion of taxes. And as some Members know, as the gentleman from Utah [Mr. ORTON] knows, three of us got together and worked with others to make absolutely sure that we would not have tax reductions until such time as we had the full budget reconciliation in place, and there has been some question raised about that. But I want to assure the gentleman from Utah [Mr. ORTON] in particular that I have talked with our leadership on a number of occasions about the importance of that, the enforcement of that, and that it should not happen and will not happen regardless of how we separate reconciliation. So I am convinced that there will be no tax cuts until we have the balanced budget in place.

I congratulate the gentleman. I do not stand in support of what the gentleman is doing today because I do support the gentleman from Ohio [Mr. KASICH]. I think it is the way to go. But I congratulate the gentleman's side for coming forward with this, but I think we need to move forward with the process that well could go for 4 or 5 more months, and hopefully at the end of this we will have done what we were sent here for, to start to balance the budget of the United States of America, and if we do that I hope we receive the credit we deserve for it.

Mr. Chairman, I rise in strong support of House Concurrent Resolution 67, the House budget resolution and in opposition to the Gephardt substitute.

First, let me say that I have the highest respect for Mr. ORTON and Mr. STENHOLM, the authors of the Gephardt substitute. I believe they are truly committed to balancing the budget. Their work is a good faith effort to put forward an alternative budget resolution.

However, I find it very troubling that this is the first time that Mr. GEPHARDT and the Democratic leadership have endorsed a balanced budget plan. I cannot help believe that if the old leadership were still in control of this House that the Stenholm-Orton budget would not have had the support of the Democratic leadership and probably would not have been permitted to be offered.

The fact of the matter is that the Republican Party has listened to the American people and has put forward a real plan to balance the budget. The Democrats have been forced to scramble to say "me too" to the American people. I applaud Mr. STENHOLM and Mr. ORTON for their alternative, but does it have the honest support of the Democratic Party? Let's remember that the 1993 Democratic budget resolution relied overwhelmingly on tax increases to achieve deficit reduction and that the President's 1996 budget simply gives up on deficit reduction and would accept $200 billion deficits for the next 5 years and higher deficits after that.

Mr. Chairman, I do not agree with every aspect of the House budget resolution. There are some areas of the budget I would allocate more funding to and some I would cut more from. I may even agree with some of the proposals in the Stenholm-Orton budget. But, JOHN KASICH and the House Budget Committee have been true leaders in the effort to put forward an honest budget that gets us to balance in the year 2002. This is a historic and tremendously difficult task and they have done it.

Politicians love to talk about making the tough choices and setting priorities. Now we have finally arrived at a point when tough choices are being made and priorities are being set. Now what we hear from the other side is that the choices are too tough and the priorities are wrong. The House budget resolution is an honest plan to get this Government to a balanced budget by the year 2002. I do not agree with every part of the budget, but am willing to take up the task of making these decisions and finding alternatives to the choices I do not agree with. I support the Kasich budget resolution.

There is another issue I would like to address. I am one of the authors of the Castle-Upton-Martini amendment to the recent tax relief bill. This amendment commits the House to ensuring that no tax cuts will become law until Congress passes budget reconciliation legislation to put the directions of this budget resolution into effect. Our commitment to that process has not changed. Despite the assertions of some of my colleagues on the other side of the aisle, no tax cuts will become law until all parts of the budget reconciliation process is completed. While the reform of the Medicare Program will take some additional time this year, the other budget decisions and potential tax cuts will not become law without action on Medicare. I will work with all interested Members on this issue as the reconciliation process proceeds.

Mr. Chairman, the House budget resolution is the first step on the vital journey to a balanced budget. I urge its approval and rejection of the proposed substitutes.

Mr. ORTON. Mr. Chairman, I yield 30 seconds to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Chairman, I rise in strong support of the Orton-Stenholm coalition budget and in opposition to the Republican budget. The coalition budget just proves everybody that if you do not cut taxes, you do not have to kill Medicare and our senior citizens. It is proof that you can have a balanced budget by 2002 without making the massive cuts in Medicare and our senior citizens.

Mr. ORTON. Mr. Chairman, I yield the balance of my time, 3 minutes and 30 seconds, to the gentleman from Texas [Mr. STENHOLM], a member of the Committee on the Budget.

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

Mr. STENHOLM. Mr. Chairman, I rise in extremely good conscience in support of the coalition balanced budget bill amendment before us today.

There has been a lot of good, in fact, excellent debate during the past few days and few weeks, and in those cases of elevated debate, my respect for the gentleman from Ohio [Mr. KASICH] and the gentleman from Minnesota [Mr. SABO] has grown considerably, and I consider them two of the most conscientious and philosophically honest leaders in this body.

There has also been some less-than-excellent or honorable debate during the past 2 days and some of which I have heard in the past 1 hour; much fuzzing the truth around the edges, much exaggeration, much failing to treat the opinion of others with respect.

That is why I want to reiterate a few simple facts about the amendment we are about to vote upon. These facts imply an undergirding philosophy as pertains to people, real people, from the philosophy of the committee resolution.

□ 1145

These are honest differences of priority. And they should be dealt with honestly.

First, this budget not only reaches a surplus in the year 2002, but it does so on a glide path that means we will borrow $160 billion less over the next 7 years than the committee resolution, $160 billion less.

No one needs to convince this Member of the urgency of reducing our debt and deficit. To those Members on the other side who have focused their message on the gospel of debt reduction, I urge you to consider that this substitute is the one which provides the greatest debt reduction.

Second, I have heard many on the other side say we Democrats cannot ever bring ourselves to support spending cuts. Let me point out this substitute cuts $18.2 billion more in the first 2 years, coincidentally, 2 years before the next election.

Granted, the committee bill makes many more cuts from rates of increase, most notably $109 billion more in Medicare and $50 billion more in Medicaid over these 7 years. Those and other cuts are necessary to balance out the tax cut.

Make no mistake, our cuts are there, but they are there in a way, we believe, that avoids the possible destruction of critically important programs to many people of America.

The third and final fact is that our substitute will not encourage us to repeat the mistakes of the early 1980's. We understand that making the Medicare reforms the right way will take some time, and I am not criticizing the motives of the chairman, the gentleman from Ohio [Mr. KASICH], for establishing two reconciliation bills.

Motives aside, however, I have tremendous fear the results will be yet one more example of enacting the easy things, the popular things, like cutting

taxes, and never quite getting around to making the tough 218-vote decisions that are going to be required.

We have a great opportunity today to pass the first balanced budget this House has approved in decades. Let us do it the right way. Support the coalition balanced budget amendment.

Mr. KASICH. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, first of all, I say that I do want to compliment the coalition for putting this together, because in 1993 you all know what I went through when I wanted to be specific. I bruised elbows and knees getting tackled in the hallway on the marble when people said, ''Please, don't lay anything down. It is not good.''

My biggest problem with the proposal is the fact, as I had said earlier, that $233 billion in additional spending beyond the Domenici budget, of course, cancels out any possibility of taking that money and giving it back to taxpayers in the form of tax relief. You see, in this proposal it is no longer an issue of whether we can afford it. It really gets to be an issue of whether we can afford to let people spend their money the way they see fit or whether we keep it in the hands of government and let bureaucrats spend it the way they see fit.

Our approach is we ought to take the savings, and we ought to use it to give people their money back and to shrink the size and the scope of the Federal Government and let people spend money on their children, on their nutrition, and on their clothing, and really, frankly, in any way they see fit, as opposed to taking the $233 billion and using it on additional Federal programs.

We have a chance here today to do something historic, and that is to not just get to zero and balance the budget but also to keep our word in terms of giving hard-working American families some of their money back and, in addition to that, to provide growth incentives, growth incentives in the economy so we can create more jobs and more opportunity.

I would compliment the gentlemen and gentlewomen for coming forward with the proposal. It is in the right direction, but in the right direction is not good enough when you are in the middle of a revolution.

I would urge rejection of this proposal and ultimately approval of the Republican Committee on the Budget blueprint.

Ms. HARMAN. Mr. Chairman, I supported the balanced budget amendment and, over two Congresses, I have a strong record of supporting budget cuts and budget process reforms.

In doing so, I have not been afraid to stand up to my own party, the President, important interest groups, and, in some cases, my own husband.

I have often sided with the chairman of the Budget Committee, Mr. KASICH, as he well knows. One example is my support last year of Penny-Kasich, which would cut another $90 billion from the budget. Another is his proposal on baseline budgeting, but I cannot join him today.

The budget resolution as reported from the Budget Committee lacks the fairness and bipartisanship of many prior proposals.

The resolution assaults with equal bluntness programs which nurture investment in technologies for our country and programs which help students and workers acquire skills and knowledge and the tools they will need to succeed in the 21st century. The resolution makes no distinction in targeting investments in infrastructure, science, and health-related research, environmental protection, veterans, or fighting crime. In fact, to some it is a badge of honor that all areas of the budget are targeted. To be sure, current budget constraints force us to make difficult choices, but they should not force us to make stupid choices—choices like cutting taxes when budget savings should go to deficit reduction or critical investments we have too-long delayed; choices that cut Medicare in the absence of reforms to mitigate the factors that drive up costs; choices that retreat from investments in technology and science and the educational resources which will make or break our Nation's ability to compete in the next century, and choices that hurt children.

I have demonstrated that I can take tough votes. But I do so when I feel the option is fair and far-sighted.

I cannot vote for the Budget Committee's proposal.

Ms. FURSE. Mr. Chairman, I rise today in support of the Stenholm-Orton proposal to balance the budget. It is time that we balance the budget to stop mortgaging our children's future, and we make serious choices about our priorities. I support the Stenholm proposal too because it balances the budget by the year 2002 by cutting spending, does not raise taxes, and does not include a $350 billion tax cut we cannot afford.

This proposal does not attack the Pacific Northwest's future like the Republican plan. I am pleased that the Stenholm proposal does not eliminate student loans for 90,000 Oregon students, like the Republican bill. In addition, the Stenholm plan does not change our labor laws which encourages family wages or include changes in Federal employee contributions. It does not jeopardize the small business and export programs which have helped Oregon increase trade by 40 percent since 1992. It is also far better than the committee bill in terms of Medicare and Medicaid, restoring over $100 billion in funding.

Let me note that no balanced budget proposal will be perfect; there is something to dislike in every balanced budget. While I believe the Stenholm proposal is wise to reject the Republican's overall $100 billion Pentagon spending increase, I believe it is wrong to increase any funding for the Defense Department. Study after study, and report after report confirms that billions of dollars are wasted in unnecessary spending in the Pentagon budget. I have authored amendments and bills to cut up to $8 billion in outdated programs. And my bill to use commercial aircraft to augment our military airlift saves $15 billion—the same amount that is increased in the Stenholm-Orton plan. The Stenholm-Orton plan does delay any increase until after the year 2000, and I pledge to fight any proposed increases in Pentagon spending.

With reservations in the area of Pentagon spending, I believe we all must put our individual objections aside and focus on doing what is right for our Nation's future. Balancing the budget without raising taxes is doing what is right. I urge all my colleagues to support the Stenholm-Orton plan to balance the budget by the year 2002 by cutting spending.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Missouri [Mr. GEPHARDT].

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

RECORDED VOTE

Mr. ORTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 100, noes 325, answered ''present'' 1, not voting 9, as follows:

[Roll No. 342]

AYES—100

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Beilenson
Bentsen
Bevill
Brewster
Browder
Brown (CA)
Cardin
Chapman
Clayton
Clement
Clyburn
Condit
Conyers
Cramer
Danner
Davis
de la Garza
Dicks
Dingell
Dixon
Dooley
Doyle
Duncan
Eshoo
Fazio
Furse
Geren
Gibbons
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harman
Hayes
Hefner
Horn
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Kennedy (MA)
Kennelly
Klug
LaFalce
Laughlin
Lincoln
Lipinski
Luther
McCarthy
McHale
McNulty
Meehan
Meek
Minge
Montgomery
Moran
Morella
Murtha
Oberstar
Olver
Ortiz
Orton
Pallone
Payne (VA)
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Quinn
Richardson
Roemer
Rose
Roukema
Sabo
Sawyer
Schroeder
Scott
Sisisky
Skaggs
Slaughter
Spratt
Stark
Stenholm
Tanner
Tauzin
Taylor (MS)
Thornton
Upton
Vento
Visclosky
Volkmer
Watt (NC)
Wynn

NOES—325

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clinger
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Cooley
Costello
Cox
Coyne
Crane
Crapo
Cremeans
Cubin
Cunningham
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Doggett
Doolittle
Dornan
Dreier
Dunn
Durbin
Edwards
Ehlers

Ehrlich
Emerson
Engel
English
Ensign
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gingrich
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Greenwood
Gutierrez
Gutknecht
Hancock
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kasich
Kelly
Kennedy (RI)
Kildee
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCollum
McCrery
McDade
McDermott
McHugh
McInnis
McKeon
McKinney
Menendez
Metcalf
Meyers
Mfume
Mica
Miller (CA)
Miller (FL)
Mineta
Mink
Moakley
Molinari
Mollohan
Moorhead
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Owens
Oxley
Packard
Parker
Pastor
Paxon
Payne (NJ)
Pelosi
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Rahall
Ramstad
Reed
Regula
Reynolds
Riggs
Rivers
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaefer
Schiff
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tate
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torres
Towns
Traficant
Tucker
Velazquez
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Waters
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED ''PRESENT''—1

Kaptur

NOT VOTING—9

Berman
Bono
Hoke
Kleczka
McIntosh
Rangel
Serrano
Smith (MI)
Torricelli

□ 1208

Messrs. STOCKMAN, MARTINEZ, CHRISTENSEN, BUYER, and Ms. EDDIE BERNICE JOHNSON of Texas changed their vote from ''aye'' to ''no.''

Mr. KENNEDY of Massachusetts and Mr. VENTO 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. Under the rule it is now in order to consider an amendment in the nature of a substitute to be offered by the gentleman from Wisconsin [Mr. NEUMANN] or the gentleman from New York [Mr. SOLOMON] consisting of the text of House Concurrent Resolution 66.

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

Mr. NEUMANN. 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. NEUMANN: Strike out all after the resolving clause and insert in lieu thereof the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,056,600,000,000.
Fiscal year 1997: $1,057,400,000,000.
Fiscal year 1998: $1,096,300,000,000.
Fiscal year 1999: $1,138,900,000,000.
Fiscal year 2000: $1,187,200,000,000.
Fiscal year 2001: $1,240,700,000,000.
Fiscal year 2002: $1,300,500,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: $13,600,000,000.
Fiscal year 1997: −$26,600,000,000.
Fiscal year 1998: −$38,700,000,000.
Fiscal year 1999: −$48,100,000,000.
Fiscal year 2000: −$57,800,000,000.
Fiscal year 2001: −$70,300,000,000.
Fiscal year 2002: −$80,500,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: $101,900,000,000.
Fiscal year 1997: $105,900,000,000.
Fiscal year 1998: $110,500,000,000.
Fiscal year 1999: $115,600,000,000.
Fiscal year 2000: $120,700,000,000.
Fiscal year 2001: $125,900,000,000.
Fiscal year 2002: $130,900,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1996: $1,219,700,000,000.
Fiscal year 1997: $1,236,000,000,000.
Fiscal year 1998: $1,251,900,000,000.
Fiscal year 1999: $1,253,800,000,000.
Fiscal year 2000: $1,275,300,000,000.
Fiscal year 2001: $1,312,600,000,000.
Fiscal year 2002: $1,359,600,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1996: $1,238,700,000,000.
Fiscal year 1997: $1,245,700,000,000.
Fiscal year 1998: $1,251,200,000,000.
Fiscal year 1999: $1,233,400,000,000.
Fiscal year 2000: $1,260,700,000,000.
Fiscal year 2001: $1,302,800,000,000.
Fiscal year 2002: $1,352,400,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1996: $182,100,000,000.
Fiscal year 1997: $188,300,000,000.
Fiscal year 1998: $154,900,000,000.
Fiscal year 1999: $94,500,000,000.
Fiscal year 2000: $73,500,000,000.
Fiscal year 2001: $62,100,000,000.
Fiscal year 2002: $51,900,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1996: $5,214,000,000,000.
Fiscal year 1997: $5,470,000,000,000.
Fiscal year 1998: $5,697,000,000,000.
Fiscal year 1999: $5,896,000,000,000.
Fiscal year 2000: $6,081,000,000,000.
Fiscal year 2001: $6,157,000,000,000.
Fiscal year 2002: $6,216,000,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001 are as follows:

Fiscal year 1996:
(A) New direct loan obligations, $18,200,000,000.
(B) New primary loan guarantee commitments, $170,600,000,000.

Fiscal year 1997:
(A) New direct loan obligations, $17,200,000,000.
(B) New primary loan guarantee commitments, $167,800,000,000.

Fiscal year 1998:
(A) New direct loan obligations, $16,200,000,000.
(B) New primary loan guarantee commitments, $165,000,000,000.

Fiscal year 1999:
(A) New direct loan obligations, $15,200,000,000.
(B) New primary loan guarantee commitments, $162,200,000,000.

Fiscal year 2000:
(A) New direct loan obligations, $14,200,000,000.
(B) New primary loan guarantee commitments, $159,400,000,000.

Fiscal year 2001:
(A) New direct loan obligations, $14,200,000,000.
(B) New primary loan guarantee commitments, $159,400,000,000.

Fiscal year 2002:
(A) New direct loan obligations, $14,200,000,000.
(B) New primary loan guarantee commitments, $159,400,000.000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:
(A) New budget authority, $261,200,000,000.
(B) Outlays, $260,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $260,000,000,000.
(B) Outlays, $260,000,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $260,000,000,000.
(B) Outlays, $260,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $260,000,000,000.
(B) Outlays, $260,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $260,000,000,000.
(B) Outlays, $260,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $265,000,000,000.
(B) Outlays, $263,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $270,000,000,000.
(B) Outlays, $270,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1996:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $4,800,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $9,400,000,000.
(B) Outlays, $14,000,000,000.
(C) New direct loan obligations, $3,800,000,000.
(D) New primary loan guarantee commitments, $12,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $9,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $8,000,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $6,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $8,000,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New primary loan guarantee commitments, $4,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $8,000,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New primary loan guarantee commitments, $4,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $8,000,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New primary loan guarantee commitments, $4,000,000,000.
(E) New secondary loan guarantee commitments, $0.
(3) General Science, Space, and Technology (250):
Fiscal year 1996:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $15,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $14,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1996:
(A) New budget authority, $3,900,000,000.
(B) Outlays, $3,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $3,200,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $2,600,000,000.
(B) Outlays, $1,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $2,300,000,000.
(B) Outlays, $1,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $1,900,000,000.
(B) Outlays, $1,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $2,000,000,000.
(B) Outlays, $2,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $2,500,000,000.
(B) Outlays, $2,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1996:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $20,700,000,000.
(C) New direct loan obligations, $20,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $19,300,000,000.
(C) New direct loan obligations, $20,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $17,900,000,000.
(C) New direct loan obligations, $20,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $16,300,000,000.
(C) New direct loan obligations, $20,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $16,500,000,000.
(C) New direct loan obligations, $20,000,000.

(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $16,500,000,000.
(C) New direct loan obligations, $20,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $16,500,000,000.
(C) New direct loan obligations, $20,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1996:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $2,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $11,000,000,000.
(B) Outlays, $10,400,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $2,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,200,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $2,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $8,200,000,000.
(B) Outlays, $7,000,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $2,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $7,000,000,000.
(B) Outlays, $7,000,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $2,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $8,000,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $2,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $2,700,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1996:
(A) New budget authority, $2,000,000,000.
(B) Outlays, −$7,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $97,500,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1997:
(A) New budget authority, $900,000,000.
(B) Outlays, −$6,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $97,500,000,000.
(E) New secondary loan guarantee commitments, $80,000,000,000.
Fiscal year 1998:
(A) New budget authority, −$1,400,000,000.
(B) Outlays, −$9,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $97,500,000,000.
(E) New secondary loan guarantee commitments, $50,000,000,000.
Fiscal year 1999:
(A) New budget authority, $−2,100,000,000.
(B) Outlays, −$9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $97,500,000,000.
(E) New secondary loan guarantee commitments, $25,000,000,000.
Fiscal year 2000:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$9,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $97,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$9,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $97,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$9,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $97,500,000,000.
(E) New secondary loan guarantee commitments, $0.
(8) Transportation (400):
Fiscal year 1996:
(A) New budget authority, $29,600,000,000.
(B) Outlays, $36,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $32,000,000,000.
(B) Outlays, $33,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $31,500,000,000.
(B) Outlays, $32,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $31,500,000,000.
(B) Outlays, $27,800,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $30,000,000,000.
(B) Outlays, $29,000,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $31,000,000,000.
(B) Outlays, $31,000,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $32,000,000,000.
(B) Outlays, $32,000,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):
Fiscal year 1996:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $10,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $8,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $6,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $7,000,000,000.
(B) Outlays, $7,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $7,500,000,000.
(B) Outlays, $7,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1996:
(A) New budget authority, $43,300,000,000.
(B) Outlays, $51,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $40,600,000,000.
(B) Outlays, $42,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $40,800,000,000.
(B) Outlays, $40,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $41,500,000,000.
(B) Outlays, $39,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $41,500,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $42,100,000,000.
(B) Outlays, $42,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $44,000,000,000.
(B) Outlays, $44,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $118,000,000,000.
(B) Outlays, $116,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $120,000,000,000.
(B) Outlays, $119,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $123,000,000,000.
(B) Outlays, $122,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $127,000,000,000.
(B) Outlays, $124,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $131,000,000,000.
(B) Outlays, $130,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $133,000,000,000.
(B) Outlays, $133,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $136,000,000,000.
(B) Outlays, $136,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $171,700,000,000.
(B) Outlays, $170,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $181,400,000,000.
(B) Outlays, $179,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $191,500,000,000.
(B) Outlays, $189,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $202,200,000,000.
(B) Outlays, $200,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $213,600,000,000.
(B) Outlays, $210,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $223,000,000,000.
(B) Outlays, $223,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $236,000,000,000.
(B) Outlays, $236,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $205,000,000.
(B) Outlays, $214,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $208,000,000,000.
(B) Outlays, $216,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $214,000,000,000.
(B) Outlays, $218,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $220,000,000,000.
(B) Outlays, $220,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $229,000,000,000.
(B) Outlays, $229,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $233,000,000,000.
(B) Outlays, $233,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $237,000,000,000.
(B) Outlays, $237,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,000,000.
(E) New secondary loan guarantee commitments, $0.

(14) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $5,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $6,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $5,600,000,000.
(B) Outlays, $5,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,300,000,000.
(B) Outlays, $5,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:

(A) New budget authority, $4,900,000,000.
(B) Outlays, $4,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $4,700,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $4,900,000,000.
(B) Outlays, $4,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $36,300,000,000.
(B) Outlays, $35,800,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $37,000,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $37,500,000,000.
(B) Outlays, $37,400,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $38,000,000,000.
(B) Outlays, $38,000,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $40,000,000,000.
(B) Outlays, $40,000,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $41,000,000,000.
(B) Outlays, $41,000,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $43,000,000,000.
(B) Outlays, $43,000,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $16,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,000,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $16,000,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $16,000,000,000.
(B) Outlays, $15,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $16,000,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $16,000,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1996:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $297,100,000,000.
(B) Outlays, $297,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $305,600,000,000.
(B) Outlays, $305,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $309,800,000,000.
(B) Outlays, $309,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $315,800,000,000.
(B) Outlays, $315,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $321,200,000,000.
(B) Outlays, $321,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $326,000,000,000.
(B) Outlays, $326,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $332,000,000,000.
(B) Outlays, $332,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1996:
(A) New budget authority, −$14,500,000,000.
(B) Outlays, −$12,300,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$15,100,000,000.

(B) Outlays, −$13,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$15,400,000,000.

(B) Outlays, −$13,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$33,900,000,000.

(B) Outlays, −$32,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$38,500,000,000.

(B) Outlays, −$38,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$32,800,000,000.

(B) Outlays,

(C) New direct loan obligations, −$32,800,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$20,800,000,000.

(B) Outlays, −$20,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1996:

(A) New budget authority, −$31,300,000,000.

(B) Outlays, −$31,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$31,200,000,000.

(B) Outlays, −$31,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$31,900,000,000.

(B) Outlays, −$31,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$35,800,000,000.

(B) Outlays, −$35,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$36,800,000,000.

(B) Outlays, −$36,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$35,600,000,000.

(B) Outlays, −$35,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$37,700,000,000.

(B) Outlays, −$37,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

SEC. 4. RECONCILIATION.

(a) Not later than July 14, 1995, the House committees named in subsections (b) through (o) of this section shall submit their recommendations to the House Budget Committee. After receiving those recommendations, the House Budget Committee shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $6,200,000,000 in budget authority and $6,200,000,000 in outlays in fiscal year 1996, $11,500,000,000 in budget authority and $11,500,000,000 in outlays in fiscal year 1997, $14,400,000,000 in budget authority and $14,400,000,000 in outlays in fiscal year 1998, $17,100,000,000 in budget authority and $17,100,000,000 in outlays in fiscal year 1999, $19,400,000,000 in budget authority and $19,400,000,000 in outlays in fiscal year 2000, $21,100,000,000 in budget authority and $21,100,000,000 in outlays in fiscal year 2001, and $23,600,000,000 in budget authority and $23,600,000,000 in fiscal year 2002.

(c) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $800,000,000 in budget authority and $800,000,000 in outlays in fiscal year 1996, $800,000,000 in budget authority and $800,000,000 in outlays in fiscal year 1997, $800,000,000 in budget authority and $800,000,000 in outlays in fiscal year 1998, $800,000,000 in budget authority and $800,000,000 in outlays in fiscal year 1999, $800,000,000 in budget authority and $800,000,000 in outlays in fiscal year 2000, $800,000,000 in budget authority and $800,000,000 in outlays in fiscal year 2001, and $800,000,000 in budget authority and $800,000,000 in fiscal year 2002.

(d) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $19,900,000,000 in budget authority and $19,300,000,000 in outlays in fiscal year 1996, $36,800,000,000 in budget authority and $37,200,000,000 in outlays in fiscal year 1997, $55,900,000,000 in budget authority and $56,100,000,000 in outlays in fiscal year 1998, $80,300,000,000 in budget authority and $79,700,000,000 in outlays in fiscal year 1999, $100,600,000,000 in budget authority and $100,800,000,000 in outlays in fiscal year 2000, $124,900,000,000 in budget authority and $124,900,000,000 in outlays in fiscal year 2001, and $148,400,000,000 in budget authority and $148,400,000,000 in fiscal year 2002.

(e) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $1,600,000,000 in budget authority and $1,600,000,000 in outlays in fiscal year 1996, $2,500,000,000 in budget authority and $2,500,000,000 in outlays in fiscal year 1997, $2,600,000,000 in budget authority and $2,600,000,000 in outlays in fiscal year 1998, $2,800,000,000 in budget authority and $2,800,000,000 in outlays in fiscal year 1999, $2,900,000,000 in budget authority and $2,900,000,000 in outlays in fiscal year 2000, $3,100,000,000 in budget authority and $3,100,000,000 in outlays in fiscal year 2001, and $3,300,000,000 in budget authority and $3,300,000,000 in fiscal year 2002.

(f) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $1,800,000,000 in budget authority and $1,800,000,000 in outlays in fiscal year 1996, $2,600,000,000 in budget authority and $2,600,000,000 in outlays in fiscal year 1997, $2,900,000,000 in budget authority and $2,900,000,000 in outlays in fiscal year 1998, $2,900,000,000 in budget authority and $2,900,000,000 in outlays in fiscal year 1999, $2,900,000,000 in budget authority and $2,900,000,000 in outlays in fiscal year 2000, $2,900,000,000 in budget authority and $2,900,000,000 in outlays in fiscal year 2001, and $2,900,000,000 in budget authority and $2,900,000,000 in fiscal year 2002.

(g) The House Committee on International Relations shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000, $0 in budget authority and $0 in outlays in fiscal year 2001, and $0 in budget authority and $0 in fiscal year 2002.

(h) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $1,000,000,000 in budget authority and $750,000,000 in outlays in fiscal year 1996, $1,000,000,000 in budget authority and $800,000,000 in outlays in fiscal year 1997, $1,000,000,000 in budget authority and $900,000,000 in outlays in fiscal year 1998, $1,000,000,000 in budget authority and $1,000,000,000 in outlays in fiscal year 1999, $1,000,000,000 in budget authority and $1,000,000,000 in outlays in fiscal year 2000, $1,000,000,000 in budget authority and $1,000,000,000 in outlays in fiscal year 2001, and $1,000,000,000 in budget authority and $1,000,000,000 in fiscal year 2002.

(i) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000, $0 in budget authority and $0 in outlays in fiscal year 2001, and $0 in budget authority and $0 in fiscal year 2002.

(j) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays

as follows: $4,200,000,000 in budget authority and $4,100,000,000 in outlays in fiscal year 1996, $5,800,000,000 in budget authority and $5,800,000,000 in outlays in fiscal year 1997, $5,000,000,000 in budget authority and $5,000,000,000 in outlays in fiscal year 1998, $3,900,000,000 in budget authority and $3,900,000,000 in outlays in fiscal year 1999, $4,000,000,000 in budget authority and $4,000,000,000 in outlays in fiscal year 2000, $3,400,000,000 in budget authority and $3,400,000,000 in outlays in fiscal year 2001, and $3,400,000,000 in budget authority and $3,400,000,000 in fiscal year 2002.

(k) The House Committee on Science shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000, $0 in budget authority and $0 in outlays in fiscal year 2001, and $0 in budget authority and $0 in fiscal year 2002.

(l) The House Committee on Small Business shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $0 in budget authority and $0 in outlays in fiscal year 1996, $0 in budget authority and $0 in outlays in fiscal year 1997, $0 in budget authority and $0 in outlays in fiscal year 1998, $0 in budget authority and $0 in outlays in fiscal year 1999, $0 in budget authority and $0 in outlays in fiscal year 2000, $0 in budget authority and $0 in outlays in fiscal year 2001, and $0 in budget authority and $0 in fiscal year 2002.

(m) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $5,000,000,000 in budget authority and $0 in outlays in fiscal year 1996, $8,200,000,000 in budget authority and $0 in outlays in fiscal year 1997, $8,500,000,000 in budget authority and $0 in outlays in fiscal year 1998, $8,800,000,000 in budget authority and $0 in outlays in fiscal year 1999, $9,100,000,000 in budget authority and $0 in outlays in fiscal year 2000, $9,400,000,000 in budget authority and $0 in outlays in fiscal year 2001, and $9,800,000,000 in budget authority and $0 in fiscal year 2002.

(n) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $1,100,000,000 in budget authority and $1,000,000,000 in outlays in fiscal year 1996, $1,200,000,000 in budget authority and $1,200,000,000 in outlays in fiscal year 1997, $1,300,000,000 in budget authority and $1,300,000,000 in outlays in fiscal year 1998, $1,900,000,000 in budget authority and $1,900,000,000 in outlays in fiscal year 1999, $2,100,000,000 in budget authority and $2,200,000,000 in outlays in fiscal year 2000, $2,100,000,000 in budget authority and $2,300,000,000 in outlays in fiscal year 2001, and $2,400,000,000 in budget authority and $2,600,000,000 in fiscal year 2002.

(o) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit, as follows: $45,300,000,000 in fiscal year 1996, $32,000,000,000 in fiscal year 1997, $39,300,000,000 in fiscal year 1998, $52,000,000,000 in fiscal year 1999, $66,700,000,000 in fiscal year 2000, $82,100,000,000 in fiscal year 2001, and $97,400,000,000 in fiscal year 2002.

(p) For purposes of this section, the term ''direct spending'' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the term ''new budget authority'' has the meaning given to such term in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 5. SENSE OF THE HOUSE REGARDING SOCIAL SECURITY.

It is the sense of the House of Representatives that legislation should be enacted that:

(1) Prohibits the use of the surplus funds collected as part of the social security payroll tax from being used to balance the budget or reduce the deficit.

(2) Starting in 1996, sets aside these surplus funds to preserve and protect the social security system.

(3) Establishes a bipartisan commission to oversee the protection of these surplus funds, the primary purpose of which is to establish a safe and secure mechanism to preserve these funds.

(4) Provides that as the Federal debt is repaid, the social security funds that are currently part of the $4,900,000,000,000 Federal debt as well as interest on these funds shall also be repaid and set aside under the mechanism established under paragraphs (2) and (3).

SEC. 6. SENSE OF THE HOUSE REGARDING DEBT REPAYMENT.

It is the sense of the House of Representatives that:

(1) The Congress has a basic moral and ethical responsibility to future generations to repay the Federal debt. The Congress should enact a plan that not only balances the budget but also institutes a regimen for paying off the Federal debt.

(2) After the budget is balanced, spending should be allowed to grow at a rate slower than expected revenues so that a surplus is created which can be used to begin paying off the debt.

(3) Such a plan should be enacted into law so that this generation can save our children and grandchildren from the crushing burdens of the Federal debt.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin [Mr. NEUMANN] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. NEUMANN] and request to be recognized as such.

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] will be recognized in opposition for 30 minutes.

Mr. KOLBE. Mr. Chairman, I ask unanimous consent that I be allowed to yield half of my time to the gentleman from Minnesota [Mr. SABO] and that he would be able to yield to other Members from that time.

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

There was no objection.

The CHAIRMAN. Consequently the gentleman from Wisconsin [Mr. NEUMANN] will be recognized for 30 minutes, the gentleman from Arizona [Mr. KOLBE] will be recognized for 15 minutes, and the gentleman from Minnesota [Mr. SABO] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I would like to begin this discussion by reiterating that this will be a yes or no vote on balancing the budget in 5 years, paying off the Federal debt in 30 years, and restoring the Social Security trust fund.

But it is much more than that, Mr. Chairman. It is a vote about the future of a nation.

Our Founding Fathers gave us a great country, and in doing so, in giving us this fine gift, they have also given us a responsibility. It is a responsibility that we have not handled very well in the last 15 years.

Mr. Chairman, the fact of the matter is in the last 15 years this Nation has accumulated a $4.9 trillion debt. If every single American were to pay just their share, every man, woman and child in the country, they would have to pay $19,100 of debt. A family of five like mine would be responsible for $95,000. A typical American family of four would be responsible for $76,000 of debt. And here is the kicker:

The interest alone on that Federal debt amounts to over $5,000 a year. The average households in my district are only earning $32,000 a year. They cannot afford to continue spending $5,000 a year.

The growth in the debt over the last 20 years has been something we all need to be very concerned about. This chart shows that from 1960 to 1980 the Federal debt grew at almost a flat rate. Very little debt growth, but from 1980 forward the debt is on a very, very steep inclining roll.

We cannot let this continue. The budget plan we bring to the floor this morning solves that problem, and here is how we go about doing it:

First, we take Social Security completely out of the picture. We do not use Social Security revenues, nor expenditures, in our calculations of the rest of this presentation. If we do that, the Federal budget, the Federal Government, is literally writing out checks for $1,187 billion. They are making a checkbook deposit of $998 billion. Therefore their checkbook is overdrawn by $189 billion. Our first thing that is very significant in our plan then is that we set Social Security completely aside, completely off the table.

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Our plan recommends that we continue spending, writing out the same number of checks, if you like, $1,187 billion through the year 1999. In doing so, the growth in revenue will actually reach $1,187 billion because of both inflation and real growth in the economy. So by the year 1999, we will in fact have a balanced budget. With the tax cuts implemented, which we do in our budget presentation, it pushes it back by 1 year. So our plan balances the budget by the year 2000.

After the year 2000, and this is another very significant change from the

discussion that typically goes on out here in Washington, after the year 2000, we allow spending to rise at a rate 1 percent slower than the rate of revenue growth. In doing so, we accumulate a surplus each year. That surplus, folks, goes to pay off that terrible Federal debt, so that we may pass this Nation on to our children debt free instead of the huge burden that we are currently accumulating, which will otherwise we passed on to our children.

I would point out that by doing a 5-year balanced budget plan, rather than a 7-year plan, we save our children $600 billion. That is the amount of money that will not be borrowed if we implement the 5-year plan versus the 7-year plan.

This also sends a very strong message to the Senate that we are interested in getting this job done, and done sooner rather than later.

My colleagues, this is a plan designed for our senior citizens. It protects and restores the Social Security trust fund. This is a plan for working families in America. It provides a $500 per child tax cut. This is a plan for the future for our children in this Nation. It pays off the Federal debt, so we do not pass on this huge burden to the next generation of Americans. To my colleagues, folks, this is a plan for the future of America, and that is why we are all here today.

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

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. GEKAS].

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

Mr. GEKAS. Mr. Chairman, I rise reluctantly in opposition to the plan offered by the gentleman from New York and the gentleman from Wisconsin, reluctantly because their plan, like the other plans, lead to a balanced budget at some point in the near or farther future. That is good for the debate and good for the American people. That is good for us as a road map, among many, to try to reach that balanced budget.

Now, some of the plans are better for defense than others. Others are good for our highway system, a little better than some of the others presented. So how do we pick and choose? What is attractive about this current plan, against which I am going to vote, reluctantly, is the funding for the National Institutes of Health. What happens in the current proposition, the one that is before us, is that NIH remains stable in its ability to provide grants for the much needed research, which is, of course, a part of our health care problem.

The more we are able to bring moneys to the NIH for research, the less in the future we will require for health care. That is a logical conclusion to reach, which I reached a long time ago. That is why I am tempted, with all my heart, to vote for this bill, because it treats the NIH, this proposal, better than any of the others that are going to come before us.

Yet, in order to codify, if we will, the move toward the balanced budget by 2002 and because the Kasich approach, the committee approach, brings us there in a more cohesive way, I will vote against the Solomon proposal. But NIH, I am determined, will become a focal point for the appropriations process that is to follow.

Mr. NEUMANN. Mr. Chairman, I yield 2 minutes to my good friend, the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding. I want to congratulate him as a freshman Member to get out in front and to do the job that has to be done. I want you to know the people that are introducing this resolution are going to vote for this resolution.

I have heard so much about we have got to balance the budget. But you know something, my friends? Time is of the essence. If we are going to balance the budget, we have got to do it the quickest way possible or we are going to lose momentum. That is why I am asking the speaker who just spoke here, the gentleman from Pennsylvania [Mr. GEKAS], come and join us. You want to balance the budget? By golly, let us do it. Let walk our talk. We have been giving this speech for a long time. Now is the time to vote for it.

I congratulate the gentleman from Wisconsin [Mr. NEUMANN] for the job he is doing. We have not had a balanced budget since 1969, 26 years. How much longer do you want to wait? It is costing us $1 billion almost, a day that we do not get this budget balanced.

This budget that we have got in front of us, this proposal, will balance the budget in 5 years, and it is going to do it with fairness. We act with dispatch, but we also take into consideration what is needed for this country. This budget resolution will save $600 billion in interest payments, $600 billion. This is a big savings for our country and for our children.

Now, the House budget resolution is a good budget resolution, too. I am going to vote for that, as I expect you will. But it is 7 years. It eliminates three Cabinet departments, 14 agencies, 68 Commissions, 283 Programs. Yes, it is a good resolution, but this is the best of all. Why? Because it is going to get the job done in the time required. We cannot stretch it out, or else we will never get the job done.

You know, in Wisconsin, we have a saying, talk if cheap. It costs money to buy whiskey. And the gentleman from Wisconsin [Mr. NEUMANN] is following that philosophy. He is getting the job done.

Ther are those who argue that this is an historic day. In 1989, we had historic days in Russia and in Germany. But for 1995, it is going to be a historic day for America if we balance the budget, and we can do it today. I am asking you to vote this way.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, this debate is not about budgets and numbers and about graphs and charts. It is about human beings like Mrs. Dolly Johnston. She is a 67-year-old woman from Spokane, WA, who had a heart operation in 1993. For 4 months afterwards she had home health care from a nurse. Mrs. Johnston, who was a nurse for 32 years, said if I had not had here, I was too weak to pour my own medicine.

Now, this budget that is being laid out here today is making major cuts in this program that took care of Mrs. Johnston, the Medicare Program. How are they going to do it?

Let me just think about this woman for a second. The plan that makes these cuts will require each senior citizen like Mrs. Johnston to get a voucher. think for a minute. She is 67 years old. You give her an inadequate voucher that will have to be ratcheted down every year in order to make the savings that are proposed over here. She will go out into the street with that voucher in her hand. She has a preexisting condition. She is 67 years old.

You tell me where the loving insurance company is in your district that is going to give her an adequate insurance policy? Now, I have dealt with these people, and no insurance company is going to do that for her.

So, who will pick up the difference between that inadequate policy and what she really needs? Her children. For the first time in 30 years, the young people of this country are going to have to worry about their grandmother or their mother and how they are going to pay for that.

When I was young and my grandmother, back in the 1950's, had no insurance, we paid it around the table. It was figured out among the uncles and brothers. That is going to start happening in this country for the first time in 30 years. And it is not just insurance companies. Remember Mrs. Johnston when you vote ''no.''

Mr. NEUMANN. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I was hoping to see some pictures, because I brought one, too. This is my family.

The reason we are doing this, folks, is for the families and children all across America. We cannot allow this debt to continue to climb. This is for the future of America. We cannot lose the courage necessary to do our job.

Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, I would like to congratulate the gentleman from Wisconsin [Mr. NEUMANN].

This initiative is really supported in full measure by the freshman class. We are new to politics but we bring a lot of understanding to Congress with us. We understand if you pay the mortgage off

sooner than later, you save money. That makes sense at home. It should make sense up here.

The real problem I have of waiting any longer is that if a family did what we did every day up here, spend beyond their means, they would wake up one day and they would lose who they are as people. That is what is at risk here. If we continue to be everything to everybody, we are going to lose the character of our people. I think you have seen a decline in character over the last 30 years directly proportional to spending.

Do not wait any longer. If you did to children what we did to this country, giving them everything they want and never say no, you would have a child different than what you would hope to have. We have a country different than what I would hope to have. Let us not wait 2 more years.

Mr. KOLBE. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the previous speaker on the other side was talking about the Medicare cuts. But I think it is worth noting, and we have said it before, but it just needs to be repeated, that under our plan the average increase per beneficiary would go up from $4,700 to $6,300. In the State of Washington the total Medicare spending would go from $2.5 billion to $3.7 billion, and the per capita spending would be $3,700 to $4,800, an increase of $1,089.

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

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

Mr. PACKARD. Mr. Chairman, I rise in support of the Kasich budget resolution. The Budget Committee provides us with the itinerary for an historic journey towards a balanced budget. Anyone serving in this body during the last 26 years, will find themselves in uncharted waters. Over the last generation, liberal spenders—who used to control Congress—rushed this country down a roaring river of debt. Currently, we find ourselves submerged under a $5 trillion sea of red and the level continues to rise unabated. By 2010 our debt will reach $8 trillion. Frankly, we are drowning.

Some of you may know that I have a relatively large family—7 children and, as of a couple of weeks ago, 31 grandchildren. Since I began my service in Congress, I have always measured everything I do by one standard—what legacy am I leaving to them and to our Nation's children and grandchildren?

Under Democratic leadership for the last 40 years, this institution promoted the centralized bureaucratic model of government—the ''Washington knows best'' model. The American people have seen the results—fiscal and moral bankruptcy.

My new grandchild, born just a couple of weeks ago, will pay nearly $200,000 over her lifetime if we continue on this path. I cannot leave this legacy to her or to anyone else's kids. People outside Washington know this and have asked us to change course.

The American people want something different for their children. They sacrifice every day to ensure a better future for this country. They work too hard and care too much to see us continue down this destructive path. They know that our economic and social well-being depends on changing not only what we spend but how we spend it.

In November, the voters put Republicans at the helm and asked us to chart a new course that sets us on a glide path towards a smaller Government that spends less, taxes less and regulates less. Chairman KASICH's budget resolution sets us on this new course.

It not only lifts us out of this sea of red, it also provides the framework to take the money and power out of Washington. This resolution forces this institution to do something no one thought was possible—set priorities and rein in big Government.

This budget eliminates three Cabinet departments, 14 agencies, 68 Commissions, and 283 programs. It gives us the opportunity to send our resources back home where people use it productively.

This debate really is about much more than balancing the books. It is about rethinking just what role our Government will play in our lives and choosing just what direction we see this country taking over the long term. Chairman KASICH and the Budget Committee charts a future which gives us less Government, less taxes, and more freedom.

This is a journey I have wanted to take since I began my service here in Congress. I ask my colleagues to join me on the trip and support the Kasich budget resolution.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I rise today in support of the Neumann budget proposal. While no proposal is perfect, this one does not play politics, and is a no-nonsense attempt to pay off our national debt. In many ways, it is like the district I represent.

As a member of the Agriculture Committee, I know the difficulties that lie ahead for our farm communities as funding levels decrease. We in the agriculture community saw this coming.

But I want to be able to go back to the farmers, ranchers, and farm-related small businesses in my district having supported a budget that shared the pain.

In fact, because this budget balances our books in 5 years, the savings are compressed. However, after the year 2000, the cuts to agriculture under the Kasich budget are greater.

For those who believe in a free market, the increased level of savings over the Kasich budget exceeds $600 billion which will translate to new growth in all sectors of the economy.

This amazing amount is better spent by farmers, ranchers, farm-related industries, and all other citizens than by their Government.

I thank my colleague from Wisconsin for offering this alternative, and urge my colleagues to vote for the Neumann budget.

□ 1230

Mr. SABO. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. BORSKI].

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

Mr. BORSKI. Mr. Chairman, I rise in opposition to the Kasich amendment.

Mr. Chairman, I rise today in opposition to House Concurrent Resolution 67, the Republican budget resolution for fiscal year 1996. This resolution provides huge and expensive tax breaks for wealthy Americans, and asks America's working families and senior citizens to pay the bill. It calls on older Americans to pay the most for failed policies of the past, hinders the efforts of working Americans to earn higher wages today, and slams the door on our children's opportunities in the future.

Several weeks ago, the Republicans took the first step in their misguided budget proposal when the House approved their Contract With America tax package. Over half of the tax breaks in this package benefit only the top 12 percent of families with incomes over $100,000, and 20 percent of the breaks benefit only the top 1 percent of families with incomes over $350,000. Under this tax package, a lucky 1.1 million taxpayers—whose incomes exceed $230,000—will enjoy an annual $20,000 tax break bonus.

Does this sound familiar? It happened in the eighties, when the deficit soared because of huge tax breaks for the wealthy. These tax breaks for the rich were supposed to trickle down to the rest of America. Instead, incomes stagnated and taxes increased for most middle-income American families.

Like the tax breaks of the eighties, today's Republican tax plan does not come for free: over 7 years, it will cost the U.S. taxpayer more than $354 billion. And guess who pays once again: middle-income working and retired American families.

In order to pay for these handouts for the wealthy, the Republican budget cuts Medicare by $288 billion. These are the largest cuts ever proposed for the Medicare Program. They will escalate the cost of health care for our Nation's elderly, who on average already dedicate 21 percent of their income to pay for out-of-pocket health care costs.

Cuts of this magnitude in the Medicare Program will require seniors to pay more of their limited incomes on health care costs. Over the 7-year period of the budget, the average senior will pay $3,500 in total additional out-of-pocket health care expenses.

But even $288 billion in Medicare cuts is not enough to pay for $354 billion in new spending for the wealthy. In order to fully pay the bill, the Republicans need to raid another program essential to our Nation's seniors—Social Security.

Despite their promise not to touch Social Security, the Republican budget actually cuts cost-of-living adjustments [COLA's] between

1999 and 2002. These cuts take a deeper bite into Social Security checks with each passing year. By 2002, the average senior citizen will receive about $240 per month less than what he or she would receive under current law.

The Republicans deep cuts in Social Security and Medicare amount to huge reductions in every senior's Social Security checks. By 2002, these back-door cuts in Social Security will eat up more than 40 percent of the typical Social Security COLA. About 2 million seniors will have all or more than all of their COLAs consumed by these costs.

The Republican budget's assault on the elderly does not stop with Social Security and Medicare. By slashing $187 billion from the Medicare Program—which currently spends two-thirds of its funds on the elderly and disabled—the Republican budget threatens long-term care coverage for hundreds of thousands of older Americans. These cuts will force many families to use their hard-earned savings to pay for nursing homes costs, which currently average a staggering $38,000 a year.

Mr. Chairman, drastic cuts in Medicare and Medicaid will result in higher health care costs and reduced quality of care for all Americans—young and old. Hospitals in my home city of Philadelphia—which already rely on Medicare and Medicaid for more than 50 percent of their revenue—will be forced to shift their costs to the nonelderly, and could even be forced to shut down. This will raise insurance premiums, limit choice, and reduce the quality of care for every American family.

The Republican budget also makes deep cuts in programs designed to help Americans earn higher wages and a better standard of living for themselves, and provide their children with the education they need to succeed in the global economy. The budget proposal cuts $82 billion in education, training, and child care programs designed to encourage work and help people get off welfare. It cuts student loan programs, which will add about $5,000 to the cost of going to a 4-year higher education institution. It also cuts the Head Start Program, which helps young vulnerable children who might otherwise not grow into productive students and workers.

In addition, the Republican budget drastically reduces and eventually eliminates mass transit operating assistance that has been absolutely essential for SEPTA. Loss of these funds for SEPTA, which already has the second highest fare in the Nation, would result in severe cutbacks in investment in new equipment, station reconstruction and track improvements, service reductions or a fare hike to $1.85. The majority budget also proposes cuts in capital investment funds for transit systems that will further delay or eliminate SEPTA's planned system improvements.

SEPTA provides a vital service in Philadelphia and the system must not be allowed to deteriorate. Transit provides the means to reduce congestion and air pollution while improving worker productivity. Cuts in transit funds will make it more difficult for millions of Americans to reach their jobs and will server the elderly's lifeline to medical services.

Transit means productivity, jobs, and economic growth. Every dollar invested in SEPTA returns several dollars to the regional economy.

Mr. Chairman, I do not believe it is fair to slash vital programs like Social Security, Medicare, student loans, and mass transit, while at the same time giving big tax give-always to the highest-paid individuals. Working Americans and senior citizens did not cause the budgetary problems we now face. Our deficits resulted from the failed trickle-down policies of the eighties, which benefited the rich at the expense of the rest. Any serious and fair deficit reduction measure should seek to reverse those policies—not repeat them.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, thus far this debate has been cast as the Democrats looking out for our senior citizens and the poor and the Republicans looking out for future generations. Make no mistake about it. This bill is a stake in the heart of the best medical health care delivery system in this country.

If you have heart disease, if you have diseases like diabetes, if you have Alzheimer's or cancer, this budget guts the very medical research that is required and necessary for us to go out and continue those advances that help sick people in this country today have the hope that they might get well in the future.

If we look at the medical education budget in this particular budget, over half of that money that goes to our teaching hospitals will be eliminated, wiping out the ability of America to go out and train the best doctors in the world. We heard the Clinton health care budget attacked time and time again last year for what it would do to the best medical system in this country. This bill guts that system.

If ordinary citizens are listening, recognize, we are not just talking about defending the poor and the seniors. That is part of what the Democratic Party stands for. But this bill goes well beyond any attacks on the most vulnerable people in this country. This bill eliminates and guts and puts a stake in the heart of a health care system that is second to none throughout the world.

My colleagues, make no mistake, this guts programs that affect our Nation's veterans.

Mr. SABO. Mr. Chairman, I yield one-half minute to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, rural America is prepared to do its share to balance the budget but the Republican budget asks rural America to do much more than is fair or even reasonable by cutting $9 billion out of 5 years, $17 billion over 7 years. It will cause, in my State alone, a 35-percent drop in net farm income, a 50-percent drop in farm values. It will drive thousands of family farmers off the land. We will lose international markets and ultimately pay higher grocery prices, all because rural America gets hit, in fact, killed under their budget.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. Mr. Chairman, I am amazed at the rhetoric. As somebody who provides health care in this country and takes care of Medicare patients, to say that we cannot do considerably better is poppycock. The fact is, we do have a good health care system in this country. It can become a lot better when we get the 15 percent of fraud out of Medicare.

This bill increases spending for health care 25 percent over the next 4 years. To say that we cannot provide quality health care to our senior citizens for those kind of dollars is not true. It is untrue. We need to be about efficiency and caring and compassion with our senior citizens. And this budget is short on none of that.

Mr. KOLBE. Mr. Chairman, I yield 1½ minutes to the gentleman from Arizona [Mr. SHADEGG].

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

This debate is about the change that we need in America versus the status quo. What we hear from one side of the aisle is that the status quo is fine. Indeed, we have just heard criticism of what this budget does to Medicare.

My colleague from Massachusetts happens to not know what it does, because gross spending goes up from $5.5 to $6.7 billion under this budget in Massachusetts. The per capita spending, that is per beneficiary spending in Massachusetts, under our budget, goes up from roughly $5,900 to more than $7,800 under this budget.

That is not a cut by anybody's definition. That is an increase in spending. What we are doing is reforming a system.

Under the proposal that they put forward, under the President's budget, 6 years from now, no one in America will get Medicare benefits because the system will be broke.

This is a debate over sitting with the status quo and burying your head in the sand and doing nothing or moving forward. It is time to move forward in America.

This budget does that responsibly. It takes care of our children by saying to them, we will no longer continue to saddle you with an immoral debt burden because we are unwilling to control our spending. In area after area, while I commend the gentleman from Wisconsin [Mr. NEUMANN] for putting together an excellent budget, I must also commend the Kasich budget. It does a marvelous job of addressing the problem that confronts this Nation and about which its citizens are deeply concerned.

I urge support for the Kasich budget.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Wisconsin for yielding time to me.

Mr. Chairman, I rise in strong support of the Neumann budget because our national debt will exceed $7 trillion by the year 2002. What does this mean in human terms? I, too, have a picture,

a picture of my year-and-a-half-old son John Micah. Over his lifetime, if nothing changes, John Micah will pay over $180,000 in interest alone on the national debt. This is wrong. This uncontrolled spending must stop.

Those who are addicted to deficit spending claim to be protecting groups such as children and senior citizens. Mr. Chairman, how can someone who is willing to suffocate our kids with our debts pretend to represent them? How will tomorrow's children be able to afford to go to college or buy a home if they are forced to pay for this excessive spending? How is someone who is willing to bankrupt programs for seniors pretend to be protecting them? How do the American people benefit if we reject this last, best chance to put our fiscal house in order?

Mr. Chairman, I say, support the Neumann budget.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the distinguished gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Chairman, why are the Republicans cutting Medicare to pay for tax cuts for the well-to-do.

I got a letter yesterday from California that says why. The gentleman wrote: You still do not get it; do you? Keep it up; we will win even more seats in 1996. We want tax cuts. Your 80 year old is not our responsibility.

This Republican is entitled to his point of view, but I do not see it that way, because I would like to look at it from Emily's point of view.

Her late husband helped protect our country when he was in the Air Force. Now Emily is elderly and she is sick. Her 40-year-old daughter has MS and cannot help. Today Emily has $17 a month after she has paid for room, board, and medical care. The Republican budget will raise Emily's out-of-pocket Medicare costs by $123 a month.

There has been a lot of talk on the floor that the budget for Medicare is going up, and that is true. But the more pertinent truth is that this will not keep up with the number of new elderly entering the system, and the cost for individuals will go up.

Only in Washington could someone tell Emily that her benefits will go up when it is going to cost her $123 a month more.

After all the charts and rhetoric and angry talk have faded, Emily will still be facing this question. How is she going to cover $123 when all she has got is $17?

The Republican businessman who wrote to me yesterday says Emily is not his responsibility. But when Emily's late husband went off to fight World War II, did he say it was not his responsibility?

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. TIAHRT].

Mr. TIAHRT. Mr. Chairman, this has been characterized as an argument between the young and the old. I do have my children here because this budget does address their needs. We must balance the budget in order to preserve their future. My daughter here is the oldest; she is 14, Jessica. I also have John and Luke, but Jessica is 14. By the time we get the budget balanced and pay off the Federal debt, she will be nearly 50 years old. We have literally passed this problem on to the next generation.

It is not just our kids that support the Neumann-Solomon budget. We also have other groups who support it. I have had in my hand here a letter from the United Seniors Association. They are writing the gentleman from Wisconsin [Mr. NEUMANN], and let me read the last part:

> We greatly appreciate your concern and efforts to deal with the fiscal catastrophe that our Nation faces. It is not just the United Seniors Association, it is also the Sixties-plus Organization, the Citizens for a Sound Economy, the National Taxpayers Union, the Citizens Against Government Waste and the U.S. Chamber of Commerce.

Mr. Chairman, this is a dramatic and historical time. I think we should stand in support of the Neumann budget.

Mr. KOLBE. Mr. Chairman, may I inquire about the time on all sides.

The CHAIRMAN. The gentleman from Wisconsin [Mr. NEUMANN] has 17½ minutes remaining, the gentleman from Arizona [Mr. KOLBE] has 9 minutes remaining, and the gentleman from Minnesota [Mr. SABO] has 9½ minutes remaining.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, I thank the gentleman from Arizona for yielding time to me.

I would point out to one of the previous speakers that Medicare spending in the State of California will increase from $21 to $31 billion in this budget, and the per person expenditure will increase from $5,821 to $7,688.

I want to commend the gentleman from Wisconsin [Mr. NEUMANN] for his courageous budget and visionary approach that he has taken. But I do rise in support of the Kasich budget.

Nine thousand four hundred dollars, nine thousand four hundred dollars. Mr. Chairman, faster than I can actually speak that amount, we are adding $9,400 to our debt every single second. In less than 15 seconds this country will be saddled with more debt than we as Members of Congress make in a year.

If Congress continues to overlook this problem, it will be left to our children to clean up the mess. My wife and son James, my child already owes more than $4,000 as part of his contribution to interest on the debt, and he has not even reached his second birthday yet.

It is wrong. It is immoral. And we must change this ominous future this year.

Many of my colleagues here today are claiming that this budget will somehow retard the quality of life of our children and our seniors. On the contrary, I can think of nothing more negligent than our current spending practices. If you vote against a balanced budget, you are voting to lower the standard of living of our senior citizens and our children.

The blueprint which has been courageously presented to us by the gentleman from Ohio [Mr. KASICH] and the Committee on the Budget is not perfect. There are many programs targeted for cuts which I strongly support. But if we fail to see the forest for the trees, we will once again fail to put this country on the right path, and the victims will be our children.

Vote for the Kasich budget, Mr. Chairman.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CHRYSLER].

Mr. CHRYSLER. Mr. Chairman, in 18 months we will spend more money on the interest on the debt than we spend for the Army, the Navy, the Air Force, the Marines, the FBI, the CIA, and the Pentagon combined.

Let me give you 10 good reasons to vote for the Neumann-Solomon budget. You can read it in detail in a book, or you can look at it in five pages, and you can understand it all. It gives a Member a choice. You can understand it, and you can explain it to others. It will balance the budget in 5 years.

It includes the House-passed tax cuts. It pays off the debt in 30 years. It does not spend Social Security surplus revenues. It saves $600 billion in additional national debt, and it saves $42 billion in interest payments in the year 2002.

I ask Members to support the Neumann-Solomon substitute, and if that amendment fails, vote ''yes'' on the House Committee on the Budget bill.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Chairman, is it fair? Mr. Chairman, that is the one question that Congress and America's citizens must ask about the Republican budget. Is it fair? That is a simple question but a crucial one.

It is a question I asked when I received a letter from Alpha Dunlap of Temple, TX, a constituent of mine. She wrote: ''I do not have good health, and I do not have money. Most of my money goes for prescription medicine and bare necessities. I am widowed and live alone. Please do not let Congress make deep cuts to Medicare.''

To those watching, I ask you this question: Is it fair to cut $1,000 from Alpha Dunlap's Medicare benefits to pay for tax breaks for millionaires such as Donald Trump?

□ 1245

Is it fair? Worse yet, is it fair for Republicans to cut seniors' Medicare benefits to protect tax loopholes for billionaires who would renounce their citizenship to get out of paying their rightful taxes?

That is right, House Republicans want to protect $3.5 billion in tax loopholes for billionaires who would renounce their citizenship to get out of paying their taxes. Members, that is welfare for the rich, paid for by the pain of senior citizens.

Under the Republican plan, 100,000 senior citizens, such as mine, Ms. Dunlap, will have to lose Medicare benefits to pay for tax breaks for just one billionaire under the Republican plan. That is not fair. That is dead wrong, and it is unconscionable. Why should Alpha Dunlap and 100,000 senior citizens like her have to lose Medicare benefits to help those billionaires who would leave this country and not pay their fair share?

The issue is not the future of our children. I point out, Members, the pictures that our Republican friends have not shown today are the millionaires and billionaires who are going to benefit from their budget plan and their tax plans. That is the issue the American people must look at.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. BARTLETT].

Mr. BARTLETT of Maryland. Mr. Chairman, in spite of what we hear in this Chamber, we have been astounded at the lack of negative response to this budget from outside the Beltway. Americans all across the country are way ahead of us. They want the budget balanced sooner, rather than later. Confidence is very low in our country's future, particularly among our young people. Recent polls show that more of them believe in UFOs than believe that they will ever get any Social Security.

This budget is a promise to our young people that in the future we are going to do better than we have done in the past. Restore their confidence in this body and in their country. Vote this gift to our children. Vote for Solomon-Neumann.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the gentleman from Ohio, [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman, I wish to respond to the gentleman from Texas [Mr. EDWARDS] that something happened in the Committee on the Budget that has not happened in a long time since I have been there, but under Republican control we adopted an amendment of language in the bill concerning, ''The committee is also greatly concerned about the growing phenomena of millionaire and billionaire Americans renouncing U.S. Citizenship in order to avoid paying their fair share of their tax burden. The committee strongly believes that Congress should take steps to stem the revenue loss of expatriation for tax avoidance.''

That is in the bill and it was a Democrat amendment put up, and we adopted it.

Mr. EDWARDS. Mr. Chairman, will the gentleman yield?

Mr. HOBSON. I yield to the gentleman from Texas.

Mr. EDWARDS. Mr. Chairman, the point I would make is that earlier this year we had a vote in this House to change and do away with that tax break and that loophole for billionaires, and only five Republicans voted for that change.

I know this is report language, this is not a change in the law itself. If Republicans who previously voted to protect the billionaires' tax break if they leave this country will change their vote, I look forward to working with them to make that change.

Mr. HOBSON. We are working on it.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to the authority of the Chair to preserve the decorum of the House, the Chair would request that posters and pictures not be displayed except at such time as a Member is actually speaking.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. HOSTETTLER].

Mr. HOSTETTLER. Mr. Chairman, I rise today in support of America's contract with our children. The gentleman from Wisconsin deserves a great deal of credit for bringing such an honest, aggressive, and thoughtful budget proposal to the floor. This resolution has it all and does it all. This is not an either or situation regarding the Committee on the Budget's version, but it is a real alternative for those of us that are willing to take that extra step toward fiscal responsibility.

I admit, there are things in this budget with which I do not agree. While I support the concept of this resolution, I am concerned about the funding levels for national defense and what I believe is necessary to protect our country's borders, but this resolution is a tradeoff. The tradeoff is between committing an additional $600 billion to the national debt over the next 7 years, and no longer mortgaging the future of generations to come. The interest alone on this $600 billion amounts to over $40 billion in the year 2000. We could ignore the cries from those who claim this budget is unfair, and that we are mean spirited because we care about our children's future, and we should jump at the chance to balance the budget as soon as possible.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, balance the budget? We agree, but not this budget, with its mean and misshapen priorities. Balance the budget and start with a tax cut for the largest, most profitable corporations and families earning over $200,000 a year? Tax cuts paid for with $304 billion of cuts in Medicare and qutting programs important to other working American families? No, that is not the way to balance the budget.

Mr. Chairman, let us talk about four generations of one Oregon family. We have here 74-year-old Doris Wilson. She visited my office last week and talked a little bit about Medicare. She had to leave her $100 prescription at the pharmacist because she is retired on Social Security benefits and she could not afford to take it home with her. We are going to make her pay another $1,000 a year for Medicare? That is what this budget proposes.

Gerri Graff, after she was divorced and her husband walked on the child support, she had a little trouble making ends meet with her secretarial job. She got food stamps for a year and a half, and now has been a productive and taxpaying citizen for many years, without any help from the Federal Government.

Tandi Graff, a teenager single mom, is working in my office today, thanks to the jobs program, with a healthy kid, Jordan, thanks to the WIC Program. She had a little problem with a potential underweight and complicated pregnancy.

These are the people who have benefited by the proper priorities in this country, the people we want to help, the people we want to extend the ladder of opportunity to, so they can climb up and live the American dream. We do not need to help the wealthy and the Pentagon anymore.

Mr. NEUMANN. Mr. Chairman, I yield 15 seconds to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I would just like to acknowledge that the last speaker who voted ''yes'' on the balanced budget amendment also voted for the Clinton tax bill, which added $431 million in taxes to the citizens of his district. We are trying to reduce those taxes.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my friend, the gentleman from Michigan, Mr. NICK SMITH.

Mr. SMITH of Michigan. Mr. Chairman, I am so proud to be a Member of this Congress. We have turned from a nation at risk to a nation with a hopeful future.

How can anybody criticize the Committee on the Budget's budget? it is so reasonable in terms of what this Nation faces.

Just briefly, on this chart we see the President's budget would take us to $7.4 trillion public debt by the year 2002. At the bottom line, we see the Neumann-Jerry Solomon budget that takes us to a public debt of $6 trillion 216 billion. In order to decide how serious the situation is, we need to consider where we are on Social Security, Medicare, unfunded liabilities for both the veterans trust fund and the civil servants Federal employees trust fund. That is another $5 trillion added onto the $5 trillion debt that we have today. We have serious problems ahead of us. We should look at this very seriously.

Mr. KOLBE. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I want Members to listen to the rhetoric. I would like to quote from President Clinton: ''Today Medicare and Medicaid are going up at 3 times the rate of inflation.'' That is the President. ''We

propose to let it go up at 2 times the rate of inflation.'' That is 6 percent. ''This is not a Medicare or Medicaid cut.'' That is President Clinton.

Now when we are proposing the same thing, it is a cut against the people. This is what the President himself has said: ''So when you hear the business about cuts, let me caution you that we are not cutting, we are reducing the rate of growth.'' This is a direct quote from the President when he defended his 1993 budget cut.

If we take a look at what we are doing, the Senate is reducing the rate of growth to 6 percent. We are reducing it to 5 percent. The President himself wanted to reduce it to 6 percent, and states that it is not a cut.

Look at the fraud, waste and abuse. A lady called up and said ''Hey, I have a Medicare problem with a doctor. He charged me twice for a mammogram. I did not have a mammogram.'' The doctor said ''Yes, you did,'' and she said, ''No, I did not, I had a mastectomy.'' The doctor's reply was ''Who cares, Medicare will pay for it.'' There is $44 billion per year in just fraud, waste and abuse. We can manage the system better and reduce the rate.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Chairman, I rise to support the Neumann-Solomon budget proposal, which is an idea whose time has arrived. This budget proposal will in fact balance the budget in 5 years, it will pay off the debt in 30 years, it protects Social Security, and ensures its long-term stability. It preserves Medicare and the best health care system in the world. It in fact will save $600 billion in additional national debt.

It is endorsed by the National Taxpayers Union and the Citizens Against Government Waste. America is tired of tax and spend. They want a budget that is going to work. I rise to support Neumann-Solomon.

Mr. SABO. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California [Ms. WOOLSEY], a member of the Committee on the Budget.

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

Ms. WOOLSEY. Mr. Chairman, the Republicans who wrote this plan continue to talk about the tough choices they have had to make when crafting their budget. I agree. Choosing to take health care away from our seniors in order to pay for special interest tax breaks is certainly a tough choice, and I cannot understand why they made it.

But the choices that the authors of these Medicare cuts have made are nothing compared to the choices that Lucy Forest will be forced to make if Republicans are successful in their assault.

Mr. Chairman, I would ask the Members of this House to meet 75-year-old Lucy Forest from Santa Rosa, CA. Lucy has an income of $800 per month. She has to pay rent. She has to pay the heating bills. She needs to eat. Lucy also wants to visit her daughter in Tucson, AZ, this year, but Lucy says she may have to cancel this trip if Republican proposals are passed.

Lucy understands a lot of things about people and politics, and she understands Medicare. She knows that if these cuts are made, there will be lower payments to doctors and hospitals, higher premiums, higher deductibles, higher copayments, and fewer choices of doctors. She also understands that the families of Members of this House can afford health care while coverage for 7 million kids will be eliminated.

But, Lucy Forest does not understand how the Republican budget proposals can eliminate $300 billion of health care benefits for our Nation's seniors, without telling us how the savings will be achieved.

She also does not understand why pork barrel military spending on cold war weapons continues to go up, while Medicare for seniors is going down. She wants to know why the military budget is ''off the table'' in the Republican budget.

Finally, and most importantly, Lucy questions why the Republicans are proposing to slash Medicare in order to pay for tax loopholes for the wealthy special interests.

Quite frankly, Mr. Chairman, neither do I. Only in Washington would people call taking Medicare away from Lucy Forest ''A reduction in the rate of increase.''

I urge the House reject these efforts to slash health care for seniors.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Virginia [Mr. GOODLATTE].

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

Mr. GOODLATTE. Mr. Chairman, what a new day we have in this Congress. Mr. compliments to the gentleman from Wisconsin [Mr. NEUMANN] and the gentleman from New York [Mr. SOLOMON] who last year, for the first time in 8 years, even offered a balanced budget. The budget has not been balanced in 25 years, but no one had even tried for 8 years.

Now, here today, all we have are 4 different alternative balanced budgets to consider. This is what the American people want to see, and this budget, the Neumann-Solomon budget, is the fairest and best of them all. It is not a battle between seniors and young people. This is fair to everybody, because this is the only budget that restores the trust funds for the Social Security trust fund, and does it the quickest of any. It restores the most.

It also is fair from the standpoint of reducing, eliminating this deficit the quickest in 5 years. That helps people right now, not just our young people in the future, which is important, but it helps right now.

Mr. KOLBE. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the previous speaker, the gentlewoman from California, spoke about Lucy Foster not being able to travel to my district, to Tucson. I just want to assure her that she is going to be able to make it, because Medicare spending is not going to be slashed. In fact, in California it is going from $21 billion to $31 billion in the year 2002. That is a 46 percent increase per beneficiary, from $5,800, to $7,688 under our plan. That is certainly no cut. Lucy, welcome to Tucson.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. MCINTOSH].

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

Mr. MCINTOSH. Mr. Chairman, I rise in support of the contract with our children, the Solomon-Neumann budget. I think it is a tremendous effort, because it moves forward in not only ending the deficit spending, but paying off the debt that we owe in this country. Right now, every family in America owes $50,000 of debt when you divide up the national debt for a family. That means that we pay in taxes $2,000 per family just to pay the interest on that debt.

The time to act is now, to start paying off the debt, so that we do not leave a terrible legacy for our children of a debt that they can never recover from. We need to do more work on this. We need to make sure that as we cut farm subsidies, we also provide regulatory relief so they can continue to make a good living. As we cut defense spending, we need to have procurement reform so we are not spending excess and wasteful amounts of money. I rise in support of this budget.

□ 1300

Mr. SABO. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I do not have a picture of the woman I want to talk about today. She came to see me yesterday. Her name is Ms. Betty Glass. She and my husband and I lived in the same neighborhood for many, many years, where my husband and I raised our children.

She is a woman who is bright; she understands things. She read the Republican budget. She looks at the figure $280 billion and change in Medicare money. She knows you cannot just get there by efficiency, new technology, by getting rid of fraud. She knows what is going to happen.

We talked yesterday about what is going to happen with fees. That neighborhood we live in, people used to be municipal workers, teachers. They are on small pensions. If the fees are increased, it is going to be very difficult.

We talked about getting a doctor to take care of somebody who is elderly.

Geriatrics was never very popular in the medical profession, but if you squeeze down the fees doctors get, people are going to have a harder time getting that doctor.

Then we talked about our town hospital, St. Francis Hospital, that we both go to, and we talked about Mt. Sinai Hospital, and St. Francis and Mt. Sinai had such a hard time, they had to merge. If Medicare is cut back they are going to be squeezed and we don't know if that hospital will stay in business.

This woman is like President Clinton. She knows that we have to reduce the rate of the growth of Medicare and she will accept that. She came in because she was representing the AARP, the American Association of Retired People.

She is willing to take what they have to have to make sure we balance the budget, but she does not think it is fair that you take $280 billion out of Medicare and say you are not reducing anything. She knows better.

I wish I had her picture here because she represents a lot of people across the Nation. Medicare people over 65 want to do their fair share, but what they do not want to do is have the one universal system we have in this country—we did not do medical health care last year—we have a universal system in Medicare, and we should not hurt that system.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. SOUDER].

Mr. SOUDER. Mr. Chairman, I want to thank the gentleman from New York [Mr. SOLOMON] for his leadership in the last Congress and over the years.

I am particularly proud also of my freshman colleague, the gentleman from Wisconsin [Mr. NEUMANN]. He came here to Congress as a businessman and said this is not the way you run a government. You do not put the Social Security surplus in the budget. You do not try to talk just about how we are going to get to a balanced budget on an annual basis. We have to look at the long-term debt.

He worked at it, rounded up others and was persistent in all of our meetings, through the Committee on the Budget, the Committee on Appropriations, and in our class. I want to commend his leadership particularly because while I have my mother and father-in-law who are struggling in their health care and in Medicare, and I do not have any desire to hurt them, which is why we are not cutting it, we are increasing it at a slower rate, but I am also concerned for my three children. It is a balance that we have to achieve because if we do not achieve that balance, there will be no future Medicare for me when I get there or Social Security for my children.

Mr. NEUMANN. Mr. Chairman, I yield 1½ minutes to my good friend, the gentleman from Kansas [Mr. BROWNBACK].

Mr. BROWNBACK. Mr. Chairman, I rise in support today of both the Neumann budget and the Kasich budget that are going to be coming in front of this body. These are both good bills, and they are both going to do a good job and something good for America that we have not seen for 25 years—balance the budget. These are important things, and this is an incredible and historic debate that the people are watching take place that we have not had in 25 years.

Let me tell you the specific reason why I am also voting for the Neumann budget. That is simply this: It pays the debt off in 30 years, something we can all identify with. Most of us have mortgages on our homes that are 30 years in length. It pays the mortgage on America off in 30 years.

It is tough medicine. this is a tough thing to do. This is difficult, but I would submit to you it is very analogous to going to the doctor's office, and going to that doctor and getting a shot that would protect you against a future disease.

If you went in to that doctor and you got a shot and you asked the popularity of that doctor that day, I would guess that the people that got the shot, they would say he is not a very popular doctor. But ask 6 months or 1 year later when somebody does not get that disease, and can live a healthy life and grow and prosper in this country, and they will say that is a good doctor.

This is tough medicine. It is good medicine. It is what we need to do for the country. Vote for Kasich. Vote for Neumann.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I want to commend the gentleman from New York [Mr. SOLOMON] and the gentleman from Wisconsin [Mr. NEUMANN] for giving me something I can be proud of.

We see charts up here we cannot really understand, most people cannot, but I want to show you a chart that is real. This is the generation that President Clinton talked about that would have an 82 percent tax rate. I was fighting for the women in the 1960's to have freedom. That little girl in the middle is going to have no freedom. She is going to have an 82 percent tax rate. Tell me how much freedom she has with 18 percent left.

What we are doing is taking the biggest, most expensive credit card, our voting card, and we are determining the future of those little people. I want to tell Members, I am going to be proud to vote for a balanced budget so I give people like my little Dallis or my little Heather back their freedom, and that all the women who fought for freedom all those years will know that we still have freedom.

Mr. KOLBE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, what we are talking about today is really restoring the American dream. Time Magazine had a great article in this week's issue about the importance of balancing the budget. We start talking about the specifics. We have to think about the future. This is the American dream, by going to the balanced budget by the year 2002.

I will probably not be voting for the substitute we are talking about now because I think it may be going a little bit too fast. But we have to think about the future of our children, of our grandparents today. It is so important.

To think that we have a debt of $19,000 for every man, woman and child in this country that we are paying interest on every year, that the interest on the national debt in 2 more years will be greater than the entire Defense Department debt, it is obscene the amount of money we are paying on the cost of this debt. We must balance this budget.

That is what we are talking about, increasing the standard of living of Americans, making it available, the American dream, for all Americans. I am excited about that opportunity, that today we are going to start that process of going to that balanced budget.

Mr. NEUMANN. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Tennessee [Mr. WAMP].

Mr. WAMP. Mr. Chairman, I too will support the Kasich plan and the Neumann-Solomon budget. I call the Neumann budget the why-not budget because my constituents back at home say to me, ''Why can not we just freeze spending at last year's levels?'' People in Washington say it can not be done. My constituents say, ''Why not?''

They ask me, ''Why can't we just bite the bullet and pay off the debt while we're at it?'' People in D.C. say it can not be done. My constituents say, ''Why not?''

People back home say, ''Why can't a guy go to Washington and immediately make a difference?'' The gentleman from Wisconsin [Mr. NEUMANN] has proved you can. He is a freshman. This is the why-not budget.

I came here to defend the programs in my district but I came here most importantly to defend freedom in this country. In this world, in fact. We are the last best hope for freedom in this world, and this is the first step toward saving the United States of America from an economic train wreck.

Mr. SABO. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. MILLER].

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

Mr. MILLER of California. Mr. Chairman, the budget that the Republicans are supporting and will probably pass today is the greatest raid on the wealth, the income and the assets of working people in this country.

It is going to mean that their day care is going to be more expensive

when they have small children. It means that there are going to be fewer school books to teach their children when they enter school. It means that nutrition, as we have already seen, is going to go up dramatically for those working families that have their children in child nutrition programs.

Student loans are going to be more expensive. If they are trying to take care of their elderly parents in nursing homes, that is going to become more expensive because of the Medicaid cuts and quite certainly, as we have all heard here now, a $1,000 increase in the Medicare to the elderly.

Why? Because Republicans simply chose not to address the tax breaks for the wealthy that they insist on clinging to. They chose not to address, as we read in this morning's paper, the $25 billion in corporate welfare where huge corporations, wealthy corporations are taking the taxpayers' dollars from working families.

One of the previous speakers said they could pay off the debt in 30 years. Yes, working families in their country will shoulder the burden for paying off the debt, but the billionaires will not, the corporations will not, and the wealthy of this country will not share that burden, because you have chosen to put the burden on working families of this country.

Mr. NEUMANN. Mr. Chairman, I yield 30 seconds to my good friend, the gentleman from Tennessee [Mr. HILLEARY].

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

Mr. HILLEARY. Mr. Chairman, you can't say a whole lot in 30 seconds, but I just wanted to rise today in support of the substitute amendment of my good friend the gentleman from Wisconsin.

In the freshman class, ever since we have been elected we are the closest to the people by definition. We were only elected a few months ago.

The freshman class has tried time and time again to show that we are different, that we can push this Congress and this country in the right direction. this budget does it. I rise in support of it today.

I ask every one of my colleagues to rise and support this. We can save $600 billion off the debt if we balance the budget in 5 years.

Mr. NEUMANN. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman from Wisconsin [Mr. NEUMANN] has 5 minutes 15 seconds remaining.

Mr. KOLBE. Mr. Chairman, I yield 1 minute of my remaining time to the gentleman from Wisconsin [Mr. NEUMANN].

The CHAIRMAN. The gentleman from Wisconsin has 6 minutes 15 seconds remaining.

Mr. NEUMANN. Mr. Chairman, I yield myself 1 minute 15 seconds.

Mr. Chairman, I have heard a lot of rhetoric out here on both sides of the aisle. It seems we spend a lot of time talking back and forth here as Democrats and Republicans. The Nation was formed by a group of people who passed on a country that was great to us. With that they gave us a very great responsibility.

We have got fiscal problems, folks. Let's get past the Democrats-and-Republicans part of this thing and let's join together today voting yes on a package that balances the budget in 5 years, pays off the debt in 30 years, restores the Social Security trust fund, and saves our children $600 billion. Let's do this not as Democrats, not as Republicans, but let's do this as Americans who care a lot about our country so that together we can pass this Nation on to our children in a form that we are very proud of.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, this is a wonderful mythological event today. The Republicans are trying to sell the idea to the American people that you can make massive cuts in programs and give big tax breaks to the wealthy in this country and nobody will feel it.

This budget takes health care away from 7 million children in the Medicaid Program. I do not know all about agriculture and defense and all the other things, but I do know about this budget with respect to health.

The idea that the Medicare is not a cut, the gentleman from Arizona [Mr. KOLBE] today, the gentleman from Connecticut [Mr. SHAYS] yesterday stood up over and over again and said it is not a cut. The Republican plan mandates growth of 5.4 percent and says that is all right because private insurance is only increasing at 4 percent.

The 4 percent growth rate from the private sector health insurance premiums claimed by Republicans is a made-up number. There is no study, no one can bring a study on the floor that shows that, because it does not exist.

□ 1315

It is made up, and everyone agrees that the private health insurance rates, at least CBO and Medicare actuaries say it is going to grow at 7.6 percent.

That means that for the Republican Medicare voucher plan put forward by the gentleman from Connecticut [Mr. SHAYS] and the Committee on the Budget, if that is adopted, senior citizens will be paying one-quarter of their benefits which Medicare now provides in its entirety, and the erosion will continue and continue.

If Members believe that the American people believe that they can have a free lunch and they can all be for free, and it will not hurt anybody, keep pushing this budget, because there will be another vote here, it will not be only on this floor, it will be in November 1996. You will find out the result then.

The CHAIRMAN. All time controlled by the gentleman from Minnesota [Mr. SABO] has expired.

Mr. NEUMANN. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. HANCOCK].

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

Mr. HANCOCK. Mr. Chairman, I would state I fully support and hope we can balance the budget and welcome in the next century.

Mr. NEUMANN. Mr. Chairman, I yield the balance of my time, 5 minutes, to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

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

Look at this chart. Look at this newspaper ad. They describe free money from the Federal Government. Free guide reveals how people can get their hands on billions of Federal tax dollars. Free. Nobody has to pay it back. That is what this debate is all about.

Ladies and gentlemen, today is a truly historic day. It is one I have waited for for so long, because 1 hour from right now this House will pass a visionary blueprint that will finally lead to a balanced budget in this Government. It will put an end to the drunken spending spree that this Congress has been on for so many years, a tidal wave of debt that has turned this great country into the debtor nation. What a shame.

Ladies and gentlemen, we have almost reached the point of no return. But today we can and we will reverse the irresponsible spending habits of Congress by finally enacting a balanced budget blueprint. The question before us today is not whether we will balance the budget, it is how we will do it.

Mr. Chairman, I am the chairman of the Committee on Rules. I am privileged to chair that committee, and with our Members we have written a rule that says no budget alternative on this floor today will be unbalanced. Members are going to vote today for a balanced budget, and they have no choice. And the only remaining question in this debate is how do we do it, in 5 or 7 years.

Mr. Chairman, our balanced budget task force and a large number of freshman Republicans that I am so proud of, led by MARK NEUMANN, have before us today a 5-year budget plan. It is almost identical to the plan of the Committee on the Budget, including the House-passed tax cuts.

The big difference between these two excellent plans is the additional debt added to the accumulated national deficit of $5 trillion. Our plan accumulates $600 billion less to that astronomical debt than does the committee plan.

Why is that so? Because our plan begins to make the cuts in years 1 and 2 instead of years 6 and 7. Look at this

chart. It explains it all. By making the same cuts early instead of late we save $600 billion in deficits, including $42 billion in interest that we pay out to foreign countries that hold our debt.

But most of all, we guarantee, ladies and gentlemen, that a balanced budget in 5 years is going to happen. Members of this House, I am sure you all know as I do, and many of you were here, that after passage of the landmark Gramm-Rudman legislation back in 1985, and which would have balanced the books in 1991, we began, just like we say we are going to do here today, we began to meet those deficit-reduction targets in the first 2 years.

But do Members know what happened? In 1987 there was a new Congress just elected, and that is liable to be what happens a couple of years from now. And back then we found it too difficult, even though we were in an economic recovery with billions of dollars rolling in in new revenues for the Federal Government, we found it impossible to meet the Gramm-Rudman target dates, and later on the balanced budget goals were extended and later they were abandoned entirely.

Members, we cannot let this happen today. The Neumann-Solomon substitute begins restraining the growth in spending right now. Next years we dramatically alter the infrastructure of the Federal Government so as to ensure that it will not grow back, and that is the difference between our budgets. If Members will look at this, our budget cuts in the first 2 years, not in the last 2 years.

Members, balancing the budget is more than a game of numbers or even an act of fiscal responsibility. It is a moral imperative given to us by the people who are here today in this audience, the people who are watching, the American families, my children, my grandchildren, and children to come. We have to balance this budget, and we have to do it now. Today we have a historic opportunity to choose between a 7-year plan that in fact will lead to a balanced budget, but it does so in the next century, 7 years from now. Or we can vote for our 5-year plan that balances the budget in this century. It does it right, Mr. Chairman. If Members vote for a 5-year plan and it fails to get 218 votes, they can do as I will do. They can put their heart and soul behind final passage of whatever is the standing amendment before this body at the end of debate.

Please do it. America wins. Our budget is a better one. But regardless, if we pass either mine or the one from the Budget Committee we will have done the right thing. I urge Members to please vote for this one, and if it fails, vote for the committee budget. We will do it for America and our children.

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] is recognized for 2 minutes to conclude debate on this amendment.

Mr. KOLBE. Mr. Chairman, I want to thank the gentleman from Wisconsin and the gentleman from New York for their contribution to this debate. This has been a historic debate.

I also want to respond to the last speaker on the other side who talked about again, we have heard it over and over again, the cuts in Medicare and in Medicaid, and yet under our plan Medicaid spending would increase from $444 billion that we spent over the last 7 years to $668 billion over the next 7 years, and Medicare spending would, on a per beneficiary basis, go up from $4,700 per beneficiary to $6,300.

Mr. Chairman, only in Washington, only in Washington, not the State of Washington where the gentleman comes from, but only in Washington, DC, can we call that cuts. Only in Washington would we consider that kind of increase to be cuts.

The gentleman also talked about the assumptions, say it simply is not true. You can have a 4.4-percent private health insurance increase, but HCFA, the health care financing agency, says that is exactly what it is; that is their document, not ours.

We have a lot in common in this debate on this amendment versus the committee's amendment or the committee's budget. Both of us got to a balanced budget, and both of us call for debt reduction following that. And that, after all, Mr. Chairman, is what this is all about, not just getting to zero deficit, but to get that huge burden of debt off of our backs and off of the generation that will follow us, off of their backs. And both of us call for doing that.

Surely this debate is about our future. We say reduce spending, get to a balanced budget, do it by reducing spending, return some of the tax dollars, the hard-earned tax dollars that belong to the American citizens, return it to the people of America, return it to the people of America.

We can and we will achieve a balanced budget at the end of 7 years, Mr. Chairman.

The CHAIRMAN. All time for debate on the amendment in the nature of a substitute offered by the gentleman from Wisconsin [Mr. NEUMANN] has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Wisconsin [Mr. NEUMANN].

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

RECOREDED VOTE

Mr. KOLBE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 89, noes 342, not voting 3, as follows:

[Roll No. 343]

AYES—89

Allard
Baker (CA)
Bartlett
Barton
Brownback
Bryant (TN)
Burr
Burton
Chabot
Chenoweth
Christensen
Chrysler
Coburn
Combest
Condit
Cooley
Cox
Crane
Crapo
Cubin
Diaz-Balart
Doolittle
Dreier
Duncan
Ehlers
Ensign
Fawell
Foley
Forbes
Ford
Fox
Frisa
Funderburk
Geren
Gilchrest
Goodlatte
Goss
Graham
Gutknecht
Hancock
Hansen
Hayworth
Hilleary
Hoekstra
Hostettler
Istook
Johnson, Sam
Jones
Kingston
Klug
Largent
Manzullo
McInnis
McIntosh
Metcalf
Mica
Moorhead
Myers
Neumann
Norwood
Petri
Pombo
Quillen
Rohrabacher
Ros-Lehtinen
Roth
Royce
Salmon
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Smith (MI)
Smith (WA)
Solomon
Souder
Stockman
Tauzin
Taylor (MS)
Thornberry
Tiahrt
Torkildsen
Upton
Waldholtz
Wamp
White
Zeliff
Zimmer

NOES—342

Abercrombie
Ackerman
Andrews
Archer
Armey
Bachus
Baesler
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Bunning
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chambliss
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cremeans
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Dunn
Durbin
Edwards
Ehrlich
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hefner
Heineman
Herger
Hilliard
Hinchey
Hobson
Hoke
Holden
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
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
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume

Miller (CA)	Rahall	Stump
Miller (FL)	Ramstad	Stupak
Mineta	Rangel	Talent
Minge	Reed	Tanner
Mink	Regula	Tate
Moakley	Reynolds	Taylor (NC)
Molinari	Richardson	Tejeda
Mollohan	Riggs	Thomas
Montgomery	Rivers	Thompson
Moran	Roberts	Thornton
Morella	Roemer	Thurman
Murtha	Rogers	Torres
Myrick	Rose	Torricelli
Nadler	Roukema	Towns
Neal	Roybal-Allard	Traficant
Nethercutt	Rush	Tucker
Ney	Sabo	Velazquez
Nussle	Sanders	Vento
Oberstar	Sawyer	Visclosky
Obey	Saxton	Volkmer
Olver	Schiff	Vucanovich
Ortiz	Schroeder	Walker
Orton	Schumer	Walsh
Owens	Scott	Ward
Oxley	Serrano	Waters
Packard	Shadegg	Watt (NC)
Pallone	Shaw	Watts (OK)
Parker	Shays	Waxman
Pastor	Shuster	Weldon (FL)
Paxon	Sisisky	Weldon (PA)
Payne (NJ)	Skaggs	Weller
Payne (VA)	Skeen	Whitfield
Pelosi	Skelton	Wicker
Peterson (FL)	Slaughter	Williams
Peterson (MN)	Smith (NJ)	Wilson
Pickett	Smith (TX)	Wise
Pomeroy	Spence	Wolf
Porter	Spratt	Woolsey
Portman	Stark	Wyden
Poshard	Stearns	Wynn
Pryce	Stenholm	Yates
Quinn	Stokes	Young (AK)
Radanovich	Studds	Young (FL)

NOT VOTING—3

Berman	Bono	Kleczka

□ 1344

Mr. DICKEY, Mr. TAYLOR of North Carolina, Mrs. KELLY, Mr. HORN, and Mr. RANGEL changed their vote from ''aye'' to ''no.''

Messrs. COMBEST, CRAPO, FOLEY, QUILLEN, and MOORHEAD 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 an amendment in the nature of a substitute to be offered by the gentleman from New Jersey [Mr. PAYNE] or the gentleman from New York [Mr. OWENS], printed in the CONGRESSIONAL RECORD of May 16, 1995.

□ 1345

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. PAYNE OF NEW JERSEY

Mr. PAYNE of New Jersey. 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. PAYNE of New Jersey:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,060,800,000,000.
Fiscal year 1997: $1,113,500,000,000.
Fiscal year 1998: $1,199,600,000,000.
Fiscal year 1999: $1,290,530,000,000.
Fiscal year 2000: $1,361,430,000,000.
Fiscal year 2001: $1,495,274,000,000.
Fiscal year 2002: $1,576,520,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: $17,800,000,000.
Fiscal year 1997: $30,000,000,000.
Fiscal year 1998: $64,600,000,000.
Fiscal year 1999: $103,130,000,000.
Fiscal year 2000: $115,930,000,000.
Fiscal year 2001: $183,774,000,000.
Fiscal year 2002: $195,520,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: $103,800,000,000.
Fiscal year 1997: $109,000,000,000.
Fiscal year 1998: $114,900,000,000.
Fiscal year 1999: $120,700,000,000.
Fiscal year 2000: $126,900,000,000.
Fiscal year 2001: $133,600,000,000.
Fiscal year 2002: $140,400,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1996: $1,305,645,000,000.
Fiscal year 1997: $1,351,766,000,000.
Fiscal year 1998: $1,418,293,000,000.
Fiscal year 1999: $1,477,601,000,000.
Fiscal year 2000: $1,554,772,000,000.
Fiscal year 2001: $1,635,012,000,000.
Fiscal year 2002: $1,705,270,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1996: $1,310,531,000,000.
Fiscal year 1997: $1,360,603,000,000.
Fiscal year 1998: $1,406,588,000,000.
Fiscal year 1999: $1,473,786,000,000.
Fiscal year 2000: $1,532,385,000,000.
Fiscal year 2001: $1,586,550,000,000.
Fiscal year 2002: $1,657,024,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1996: $249,731,000,000.
Fiscal year 1997: $247,103,000,000.
Fiscal year 1998: $206,988,000,000.
Fiscal year 1999: $183,256,000,000.
Fiscal year 2000: $170,955,000,000.
Fiscal year 2001: $99,830,000,000.
Fiscal year 2002: $80,504,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1996: $5,195,000,000,000.
Fiscal year 1997: $5,516,000,000,000.
Fiscal year 1998: $5,810,000,000,000.
Fiscal year 1999: $6,100,000,000,000.
Fiscal year 2000: $6,374,000,000,000.
Fiscal year 2001: $6,614,000,000,000.
Fiscal year 2002: $6,806,000,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1995, October 1, 1996, October 1, 1997, October 1, 1998, October 1, 1999, October 1, 2000, and October 1, 2001 are as follows:

Fiscal year 1996:

(A) New direct loan obligations, $37,600,000,000.

(B) New primary loan guarantee commitments, $193,400,000,000.

Fiscal year 1997:

(A) New direct loan obligations, $40,200,000,000.

(B) New primary loan guarantee commitments, $187,900,000,000.

Fiscal year 1998:

(A) New direct loan obligations, $42,300,000,000.

(B) New primary loan guarantee commitments, $185,300,000,000.

Fiscal year 1999:

(A) New direct loan obligations, $45,700,000,000.

(B) New primary loan guarantee commitments, $183,300,000,000.

Fiscal year 2000:

(A) New direct loan obligations, $45,800,000,000.

(B) New primary loan guarantee commitments, $184,700,000,000.

Fiscal year 2001:

(A) New direct loan obligations, $45,800,000,000.

(B) New primary loan guarantee commitments, $186,100,000,000.

Fiscal year 2002:

(A) New direct loan obligations, $46,100,000,000.

(B) New primary loan guarantee commitments, $187,600,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:

(A) New budget authority, $226,800,000,000.
(B) Outlays, $252,900,000,000.
(C) New direct loan obligations, $0
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $215,200,000,000.
(B) Outlays, $242,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $220,500,000,000.
(B) Outlays, $236,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $223,600,000,000.
(B) Outlays, $239,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $230,100,000,000.
(B) Outlays, $244,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $250,867,000,000.
(B) Outlays, $244,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $250,947,000,000.
(B) Outlays, $244,100,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(E) New secondary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1996:
(A) New budget authority, $18,462,000,000.
(B) Outlays, $17,689,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $18,629,000,000.
(B) Outlays, $17,540,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $19,106,000,000.
(B) Outlays, $18,248,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $19,420,000,000.
(B) Outlays, $18,752,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $22,140,000,000.
(B) Outlays, $19,596,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $21,951,000,000.
(B) Outlays, $19,596,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $21,955,000,000.
(B) Outlays, $19,596,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(E) New secondary loan guarantee commitments, $0.
(3) General Science, Space, and Technology (250):
Fiscal year 1996:
(A) New budget authority, $16,447,000,000.
(B) Outlays, $15,840,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $15,829,000,000.
(B) Outlays, $15,427,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $15,203,000,000.
(B) Outlays, $15,349,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $15,355,000,000.
(B) Outlays, $15,194,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $14,940,000,000.
(B) Outlays, $14,942,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $14,943,000,000.
(B) Outlays, $14,940,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $14,947,000,000.
(B) Outlays, $14,942,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1996:
(A) New budget authority, $4,654,000,000.
(B) Outlays, $3,941,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $3,314,000,000.
(B) Outlays, $3,645,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $3,131,000,000.
(B) Outlays, $2,424,000,000.
(C) New direct loan obligations, $1,200,000,000
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $3,744,000,000.
(B) Outlays, $3,099,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $3,559,000,000.
(B) Outlays, $2,475,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $3,672,000,000.
(B) Outlays, $2,540,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $3,750,000,000.
(B) Outlays, $2,585,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1996:
(A) New budget authority, $22,570,000,000.
(B) Outlays, $21,212,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,476,000,000.
(B) Outlays, $21,498,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $21,874,000,000.
(B) Outlays, $21,206,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,368,000,000.
(B) Outlays, $20,775,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $20,753,000,000.
(B) Outlays, $20,134,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $20,836,000,000.
(B) Outlays, $20,134,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $20,815,000,000.
(B) Outlays, $20,134,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1996:
(A) New budget authority, $13,713,000,000.
(B) Outlays, $12,309,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $12,598,000,000.

(B) Outlays, $11,247,000,000.

(C) New direct loan obligations, $11,500,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $11,144,000,000.

(B) Outlays, $9,993,000,000.

(C) New direct loan obligations, $10,900,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $9,936,000,000.

(B) Outlays, $8,718,000,000.

(C) New direct loan obligations, $11,600,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $9,207,000,000.

(B) Outlays, $8,060,000,000.

(C) New direct loan obligations, $11,400,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $8,953,000,000.

(B) Outlays, $8,066,000,000.

(C) New direct loan obligations, $11,100,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $8,960,000,000.

(B) Outlays, $8,072,000,000.

(C) New direct loan obligations, $10,900,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

Fiscal year 1996:

(A) New budget authority, $4,191,000,000.

(B) Outlays, minus $6,339,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $4,104,000,000.

(B) Outlays, −$4,016,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $3,631,000,000.

(B) Outlays, −$5,151,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $4,419,000,000.

(B) Outlays, −$2,927,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $6,504,000,000.

(B) Outlays, −$2,320,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $11,739,000,000.

(B) Outlays, −$1,381,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $12,420,000,000.

(B) Outlays, −$345,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(E) New secondary loan guarantee commitments, $0.

(8) Transportation (400):

Fiscal year 1996:

(A) New budget authority, $33,369,000,000.

(B) Outlays, $34,480,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $39,515,000,000.

(B) Outlays, $35,429,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $41,038,000,000.

(B) Outlays, $36,590,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $42,677,000,000.

(B) Outlays, $37,965,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $44,360,000,000.

(B) Outlays, $39,519,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $43,327,000,000.

(B) Outlays, $39,519,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $42,389,000,000.

(B) Outlays, $39,519,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1996:

(A) New budget authority, $10,780,000,000.

(B) Outlays, $12,325,000,000.

(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $10,749,000,000.

(B) Outlays, $12,540,000,000.

(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $11,181,000,000.

(B) Outlays, $12,599,000,000.

(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $11,658,000,000.

(B) Outlays, $13,226,000,000.

(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $12,062,000,000.

(B) Outlays, $12,486,000,000.

(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $13,374,000,000.

(B) Outlays, $12,573,000,000.

(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $13,468,000,000.

(B) Outlays, $12,661,000,000.

(C) New direct loan obligations, $2,700,000,000.

(D) New primary loan guarantee commitments, $1,200,000,000.

(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1996:

(A) New budget authority, $61,801,000,000.

(B) Outlays, $59,939,000,000.

(C) New direct loan obligations, $13,600,000,000.

(D) New primary loan guarantee commitments, $16,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $62,853,000,000.

(B) Outlays, $62,114,000,000.

(C) New direct loan obligations, $16,300,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $64,937,000,000.
(B) Outlays, $62,732,000,000.
(C) New direct loan obligations, $19,100,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $67,323,000,000.
(B) Outlays, $64,894,000,000.
(C) New direct loan obligations, $21,800,000,000.
(D) New primary loan guarantee commitments, $14,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $69,809,000,000.
(B) Outlays, $67,238,000,000.
(C) New direct loan obligations, $21,900,000,000.
(D) New primary loan guarantee commitments, $15,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $71,016,000,000.
(B) Outlays, $68,366,000,000.
(C) New direct loan obligations, $22,000,000,000.
(D) New primary loan guarantee commitments, $15,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $73,011,000,000.
(B) Outlays, $70,366,000,000.
(C) New direct loan obligations, $22,200,000,000.
(D) New primary loan guarantee commitments, $16,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $128,956,000,000.
(B) Outlays, $127,946,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $140,941,000,000.
(B) Outlays, $140,282,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $154,227,000,000.
(B) Outlays, $153,746,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $168,335,000,000.
(B) Outlays, $167,729,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $183,031,000,000.
(B) Outlays, $182,276,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $198,841,000,000.
(B) Outlays, $198,036,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $215,541,000,000.
(B) Outlays, $214,736,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $184,200,000,000.
(B) Outlays, $181,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $202,300,000,000.
(B) Outlays, $200,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $221,100,000,000.
(B) Outlays, $219,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $243,500,000,000.
(B) Outlays, $241,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $266,400,000,000.
(B) Outlays, $264,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $292,600,000,000.
(B) Outlays, $290,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $321,500,000,000.
(B) Outlays, $319,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $235,500,000,000.
(B) Outlays, $232,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $252,900,000,000.
(B) Outlays, $250,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $274,800,000,000.
(B) Outlays, $264,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $281,100,000,000.
(B) Outlays, $279,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $301,200,000,000.
(B) Outlays, $297,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $310,400,000,000.
(B) Outlays, $306,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $329,500,000,000.
(B) Outlays, $325,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,894,000,000.
(B) Outlays, $8,593,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,030,000,000.
(B) Outlays, $10,763,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,795,000,000.
(B) Outlays, $11,512,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,561,000,000.
(B) Outlays, $11,921,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,529,000,000.
(B) Outlays, $466,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:

(A) New budget authority, $11,022,000,000.
(B) Outlays, $584,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,667,000,000.
(B) Outlays, $734,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $40,175,000,000.
(B) Outlays, $38,275,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $40,131,000,000.
(B) Outlays, $39,875,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $21,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $41,423,000,000.
(B) Outlays, $41,277,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $43,587,000,000.
(B) Outlays, $43,396,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $18,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $44,897,000,000.
(B) Outlays, $46,182,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $19,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $46,400,000,000.
(B) Outlays, $47,700,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $19,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $47,900,000,000.
(B) Outlays, $49,200,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $20,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $20,182,000,000.
(B) Outlays, $19,711,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $20,869,000,000.
(B) Outlays, $20,430,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $21,788,000,000.
(B) Outlays, $21,455,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $22,768,000,000.
(B) Outlays, $22,215,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $23,371,000,000.
(B) Outlays, $23,015,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $23,323,000,000.
(B) Outlays, $23,015,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $23,400,000,000.
(B) Outlays, $23,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1996:
(A) New budget authority, $14,674,000,000.
(B) Outlays, $14,170,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $14,258,000,000.
(B) Outlays, $13,796,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $14,125,000,000.
(B) Outlays, $13,855,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,980,000,000.
(B) Outlays, $13,796,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $13,582,000,000.
(B) Outlays, $13,625,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $13,974,000,000.
(B) Outlays, $13,625,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $13,964,000,000.
(B) Outlays, $13,625,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $295,828,000,000.
(B) Outlays, $295,828,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $304,289,000,000.
(B) Outlays, $304,289,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $308,696,000,000.
(B) Outlays, $308,696,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $314,655,000,000.
(B) Outlays, $314,655,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $319,862,000,000.
(B) Outlays, $319,862,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $320,646,000,000.
(B) Outlays, $320,646,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $323,331,000,000.
(B) Outlays, $323,331,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1996:
(A) New budget authority, $−1,258,000,000.
(B) Outlays, $−1,195,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $−1,258,000,000.
(B) Outlays, $−1,195,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $−1,258,000,000.

(B) Outlays, $−1,195,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $−1,258,000,000.

(B) Outlays, $−1,195,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $−1,258,000,000.

(B) Outlays, $−1,195,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $−1,258,000,000.

(B) Outlays, $−1,195,000,000

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $−1,258,000,000.

(B) Outlays, $−1,195,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1996:

(A) New budget authority, $−31,293,000,000.

(B) Outlays, $−31,293,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $−35,961,000,000.

(B) Outlays, $−35,961,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $−37,148,000,000.

(B) Outlays, $−37,148,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $−38,127,000,000.

(B) Outlays, $−38,127,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $−40,276,000,000.

(B) Outlays, $−40,276,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $−41,614,000,000.

(B) Outlays, $−41,614,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $−42,937,000,000.

(B) Outlays, $−42,937,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

SEC. 4. RECONCILIATION.

(a) Not later than September 1, 1995, the House committees named in subsections (b) through (o) of this section shall submit their recommendations to the House Budget Committee. After receiving those recommendations, the House Budget Committee shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $2,250,000,000 in budget authority and $2,061,600,000 in outlays in fiscal year 1996, $2,250,000,000 in budget authority and $2,061,600,000 in outlays in fiscal year 1997, $2,250,000,000 in budget authority and $2,061,600,000 in outlays in fiscal year 1998, $2,250,000,000 in budget authority and $2,061,600,000 in outlays in fiscal year 1999, $2,250,000,000 in budget authority and $2,061,600,000 in outlays in fiscal year 2000, $2,250,000,000 in budget authority and $2,061,600,000 in outlays in fiscal year 2001, and $2,250,000,000 in budget authority and $2,061,600,000 in fiscal year 2002.

(d) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $5,100,000,000 in budget authority and $5,100,000,000 in outlays in fiscal year 1996, $5,100,000,000 in budget authority and $5,100,000,000 in outlays in fiscal year 1997, $5,100,000,000 in budget authority and $5,100,000,000 in outlays in fiscal year 1998, $5,100,000,000 in budget authority and $5,100,000,000 in outlays in fiscal year 1999, $5,100,000,000 in budget authority and $5,100,000,000 in outlays in fiscal year 2000, $5,100,000,000 in budget authority and $5,100,000,000 in outlays in fiscal year 2001, and $5,100,000,000 in budget authority and $5,100,000,000 in fiscal year 2002.

(h) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $43,000,000 in budget authority and $43,000,000 in outlays in fiscal year 1996, $43,000,000 in budget authority and $43,000,000 in outlays in fiscal year 1997, $43,000,000 in budget authority and $43,000,000 in outlays in fiscal year 1998, $43,000,000 in budget authority and $43,000,000 in outlays in fiscal year 1999, $43,000,000 in budget authority and $43,000,000 in outlays in fiscal year 2000, $43,000,000 in budget authority and $43,000,000 in outlays in fiscal year 2001, and $43,000,000 in budget authority and $43,000,000 in fiscal year 2002.

(j) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $1,250,000,000 in budget authority and $1,250,000,000 in outlays in fiscal year 1996, $1,250,000,000 in budget authority and $1,250,000,000 in outlays in fiscal year 1997, $1,250,000,000 in budget authority and $1,250,000,000 in outlays in fiscal year 1998, $1,250,000,000 in budget authority and $1,250,000,000 in outlays in fiscal year 1999, $1,250,000,000 in budget authority and $1,250,000,000 in outlays in fiscal year 2000, $1,250,000,000 in budget authority and $1,250,000,000 in outlays in fiscal year 2001, and $1,250,000,000 in budget authority and $1,250,000,000 in fiscal year 2002.

(l) The House Committee on Small Business shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $14,285,000 in budget authority and $14,285,000 in outlays in fiscal year 1996, $14,285,000 in budget authority and $14,285,000 in outlays in fiscal year 1997, $14,285,000 in budget authority and $14,285,000 in outlays in fiscal year 1998, $14,285,000 in budget authority and $14,285,000 in outlays in fiscal year 1999, $14,285,000 in budget authority and $14,285,000 in outlays in fiscal year 2000, $14,285,000 in budget authority and $14,285,000 in outlays in fiscal year 2001, and $14,285,000 in budget authority and $14,285,000 in fiscal year 2002.

(m) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce budget authority and outlays as follows: $1,340,000,000 in budget authority and $1,340,000,000 in outlays in fiscal year 1996, $1,336,000,000 in budget authority and $1,336,000,000 in outlays in fiscal year 1997, $1,336,000,000 in budget authority and $1,336,000,000 in outlays in fiscal year 1998, $1,336,000,000 in budget authority and $1,336,000,000 in outlays in fiscal year 1999, $1,336,000,000 in budget authority and $1,336,000,000 in outlays in fiscal year 2000, $1,336,000,000 in budget authority and $1,336,000,000 in outlays in fiscal year 2001, and $1,336,000,000 in budget authority and $1,336,000,000 in fiscal year 2002.

(o) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues, as follows: $17,800,000,000 in fiscal year 1996, $30,000,000,000 in fiscal year 1997, $64,600,000,000 in fiscal year 1998, $103,130,000,000 in fiscal year 1999, $115,930,000,000 in fiscal year 2000, $183,774,000,000 in fiscal year 2001, and $195,520,000,000 in fiscal year 2002.

(p) For purposes of this section, the term ''direct spending'' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the term ''new budget authority'' has the meaning given to such term in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974.

The CHAIRMAN. Under the rule, the gentleman from New Jersey [Mr. PAYNE] and a Member opposed will each be recognized for 30 minutes.

Who seeks time in opposition?

Mr. KASICH. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio [Mr. KASICH] will be recognized for 30 minutes in opposition.

The Chair recognizes the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as chairman of the Congressional Black Caucus, I am proud to join my colleague MAJOR OWENS in bringing before the House of Representatives a sound, responsible budget plan.

While members of the Caucus are committed to fiscal responsibility, we do question the strict, inflexible 7-year

deadline for producing a balanced budget which we were forced to abide by in order to bring this resolution to the floor. Most families in America could not balance their budgets if they were banned from getting mortgages and had to pay cash up front for their house, or their car, or their children's braces.

Ours is a blueprint which reflects our belief in the United States of America as a land of opportunity, not just for the affluent, but for all of us.

We call our plan the Caring Majority Alternative Budget, because we believe in this country as a place where the majority of people care about their neighbors, care about our older people who have sacrificed so much for the freedoms we enjoy today, care about the children and young people who want and deserve a chance to succeed. Our budget recognizes the crucial link between education and success. We recognize that no nation can build a strong economy when we have 40 million illiterate Americans, when children are going to schools with leaking roofs and outdated books, when college costs increased and student aid decreases. To reinvest in America, our budget increases funding for education and job training by 25 percent. We continue highly successful programs like Head Start, which has given valuable early learning experiences to youngsters from low-income families.

Our budget reflects our concern for the quality of education our children are able to enjoy and the job skills they are able to develop. We continue President Clinton's successful National Service program, which has given young people a renewed sense of community spirit as well as an opportunity to succeed. We support school-to-work programs and one-stop career centers to help prepare young people for the work force. We include innovative ideas such as providing access to computers and the information superhighway at local libraries to ensure that no one is left behind as we race towards the 21st century.

Our budget protects Medicare and Medicaid, two crucial programs to safeguard the health of older Americans and low-income families. Efforts to reform the health care system of our Nation were met with vigorous opposition by special interests fearful of losing profits, yet we have seen no workable alternative plan. Health care should not be a luxury. Too many Americans are only one paycheck or retirement check away from losing everything in the event of a major illness or accident.

Our plan also responds to the new global realties and the end of the cold war. We recognize that we can provide for a sound national defense without pouring huge amounts of money into weapons we don't need and for which there is no justification or rationale. Funneling valuable resources away from our most pressing needs threatens to make our Nation weaker, not stronger.

As a superpower, the United States must also exert moral leadership. Our budget provides humanitarian, education, and development assistance for struggling nations, some of which have been plagued with starvation and other life-threatening crises.

As we celebrate the 50th anniversary of the great Allied victory in World War II, our budget keeps our promise to our Nation's veterans by maintaining their benefits. Our budget keeps our promise with Federal workers and retirees.

In the wake of the tragedy at Oklahoma City, we recognize the contributions of our public servants.

We refuse to go along with the Republican plan to single out Federal workers for a tax increase and a pension cut. Instead of punishing our own workers, we have sought to raise revenue by requiring corporations to pay their fair share of the tax burden.

We protect small farmers, who work so hard to supply our Nation with an abundance of food. We protect the rural areas of our Nation, which were neglected for too long.

Whether everyone wants to admit it or not, we all know what happened to the Federal budget deficit the last time we tried trickle down economics. In the 1980's, when the Republican Party controlled the White House, the Senate, and was able to put together a working budget coalition in the House, the deficit began growing at an alarming rate. It grew in leaps and bounds.

It has finally begun to fall and our economy has gotten back on track under President Clinton's leadership.

The Congressional Black Caucus plan produces a balanced budget in a fair and responsible manner. I urge my colleagues to support the Congressional Black Caucus Caring Majority Budget.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute for the purpose of a colloquy with the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Ohio.

Mr. HOKE. Mr. Chairman, I want to clarify a provision in the Budget Committee report accompanying House Concurrent Resolution 67 with the gentleman from Ohio. As you know, language in the report concerning NASA's core missions is located in two sections of the report and was intended to be identical in both. Am I correct in my understanding that the language on page 63 of the report is the correct text and should replace the text on page 26?

Mr. KASICH. Yes, the gentleman is correct.

Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I want to, first of all, congratulate the Black Caucus on coming forward with a specific proposal in pointing their vision. To a large degree I may be a little biased in this, but I give my friend, the gentleman from California [Mr. DELLUMS], an awful lot of credit because he started this process years ago, not just with the budget process, but with the defense process as well.

At the end of the day, Mr. Chairman, America has got to be one, and we have got to reach across the aisle, and reach across philosophies, and make sure this thing works for our country. We will talk about that as we get to the close, but I want to really praise the group for putting a vision forward, and frankly I am going to spend time over the next couple of weeks looking closely at that vision because there is no question that there are parts of this plan that ought to be listened to, respected and adopted as we go down the road, and I want to congratulate the chairman of the Black Caucus, the gentleman from New Jersey [Mr. PAYNE].

Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, I rise in strong support of the Kasich balanced budget resolution and in opposition to the Owens budget. My reason for doing so is simple: our children. Balancing the budget is no longer just fiscally responsible, it is a moral imperative.

My two daughters will each pay $115,000 in interest payments on the national debt in their lifetimes. When they enter the job market, they will negotiate a salary knowing that half of what they earn will be taken away in taxes. Whether or not they can realize the American dream of home ownership may well be affected by the 2 percent higher interest rates caused by the deficit.

The Kasich balanced budget is the most responsible and equitable plan before us today. It recognizes our constitutional duty to provide for the national defense and it lays the groundwork for a plan to preserve, protect, and improve Medicare. It will reduce the size, scope, and cost of the Federal Government, and ensure that our children have the future they deserve.

I urge my colleagues to support the Kasich plan.

Mr. PAYNE of New Jersey. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. OWENS], in support of the Congressional Black Caucus' alternative budget.

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

Mr. OWENS. Mr. Chairman, I want to thank the chairman of the Congressional Black Caucus [CBC], Mr. PAYNE, for his steadfast support of the development of this caring majority budget. I also want to thank the chairman of the House Progressive Caucus, Mr. SANDERS, for the steady stream of ideas and positions that have flowed from the Progressive Caucus since January. I also would like to thank all of the members of the CBC and their staff for

their help in completing this very worthwhile project. Particularly, I would like to thank members of my staff: Paul Seltman, Braden Goetz, and Jacqui Ellis, for the herculean effort they put forth to produce this budget.

This caring majority budget of the Congressional Black Caucus and the House Progressive Caucus meets the mandate that we produce a balanced budget. But this budget does not oppress the poor and the elderly in order to favor the rich and the privileged. This budget is balanced by eliminating corporate welfare and closing corporate tax loopholes. This caring majority budget is a budget for the benefit of all Americans.

Why is the Republican majority cutting Medicaid and Medicare to give a tax break to the rich and the privileged? Why are American taxpayers angry about the gross mismanagement of their Government? Why are American individual and family taxpayers being forced to shoulder 44 percent of the current tax burden while corporations are asked to cover no more than 11 percent of the tax burden? Since 1943, why has the corporate share of the tax burden dropped from a high of almost 40 percent to the present 11 percent? Why is the national deficit careening out of control?

The deficit is not out of control because we are spending too much on vital safety net programs. The deficit is out of control because the tax policies of the past few decades have dumped more and more of the tax burden on families through the personal income tax while those same tax policies have succumbed to massive pandering to the corporate sector. There is no fairness, no justice, and no balance in our present tax scheme.

The unique feature of this caring majority budget of the Congressional Black Caucus and the House Progressive Caucus is that it is a budget balanced by closing abusive tax loopholes and cutting corporate welfare. We offer a tax cut for all personal income taxpayers in order to begin the progress of restoring tax justice. We propose to end the personal income tax as we know it.

At the same time, we move to systematically begin decreasing the taxes on individuals and families, we must insist that the irresponsible corporate sector pay its fair share of the Nation's budget. This mandate for greater balance in the revenue area is the policy key to a balanced budget without reckless budget slashing. More balanced revenue collection policies can produce more balanced budgets.

And balanced is exactly what our plan is, in every sense of the word. Our plan has nearly a 1 to 1 ratio of spending cuts to revenue increases, while the Republican plan relies solely on spending cuts that hit the working poor and middle class the hardest. Our plan includes $500 billion in corporate welfare cuts, while the Republican plan includes a mere $18 billion.

I must also point out that the Republicans eliminate extended unemployment benefits. While that would save $1.2 billion in 1996, so much more could be saved by instead doing what we have done in the caring majority budget: invest in the creation of jobs and thereby save the Federal Government money in the form of transfer payments, such as unemployment insurance and AFDC. In fact, by putting 13,000 more people to work, the Republicans could save that same $1.2 billion. Our budget puts nearly 1 million more people to work by the year 2002, saving the Government $110 billion.

In conclusion, I think it is pretty clear where the priorities of the caring majority are, as opposed to the priorities of the Republican Party. We do not protect the rich at the expense of the poor, or the powerful at the expense of the vulnerable. Our balanced budget is truly balanced in that it: provides a tax cut for hard-working Americans; invests more than 27 billion new dollars in education and job training, increasing that portion of the budget by 25 percent; creates at least 1 million jobs; completely protects Medicaid and Medicare at their current levels; completely protects Social Security, with no extensions of the age for eligibility or COLA cuts; and provides a more sane defense budget which offers a peace dividend to the taxpayers who have so diligently shouldered the burden of massive modern military costs.

The Republican budget is a budget for the rich and the privileged. It is a budget that is mean and extreme. It is a budget that abandons large segments of America. This caring majority budget of the CBC and the Progressive Caucus is a budget for all Americans.

□ 1400

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I intend to support the budget for which the gentleman is arguing. It is important to balance the budget, but there are more important things than even balancing the budget. It is important to keep in effect some of the programs for which we have fought over the years. For example, I noticed two items in the paper this morning. One indicated that $60 billion is going to be spent for a new class of submarines. I do not know who our enemy is that would justify the expenditure of another $60 billion.

The CHAIRMAN. The gentleman from New York [Mr. OWENS] has used 5 minutes, the gentleman from Illinois [Mr. YATES] has used 30 seconds.

Ms. MOLINARI. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, today is a time for truth. Today is a time for courage. Not too long ago on this floor a huge majority of this House voted in favor of a balanced budget amendment to the U.S. Constitution, and most of those who voted against the balanced budget amendment said that they too were in favor of a balanced budget, merely against a constitutional amendment to reach that objective.

Well, today we have the opportunity to show that we have the courage of our convictions by moving beyond the easy rhetoric of balancing the budget to the difficult reality of actually achieving a balanced budget. We have talked the talk. Now it is time to walk the walk.

As for those who say that this cannot be done without a massive tax increase, those who advocate the status quo, those who offer no constructive alternative, I suggest that we not waste our time in condemning them, because they have condemned themselves by their timidity, just as they condemn future generations to a nation that is less prosperous, less secure, and less competitive, with less opportunity.

Instead, America should recognize that the new majority in this Congress has the courage, has the leadership, and has the commitment to live within our means, to stop spending money that does not belong to us, so that we can allow future generations to live in America with more opportunity, with more prosperity, and with more hope.

Mr. PAYNE of New Jersey. Mr. Chairman, I yield the balance of my time to the gentleman from New York [Mr. OWENS] and ask unanimous consent that the gentleman be allowed to yield said time.

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

There was no objection.

Mr. OWENS. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois [Mr. YATES] to finish his thoughts.

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

Mr. YATES. Mr. Chairman, the other item I saw in the paper was that the National Institutes of Health, in which we have spent so many billions of dollars over the years in making it into one of the great research institutions of the country, is going to suffer tremendously in its research function because its budgets are being cut. I think there are more important things, that it is much more important to protect the health and welfare of the people of our country than cutting an agency like the National Institutes of Health.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan [Miss COLLINS].

(Miss COLLINS of Michigan asked and was given permission to revise and extend her remarks.)

Miss COLLINS of Michigan. Mr. Chairman, I rise today in support of the Congressional Black Caucus alternative budget. This budget demonstrates a commitment to the American people. We will not sit idly by and cringe at the possibility that money

will be taken out of the homes and food off the tables of millions of Americans. The CBC budget calls for spending much less on defense than the Republican proposal. Believe it or not, we are at peace. Those who can least afford cuts, the poor, children, and the elderly, should not be required to bear the brunt of the Republican agenda. I ask, Mr. Chairman, is human life not more important than big business?

The CBC alternative budget will invest in programs people really need. Funding for Medicare and Medicaid will be maintained. In addition, education and job training will take high priority.

I stand before you today on behalf of the tens of millions of Americans who cannot stand for themselves. I ask my colleagues to balance this country's need with compassion for those who are unable to care for themselves.

Mr. SHAYS. Mr. Chairman, I yield two minutes to the distinguished chairman of the Committee on Government Reform and Oversight, the gentleman from Pennsylvania [Mr. CLINGER].

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

Mr. CLINGER. Mr. Chairman, I rise in opposition to the substitute amendment and in favor of the committee resolution. I want to commend, first of all, the chairman of the Committee on the Budget, Mr. KASICH, and his committee, for crafting a very bold and courageous and, most importantly, an honest budget resolution. They have tackled a very difficult and certainly I not need add a politically dangerous task of balancing the budget in a responsible and professional manner, and I would applaud them for what I think are Herculean efforts.

Second, I wanted to remind my colleagues on the other side of the aisle and supporters of this substitute who seem somewhat squeamish about the Republican budget proposal in that it is making some significant cuts, that it is only the first step in a very long process. Of course, the budget figures laid out by function are binding, but the menu of the specific program cuts and eliminations are nonbinding. There is plenty of room for adjustment I think in all of the authorizing committees and improvement.

So I too am concerned about some of the suggested cuts, but I plan to work to reform the programs that I believe are most critical to my constituents and the country and develop alternative means of delivering some of these critical services and benefits.

Third, as chairman of the Committee on Government Reform, I am excited about this budget proposal because it is the first major step in fundamentally transforming the Federal Government and redefining the roles of Federal, State, and local governments. I am one Republican who is not afraid to say I think the Federal Government does have important roles to play and some important responsibilities. In some circumstances the Federal Government can and has improved the lives of Americans.

However, I fear we have come to the point where out of control Federal spending and unyielding monolithic bureaucracies have become a threat to American prosperity. The budget we have before us proposed here continues what I think has been a counterproductive movement over the past years.

It is time to redefine the Federal Government's role in society and establish a true partnership. We must recognize the different States and different regions have varying needs, concerns and priorities, and we in Washington do not understand and cannot possibly address. So I would urge defeat of the substitute and support of the Kasich amendment.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS], the chairman of the Progressive Caucus.

Mr. SANDERS. Mr. Chairman, I congratulate the gentleman from New York [Mr. OWENS] and other members of the Black Caucus for the excellent work they have done.

Mr. Chairman, at a time in which the rich are getting much richer, the middle class is shrinking, and poverty is increasing, the Congressional Black Caucus has come up with a budget that moves us toward a balanced budget, but does not do it on the backs of working people, the middle class, or the poor. At a time in which the rich have enjoyed, over the last decade, huge decreases in their tax burden, the Congressional Black Caucus does not give more tax breaks to the wealthy or the large corporations, but, in fact, provides tax breaks for the middle class and says to the wealthy that it is about time you start paying your fair share of taxes.

Mr. Speaker, the cold war is over. Our standard of living is declining. We have the highest rate of childhood poverty in the industrialized world. It is absurd that the Republican budget proposes to be talking about significant increases in military spending. Now is the time to lower military spending so we can reinvest in this country and provide for the needs of our people.

Mr. Chairman, instead of giving huge tax breaks to corporations and the wealthy, the Black Caucus budget has the guts, uniquely, to demand an end to corporate welfare. When we talk about welfare, most people say that is poor folks. What the Black Caucus budget understands is that large corporations and the wealthy end up with much more in welfare and subsidies. Let us support the Black Caucus budget.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MICA], a distinguished member of the Committee on Government Reform and Oversight.

Mr. MICA. Mr. Chairman, this week I celebrate my son Clark's 16th birthday. I remember the joy and excitement years ago when he was born on May 16, and I felt the same excitement when our daughter D'Anne was born 20 years ago.

I tell you about my two children, my colleagues, because for my wife Pat and I they are the most important things in our lives. When we made the decision to bring them into the world two decades ago, we were optimistic about their future. We had special dreams and hopes for our children. But those hopes for a better life and for a more promising future began to fade several years ago.

That is why 3 years ago I decided to run for Congress. I believed then, and I believe now, that we must change the way this Congress is spending away their future. This week we have an opportunity to change the future direction of our Nation. During my 28 months in Congress I have learned firsthand of the dire straits that I only suspected were the condition of our national finances.

Today, my colleagues, I can confirm that the very financial stability of our Nation is at stake. Every fund has been depleted. We have borrowed against every reserve. Even our Nation's Capital City is in receivership. Every cookie jar has been robbed; every dollar tucked under the mattress has been spent.

For our senior citizens, I believe there is no greater threat to their Social Security or Medicare than to further ignore our responsibility to balance the budget. So now, my colleagues, I urge you to cast a courageous vote, to vote for the Republican alternative, and defeat this amendment, if we are to restore hope for our children and hope for our future.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA], chairman of the Urban Caucus.

Mr. FOGLIETTA. Mr. Chairman, we have heard so much from the speakers over the last couple of days, talking about future generations and what we must do to protect the future generations and their lives.

Well, I am concerned about the future generations, but I am also concerned about the young people living today, especially people living in our cities, the poor and middle class, people yearning for a good education, a good home, and for food to eat.

I believe we should be trying to balance the budget. No question about that. But I also believe that we have an obligation, yes, a moral obligation, while we are trying to balance the budget, to provide an education for young people, to provide health care for young people and our senior citizens, to provide mass transportation, food, housing. Yes, we need these things. We need a balanced budget, but we have to, at the same time, provide for the people and fulfill our obligation, our moral obligations, to the people in this Nation, especially the poor,

especially the senior citizens and the middle class of our country.

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Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. STOKES].

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

Mr. STOKES. Mr. Chairman, I rise today in strong support of the Congressional Black Caucus substitute budget for fiscal year 1996. The CBC substitute is a caring budget, it shows compassion for the American people, and is one that the American people can be proud of. It not only balances the budget, the measure is responsive to the housing, health, education, and employment training needs of the American people.

Unlike the Republicans' budget proposal, House Concurrent Resolution 67, which holds our elderly hostage to their compromised health care condition and economic status, the Congressional Black Caucus substitute treats our elderly with the dignity and respect that they not only deserve—but have earned. Adequate funding is provided for the older Americans' programs including essential nutrition programs, low-income home-energy assistance, and assisted housing. Medicare is preserved.

Unlike the Republicans' budget proposal which forces our elderly to choose between food and heat, under the CBC alternative their quality of life is enhanced.

The CBC substitute is also kind to our Nation's children including those yet to be born. It provides adequate funding for Healthy Start, Child Care, and Head Start. Mr. Chairman, our children are our future. They have placed their future in our hands, we cannot sacrifice that trust.

In addition, the CBC substitute budget strengthens support for higher education, student aid, trio, education for the disadvantaged, school reform, biomedical research, and community infrastructure. The CBC has heard the voice of the American people, and responded with a sound budget that is fair, responsible, and overturns the Republicans' assault on our Nation's most vulnerable citizens—the children, the elderly, the veterans, and hard-working families.

Mr. Chairman, the Congressional Black Caucus substitute budget stands on its own merits. I strongly urge my colleagues to join me in supporting this budget which establishes our fiscal policy and priorities in a responsible and compassionate manner.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. BAKER].

Mr. BAKER of California. Mr. Chairman, this is the first time in 26 years that we are actually taking the first step toward balancing the budget. That means your grandchildren will not be paying $187,000 in interest payments to the national debt during her lifetime, if she is born today, if we start today. This budget is more of the same. More spending, more taxes, more power in Washington.

We need a capital gains tax, not as a tax for the rich but for those who will create jobs and bring revenue to Washington.

We need the tax relief for the young families, both parents working, so that they can spend not someone else's money but their own. That is what a $500 tax credit does for families with children. We have got to stop the growth of power in Washington. We have got to stop the centralization of regulation in Washington. That is what returning power to local governments is all about. That is what the unfunded mandates bill was all about. We have to stop the overtaxation.

In 1960, we only paid about 10 percent of our income to the government. We are now paying 30 percent. Vote no on this relief. Vote ''yes'' on the Republican budget.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], the distinguished chairman of the Committee on Transportation and Infrastructure.

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

Mr. Chairman, I rise to announce that I oppose the substitute we have before us now and that I will vote in favor of the Kasich budget, even though I have great concern about the transportation parts of that budget.

Most importantly, to announce that the Speaker today has authorized me to announce that he is forming a task force to address the issue of taking the transportation trust funds out of the general fund budget, that the Speaker himself will chair that task force. And as the Speaker says in the letter making this announcement, ''As you know, I have consistently stood with you in support of moving the transportation trust funds off budget.''

So this is not the end but, rather, the beginning. I salute the Speaker for his dedication to our finding a way to remove these transportation trust funds from the general fund budget. It is really an issue of honesty in budgeting. We have 206 cosponsors now, I might say a majority of Republicans in the House cosponsoring the legislation. It is time we get on with doing it. I certainly want to compliment the Speaker for deciding that he will chair the task force to find a way to make this happen.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Chairman, Mr. and Mrs. Taxpayer, get ready, because after 4 months of blue smoke and mirrors, the Republican budget proposal is getting ready to pick your pockets. It gives a new meaning to the term ''out of luck.''

If your are on Medicaid or Medicare, you are now out of luck. If you receive unemployment benefits, you are out of luck. If you happen to be a college student or the parent of a college student, you, too, are out of luck. If you believe in the importance of the National Endowment for the Humanities or the National Endowment for the Arts or the Corporation for Public Broadcasting, under the Republican budget proposal, you are out of luck. It gives tax breaks to the wealthy and gets away from the whole notion of trying to do anything about corporate welfare. Spends more money on weapons during a time of peace and plays games under the guise of balancing the budget.

We were given the task to balance the budget also and we have one we believe that is more humane, more dedicated to principle, more honest, more equitably distributed and more, quite frankly, American in many respects because it does not do unto people things that we would not have done to us.

And so I would ask Members of this body, as you watch this debate and as you come to the floor to cast this vote, recognize that we are talking about years of fiscal policy and ask yourself, when you juxtapose these two balanced budget amendments, which one comes the closest to where the American people do?

We believe that the proposal offered by the gentleman from New Jersey and the gentleman from New York that has the support of the Congressional Black Caucus and the Progressive Caucus, meets that challenge. And we are prepared to debate that issue with anybody from the other side on any day and in this debate at any time.

I urge support of this and rejection of the so-called balanced budget amendment by the Republicans.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the gentlewoman from New York [Ms. MOLINARI].

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Let me remind our guests in the gallery that they are there as guests of the House. The rules of the House specifically prohibit any expressions of support or opposition to any of the speakers on the floor. The compliance of our guests in the gallery would be appreciated.

Ms. MOLINARI. Mr. Chairman, I want to join here today in congratulating the Black Caucus for their exercise. They bring not pretty photographs but ideas, ideas that challenge the majority of Members on the Democratic side and, in fact, ideas that challenge the status quo.

We on the Republican side stand here today to challenge the status quo also because the status quo is a killer. It murders any chance that our young people have of grabbing that brass ring, of dreaming of hope and opportunity, and it cheats everyone of their potentials right in the heart.

Take a look at this chart. This is the chart that we have been talking about,

and look at this bottom line. A child born today will pay in taxes on the interest rate close to $200,000 over the course of their lifetime.

The Republicans believe in Robert and Mary and Sally. We believe that, given a fair chance, they can realize their American dream. Congress stands ready to challenge the status quo. Today the Republican Party will do what is right because this chart, this reality is not good enough for any one of your children.

Shame on anyone who fails today to seize this historic moment. Challenge the status quo and balance our budget for all of our children's future.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Chairman, I thank the gentleman for yielding time to me. I thank my colleagues in the Congressional Black Caucus for producing this budget. It is a budget for all Americans and we all thank you for it.

This budget puts people first. It has been said that the moral test of a government is what it does for those who are in the dawn of life, that is its children, those in the sunset of life, its elderly, and those who are in the shadows of life, its sick and its disabled. The Republican budget fails this moral test. The Payne-Owens budget passes this test with flying colors.

My colleagues, let us support a budget that does, in fact, put people first. Let us support a budget for the caring majority. Let us vote yes on the Payne-Owens substitute.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Utah [Mrs. WALDHOLTZ].

Mrs. WALDHOLTZ. Mr. Chairman, for reasons that are becoming ever more apparent for the last several months, I find even more than usual about family and about what kind of legacy this Congress is creating for families.

I thought about my parents, about their 75 years of sacrifice for their family, their children and their country. They have worked hard and saved and they have paid their taxes. They have paid their Social Security. They have paid their Medicare. And I wonder what kind of retirement this Congress envisions for our parents and grandparents with a mountain of debt that threatens Social Security and a Medicare system that if we stand back and do nothing goes bankrupt in 7 years.

I have thought about my child and all of our children, and I wonder what kind of future this Congress wants to leave these children. How will they educate their children and pave their roads and feed their needy and clean their water when they have to pay off the debt we ran up for programs and services we use now but we do not pay for?

Today we have the chance to protect families, to do what we have to do to protect Social Security, to improve and preserve Medicare so our parents and grandparents are secure and safe. We have the chance to ensure our children's future, to end decades of piling debt on our children's head.

My baby and every baby born this year will pay $187,000 in their lifetime for interest on the debt alone. Is that not enough?

It is time to balance this budget for our parents. It is time to balance this budget for our children.

Mr. Chairman, I hope the Members of this House join me in voting for the Kasich budget for our families.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. MEEK], a member of the Committee on the Budget.

Mrs. MEEK of Florida. Mr. Chairman, the Congressional Black Caucus adds some truth in packaging for each of you. Each of you has been here all week talking about balancing the budget, but you have not thought about balancing the budget with compassion and with truth to the people of this country. You have not told, as the Congressional Black Caucus has done in their budget, to the senior citizens of this country that they are going to have to pay more than you are telling them.

You have not told them the truth. You have not shown them truth in packaging. The Black Caucus has. It did not cut the Medicaid and the Medicare funds. It did not cut the student loan funds. It did not cut all of these things you cut that you did not have to cut to give tax cuts to the rich.

What they did, they faced reality and showed that this budget could be balanced with compassion, and many of you have said forget about compassion. The CBC did what it should have done. It is highlighting education as its top priority, when we have people in this country who cannot read and write and who are poor because we have kept them there.

Face your conscience. The Black Caucus, I congratulate you.

□ 1430

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. GOODLATTE].

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

Mr. Chairman, I rise in opposition to this substitute, and urge every Member of this House to vote for this historic opportunity to vote for a real balanced budget, and that is the Kasich balanced budget amendment. That is what is going to solve the problems of this country. It is going to return more money to the hard-working taxpayers of this country. That is what is going to be fair to all people all across this country. It does so in such a way that it does not create the kind of division that the Democrats on the other side would like to create in this debate.

Mr. Chairman, this is not about class warfare, this is about protecting the future of our children, our grandchildren, and about what is happening right now in this Congress, and what is happening right now in this country.

The fact of the matter is that with interest rates rising, the fact that the Federal Government borrows $200 million a year means that interest rates continue to rise, and we can save a substantial amount of money if we can balance the budget and go about the business of this country.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the gentleman from Illinois [Mr. HASTERT], the distinguished deputy whip.

Mr. HASTERT. Mr. Chairman, I rise in strong opposition to the pending substitute and in strong support of the Kasich budget.

I have the greatest respect for the Members who bring this alternative to the House, and I appreciate the work they have done to make this substitute in order under the rule.

It is not easy to balance the budget.

If it were, the Congress would have done it years ago.

This budget alternative underscores the differences between Republicans and the more liberal members of the Democrat caucus.

The Payne substitute raises taxes by $700 billion, while cutting defense by $108 billion.

Clearly, this is not the path Republicans or most Americans are willing to take to a balanced budget.

My constituents believe they are taxed too much, and they also understand the necessary role the Government plays in promoting national security.

The Kasich budget provides tax relief, not tax increases.

I am especially pleased about its tax relief to senior citizens, who are now taxed at rates that discourage their active participation in job markets.

The Kasich budget also guards our national defense by keeping our defense spending at levels necessary to keep our people safe.

Mr. Chairman, cutting defense and raising taxes is not the best way to a balanced budget.

The Kasich budget is not painless. It is not perfect. But it is the best way to reach a balanced budget while maintaining a strong defense and providing tax relief to middle-class families.

I urge all Members to vote for the Kasich budget and vote against the Payne substitute.

Mr. SHAYS. Mr. Chairman, I yield 2-½ minutes to the distinguished gentleman from California [Mr. HERGER], a member of the Committee on the Budget.

Mr. HERGER. Mr. Chairman, I rise in strong support of the Kasich budget.

Mr. Chairman, we hear over and over again that the Republican Kasich budget cuts spending to pay for tax cuts for the rich and the privileged, even though the other side of the aisle knows that we are increasing spending by $1.2 trillion under our budget, and

even though they know that we are increasing spending on both Medicare and education.

Mr. Chairman, this class warfare argument pits Americans against Americans. In 1993, even though the President campaigned on a middle-class tax cut, he gave us the largest tax increase in history, $240 billion. All we are trying to do in our Kasich budget is give Americans back some of the hard-earned dollars that the Clinton tax increase took away 2 years ago.

Let us look at the facts. In our Contract With America, we provide much needed tax relief to 42 million middle class Americans. Mr. Chairman, 75 percent of tax cuts go to families. Seventy-four percent of these families eligible for the $500 per child tax credit earn less than $75,000 a year.

Mr. Chairman, the second biggest falsehood levied by the other side is that the wealthy do not pay enough in taxes. Make no mistake, the better off in this country do carry a heavy share of the tax burden. I ask Members to judge for themselves.

According to the latest data available, the top 1 percent of income earners paid 27.4 percent of all Federal individual income taxes. The top 10 percent of wage earners paid 57.5 percent of total taxes, and the top 50 percent paid almost 95 percent, the top 50 percent paid almost 95 percent of total income tax.

Mr. Chairman, the question can be asked ''Whose money is this? Are these Washington dollars?'' No, this money belongs to the American families, the small business owners, and the family farmers that make up this great Nation of ours.

All we are trying to do in the Republican Kasich budget is give back to the American people a portion of what the Clinton tax increase took away 2 years ago. Vote ''yes'' on the Kasich budget.

Mr. OWENS. Mr. Chairman, do I understand correctly that this side has the right to close?

The CHAIRMAN. No. The Committee has the right to close.

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

Ms. MCKINNEY. Mr. Chairman, I am proud to rise in strong support of a truly alternative budget. This proposal offered by the CBC balances the budget by making those responsible for the deficit pay for a change.

Working families have been paying more than their fair share of taxes all along. While the Republicans scapegoat Medicare and student loans as the culprit, the fact of the matter is that corporate welfare stars have been sponging off the American taxpayer family for decades.

The CBC budget closes the tax loopholes and giveaways, from which the Rupert Murdoch's of this country have benefited since the trickle-down years of the 1980's. Moreover, the CBC budget strengthens the programs which educate our children and heal our elderly.

Mr. Chairman, the CBC alternative budget does not cut Medicare to give the biggest tax grab in history to the privileged few. It is time to go after corporate welfare, not Medicare. Vote for the CBC budget alternative.

Mr. SHAYS. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. STUMP], chairman of the Committee on Veterans' Affairs.

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

Mr. STUMP. Mr. Chairman, I thank the gentleman for yielding time to me, and I rise in opposition to the substitute.

Mr. Chairman, on what I consider to be the most important vote of my entire political career, I rise in the strongest possible support of this budget resolution. I have waited for the day when Congress would pass a truly balanced Federal budget through 40 years of public service at the State and Federal level, including leadership roles in both the Democratic and now Republican parties. The rising national debt and interest on that debt have created a crisis which Congress must face now. It is truly a matter of saving our country from financial ruin. Our children and grandchildren will either inherit a declining standard of living or gain freedom from the financial excesses of our generation.

Everyone in America will benefit from the long-term effects of balancing the Federal budget. Many Members have already highlighted much of the rationale for supporting this resolution so I will not repeat those arguments. As chairman of the House Committee on Veterans' Affairs, however, I do want to address the concerns of Members worried about potential impacts on veterans and the VA. Dire predictions of numerous hospital closings and other consequences have been circulated in an effort to generate opposition to this resolution. Let there be no doubt, balancing the budget will be extremely difficult and the VA will share in those difficulties. But this is the beginning of the budget and spending process, not the end. I can assure all Members that the Veterans' Affairs Committee will remain committed to achieving adequate funding for the VA health care system. I am proud of my record of support for veterans during the time I have been privileged to serve in the House of Representatives. I thoroughly intend to continue that record of support for those who have worn our Nations uniform. When I leave political life and retire from public service, I believe I will be able to look veterans straight in the eye and honestly say I fulfilled my responsibilities to them. Every election campaign, I have promised veterans in my district that I was on their side, and in my heart I know I have been true to that promise. Voting for this resolution will not break that promise.

But, every election campaign I also promise that I am absolutely committed to balancing the federal budget and reducing the national debt. Yes, veterans are important to me. But in the context of this balanced budget debate, I must honestly say there are people more important to me than veterans. When I consider all the ramifications of whether we balance the budget by the year 2002, the most important people that come to mind are my own grandchildren and all the children of America.

For years, I have been very apprehensive about the legacy my tenure in Congress would leave to the children growing up in America today. The runaway national debt and the mounting interest payments needed to service that debt are stealing their future economic opportunity and prospects for a better standard of living than we are enjoying.

If I vote against this resolution, for any one parochial or political reason, how can I ever look my own grandchildren in the eye and honestly say I fulfilled my responsibilities to them?

The votes we cast today begin the budget process not end it. The House will work all summer on authorizations, appropriations, and reconciliation. I would say to all Members that I will work with them to identify the best possible way to help the VA health care system continue providing access to quality health care for eligible veterans over the next 7 years and beyond. I believe the dire predictions we are hearing about VA health care are premature. Administration officials know this is only the beginning of the budget process. As a matter of fact the Presidents' budget proposal projected about the same spending level for VA health care over the next 5 years as is proposed in the House budget recommendations. It is totally inconsistent for the administration to argue that the House budget forces hospital closures and theirs does not.

Mr. Chairman, I would conclude by saying to my colleagues, we can either pass a balanced budget and work to protect high priority veterans' programs. Or we can continue business as usual, ignore our national financial crisis, and add to the debt our children will have to repay. Vote for a balanced budget and leave a legacy to America's children that we can all be proud of.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio [Mr. BOEHNER], the chairman of the Republican Conference.

Mr. BOEHNER. Mr. Chairman, today is the proudest day of my career here in Congress. When I came here 4½ years ago, I came here to try to change the direction of this Government to ensure that my children and the Members' children have a better opportunity in the future than what we have today. Fourteen years ago when I first got myself involved in Government service, it was not for me that I got involved. It was because a Government that was out of control and out of touch with the American people needed to be reined in.

Today truly is a historic day in not only my career, but the career of every Member that is here, and a historic day for the American people, because today we are taking the first step in our effort to balance the budget and to restore the American dream for my children and every child in America.

I am also very proud of my colleagues, who today will cast their vote in favor of going down this path to not just balance the budget, but to renew the American dream; that the actions that we take today will decide the future for our children and theirs.

The question today that we have to ask ourselves is do we have the courage to change; do we have the courage to do the right thing for our children and yours; or are we going to shrink from the battle, shrink from the pressures of today, and sell our children and yours down the road as we have done for the last 25 years?

Mr. Chairman, I know that I am proud of my colleagues who today will cast their vote to do the right thing for their children, the right thing for their grandchildren, the right thing for senior citizens in this country who are threatened from a Government that is near fiscal bankruptcy and a country that is near moral bankruptcy. Therefore, the votes we cast today are important. Again, they are not about us, they are about our children and yours.

Mr. OWENS. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. ENGEL].

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

Mr. ENGEL. Mr. Chairman, I rise in strong support of Owens-Payne substitute.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from the District of Columbia [Ms. NORTON].

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

Ms. NORTON. Mr. Chairman, the Black Caucus budget has been an indispensable part of this process, because it demonstrates that we can balance the budget without robbing grandmothers and parents and kids and the pensions of Federal employees.

However, I want to challenge the assumption of this entire 2-day debate. Mr. Chairman, I balance my budget, but that is because I did not pay cash up front for my house. I balance, as businesses do their budgets, because they do not pay up front for equipment the way we pay up front for bombers and submarines.

We have been on an insane path to balance the budget with cash money, in a way that must make States and localities and businesses laugh at the top of their voices, because they do not have a unified budget the way we do; they have a capital budget, and an operating budget. We can never balance the budget fairly this way.

We are trying to balance the budget in a radically destructive, uniquely damaging way. The people who sent us here did not expect us to go stupid on them.

Mr. SHAYS. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa [Mr. LATHAM].

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

Mr. LATHAM. Mr. Chairman, I rise in opposition to the Owens budget, and in support of the Budget Committee's budget.

Mr. Chairman, I rise in strong opposition to the budget alternative offered by Mr. OWENS and in support of the Budget Committee's balanced budget resolution.

While I disagree with almost all of the specifics of this budget, I commend the author for having the courage to put on paper what the President and leadership on the other side of the aisle only dream about.

Massive tax increases, massive spending increases on virtually every part of the Federal budget, dismantling cuts in national security.

However, at least you have had the courage to participate in the debate. It is a sad commentary that the leadership of your party has chosen to stand on the sidelines.

I would like to say a few words to my colleagues who have produced this budget and the earlier coalition budget as you consider whether to support final passage of a balanced budget.

After 25 years the time has come to stop pouring ever-increasing debt obligations on our children and grandchildren.

During the recent district work period, at every one of my 16 town meetings, the voice of the people of Iowa's fifth district was clear—the time has come for us all to stop worrying about our parochial interests and put this country's future first.

Why should we work to balance the budget?

A recent article in Time Magazine noted these likely benefits from balancing the budget.

Through lower interest rates, more than $28,000 saved on the purchase of the average home.

Boosts the average family's take-home income by $1,000 per year.

Creates 2.4 million additional jobs by 2005.

Reduces our projected national debt by more than half a trillion dollars.

Brings our national savings rate in line with economic competitors, and

Provides a $500 per child tax credit for virtually every American family and tax relief for older Americans.

What do the opponents of the balanced budget offer?

We have yet to see a balanced budget proposed by the White House or the leadership other party.

Some are even now saying we should never balance the budget—that our children's future is less important than preserving the status quo.

They have offered only fear, class warfare, empty slogans, and criticisms that ring hollow in view of their failure to offer an alternative.

There is no easy way to balance the budget, and not one Member of this House supports every single item in this bill.

But, for 25 years, Congress has failed to own up to its obligation to be fiscally responsible. Today, we can make history and restore to this institution.

Vote ''yes'' on final passage of the Republican balanced budget. Vote ''yes'' to control spending, cut taxes and, once and for all, end deficit spending.

Mr. OWENS. 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 support of the Payne-Owens amendment.

Mr. Chairman, I rise in opposition to House Concurrent Resolution 67 and in support of the Payne-Owens substitute, offered on behalf of the Congressional Black Caucus. The CBC alternative stands in stark contrast to the proposal presented by the Republican majority.

The Republicans offer tax breaks to higher income Americans in exchange for reductions in medical care to older Americans; dramatically cut Federal spending under the guise of saving the next generation, while reducing education programs critical for the success of millions of that generation; and assume block granting and funding reductions in safety net programs, while reducing opportunities for training and self-sufficiency. In contrast, the Payne-Owens substitute recognizes the need to protect America's most vulnerable and invest in its people.

While I have reservations about aspects of the Payne-Owens substitute, the CBC has been forced to draft its budget under the Republican-imposed constraint of balancing the budget by the year 2002. I understand the virtue of a specific timetable to accomplish a goal. However, when faced with the magnitude of cuts necessary to achieve that goal, it is unconscionable that the majority will neither consider compromising on that time table nor scaling back on their fiscally irresponsible and unfair tax cut proposal.

The crisis facing this Nation is not the one envisioned by the Republicans if we fail to agree to the arbitrary goal of balancing the budget by 2002. The true crisis resides in our educational system; in our inability to train Americans and move them off welfare; in our decaying urban centers; and in our inability to ensure affordable health care to all Americans. The Republican budget exacerbates these crises by assuming drastic reductions in programs which seek to address them.

Republicans insist they are not cutting Medicare to finance their tax cut proposal. Yet the Congressional Budget Office projects that the level of Medicare spending allowable under the GOP budget is significantly less than the amount necessary to maintain benefits under current law.

Rather than address Medicare and Medicaid in the context of comprehensive health care reform, the GOP budget reduces Medicare spending by $288 billion over the 7 years between 1996 and 2002. It is estimated that this cut will produce an increase in out-of-pocket expenses for recipients of $3,500 over the next 7 years.

Funding for Medicaid is reduced by $187 billion over 7 years—a cut of about one-third. Medicaid serves a diverse population of about 33 million people—60 percent are children, four million are elderly. Nearly 60 percent of health costs for the 2.9 million long-term care patients in America are paid for by Medicaid. Under Republican budget plans, nearly seven million children and one million elderly and disabled persons could lose coverage.

The Republican budget assumes reductions in welfare spending, while cutting job training funds by $1.4 billion between 1996 and 2002—undermining their rhetoric about the need to transform welfare recipients into productive citizens.

Reductions in Federal education programs include some of the most short-sighted provisions in the Republican budget resolution. The cycle of dependence decried by the majority must first be addressed in our schools. Yet the Republican proposal reduces Head Start by $209 million. The budget assumes elimination

of title 1 concentration grants—providing supplemental funding to assist low-achieving students, drug abuse and violence prevention programs, and the five TRIO programs. The latter programs have successfully encouraged young people from disadvantaged backgrounds to enter and complete college.

For the average college student receiving loans, the elimination of the in-school interest exemption will add over $3,000 to the cost of a college education. These middle- and lower-income students and their families already face a rising financial burden in the quest for higher education. The budget cuts funding for libraries and numerous higher education grants, fellowships, and scholarships.

While the Republican budget reduces funding for education and training programs, the Congressional Black Caucus substitute calls for a 25-percent increase in education and training over the current funding level. This is an investment of $154 billion more than the GOP budget over 7 years. The substitute provides full funding for the Head Start program by fiscal year 2002, increased funding for the Summer Youth Employment program, and more funds for Job Training Partnership Act programs.

If these programs need reform, then let's reform them. Elimination of these investments is a poor and cynical alternative to reform.

I have strong reservations about specific proposals included in the CBC alternative. While defense spending must continue to be scrutinized in the post-cold-war era, we must also take care to ensure our military readiness in the face of continued uncertainty around the world. I am also concerned that revenue proposals included in the alternative may be too harsh in their treatment of the business sector. Notwithstanding these reservations, I support the CBC budget as a symbol of the Caucus' continued commitment to inject into budget debates the importance of investing in the human capital of this Nation.

Republicans contend that unless we balance the Federal budget by 2002, we risk the well-being of the next generation of Americans. I do not dispute the need for fiscal responsibility. But I do strongly dispute the notion that an expanding American economy will benefit millions in that next generation if they are denied the tools to share in prosperity. It has not happened in the past, and it will not happen in the future. Overcoming poverty, dependency, and illiteracy requires compassion, investment, and creativity. The majority's budget is absent these ingredients.

I urge my colleagues to support the Payne-Owens substitute, and oppose House Congressional Resolution 67.

Mr. OWENS. Mr. Chairman, I yield such time as she may consume 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 rise to support the Congressional Black Caucus and the Owens and Payne amendment budget resolution.

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

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

Mr. CONYERS. Mr. Chairman, I am delighted to once again support the Congressional Black Caucus alternative budget, along with the Progressive Caucus.

Mr. Chairman, I rise today to support the Congressional Black Caucus and Progressive Caucus budget and to urge my colleagues to vote in support of this balanced, caring approach to Federal spending.

Unlike the Republican budget, which fufills their ''Contract with Corporate America'', this budget fufills our contract with the American people. This budget is a caring budget that does not unfairly balance the budget on the backs of our Nation's children, elderly, poor, or working class. Our budget is evenhanded, it meets the economic and social needs of everyday Americans, and it promotes fiscal responsibility by balancing the budget by 2002.

The most important distinction between our budget and the majority's budget is our investment in our future. The majority wishes to balance the budget by 2002 so that our children will not have to pay for our excesses—but then the GOP goes on to deny children the very thing that will allow them to be competitive in the global market: A complete education.

We completely reject the notion that eliminating the Department of Education and reducing funds for libraries, Head Start, and the TRIO Program for first-generation college students will improve America—and the American public is on our side.

In addition, unlike the GOP budget, our budget does not give tax breaks to the wealthiest Americans. In fact, our budget cuts taxes for working people and closes corporate tax loopholes. Now is the time to end corporate welfare, and our budget does this.

We have also protected important job training and job creation programs, and have proposed targeted increases. It is foolhardy to believe that eliminating job training and creation programs will make our economy stronger. We must continue to dedicate resources toward expanding our economic foundation.

Finally, the CBC budget continues the tradition of advocating a saner defense budget. It is immoral to propose cutting education, workers' assistance, and other social programs without making substantive cuts in military spending.

Mr. OWENS. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. FORD].

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

Mr. FORD. Mr. Chairman, I rise in support of the Payne-Owens Congressional Black Caucus substitute, for their leadership and courage to say that the Members of this House ought to look at corporate welfare and how we ought to balance this budget, and not on the backs of everyday people in America, and let us get on about the business.

Mr. OWENS. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Texas [Ms. EDDIE BERNICE JOHNSON].

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I rise in support of the Congressional Black Caucus budget

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

Mr. FORD. Mr. Chairman, would the gentlewoman yield?

Ms. BROWN of Florida. I yield to the gentleman from Tennessee.

Mr. FORD. Mr. Chairman, I would ask the gentleman from Connecticut [Mr. SHAYS], if he would have any time he could yield to this side of the aisle.

Mr. SHAYS. Mr. Chairman, I would say to the gentleman, we are not quite sure. If the gentleman wants to come over here, I am happy to talk to him.

Ms. BROWN of Florida. Mr. Chairman, I hope Members can see this picture. This is a picture of Claude Pepper from Florida, a true champion of the elderly. He would be outraged over the attempt to reduce Medicare and Medicaid to a second-rate health care system so Republicans can pay for a $355 billion tax cut for the wealthy. Veterans fare no better in this cruel Republican budget, which destroys the heart of the VA program, especially in Florida, where almost 100 new veterans arrive daily.

□ 1445

The Congressional Black Caucus budget is good for America's majority, for the elderly and veterans. It includes increases for Medicare and homeless programs. This caring majority budget remembers veterans and not just on Memorial Day. It also remembers the elderly and would be a tribute to Claude Pepper.

Mr. SHAYS. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from New York [Mr. LAZIO], a member of the Committee on the Budget.

Mr. LAZIO of New York. Mr. Chairman, I want to congratulate Members on the other side for taking the time and being dedicated enough in our single objective of moving to a new America, and drawing up this budget and offering it on the floor.

But, Mr. Chairman, this is the kind of budget we are trying to move away from. We are moving away from the concept of increased taxes, of job-destroying taxes. We are moving toward a world in which there is job growth and opportunity.

Our budget, the Republican budget, seeks to cut spending. It seeks to do that by restraining the growth of spending. In doing that, we are trying to provide opportunity for the next generation.

The answer to this is not to defend the status quo. The people of American are ready for the tough choices. The Republican budget in fact does not punt when it is asked to deal with the tough choices. It takes them head-on.

The Congressional Black Caucus budget is projected to cost about $12.75 trillion over 7 years. That is almost $850 billion above the House Budget

Committee proposed level. It is spending that will be a sure recipe for disaster.

I congratulate my friends on the other side of the aisle, but I tell you that our children cannot afford this budget. It is a recipe to diminish hope and opportunity. It is not a budget that will restore growth. It will not put us on a path toward growth.

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

Ms. WATERS. Mr. Chairman, I rise in support of this CBC budget alternatives. This budget is about jobs. It is about job training, job security, and job creation.

There is a lot of discussion about homelessness. If you want to get the homeless off the street and the dole, we need to provide them with jobs and job training. This budget funds job training for the homeless.

We can get rid of crime and youth violence with jobs and job training. This budget funds a variety of programs to train young people. The young people of this Nation truly need these jobs this summer. We fund the Youth Fair Chance Program, a program that will get troubled young people back into the mainstream with education and jobs.

We have the best welfare reform in this budget for welfare recipients. Welfare recipients need jobs and job training. This budget does that. It also funds rent reform so that public housing recipients can go to work and get off welfare.

Many formerly middle-class workers now work in entry-level jobs because they have not learned new skills. This budget would invest in retraining and economic conversion so laid-off workers can learn a skill and return to jobs which provide a decent standard of living.

If you believe the private sector must lead the way in economic development, this budget would restore and expand funds for community development banks. Community development banks create small businesses. Small businesses create jobs. The best social program in the world is a job.

Finally, the Republican budget is the budget that protects the big corporate welfare interests, the Wall Street robber barons and the big corporate tax manipulators. The CBC budget is a budget of working people, the middle class, of children and the poor. Let's bring hope, not despair, to America. Support the CBC budget.

Mr. OWENS. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Ms. VELÁZQUEZ].

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

Ms. VELÁZQUEZ. Mr. Chairman, we are down to two plans for balancing the budget, and one fundamental choice—Medicare, or CorporateCare. Do we fund tax breaks for the corporate America and the wealthy, or preserve health benefits for the elderly? The Kasich budget chooses the wealthy; the caring majority budget chooses the seniors and working families.

The Republican budget rolls back Medicare benefits, ends college aid programs, and slashes spending for child nutrition.

Who gains—the rich. They get almost $300 billion in tax breaks.

The caring majority budget stands on the side of the American people. It fully funds Medicare and Medicaid, stops backdoor attempts to cut Social Security, and invests billions more in education, job training, and job creation.

How do we do this—by closing tax loopholes for the rich, ending corporate welfare programs, and drafting the first sane, post-cold-war defense budget.

Republicans and Democrats both have plans for balancing the budget. The only difference is who benefits—the wealthy, or the working people of this country.

Mr. OWENS. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon [Mr. DEFAZIO].

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

Mr. DEFAZIO. Mr. Chairman, I rise to support the budget proposal of the Congressional Black Caucus.

I am voting for this budget, not because I favor every detail, in fact there are choices that the authors of this budget have made to which I strongly object. However, the general trust of this budget is on target.

This is a balanced budget. It gets to balance through reasonable cuts in corporate welfare and reductions in waste at the Pentagon.

This budget protects Social Security and Medicare. And it provides for an increase in the most important investment we as a nation can make—education.

The Republican budget, on the other hand, gives a huge tax cut for profitable corporations an the wealthy. It actually increases military spending, while making deep cuts in Medicare. What's worse, it cuts Social Security cost of living adjustments, violating the promise made by Republican leaders.

The Republican budget is a prescription for the continued decline in living standards for working American families.

Mr. OWENS. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. FATTAH].

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

Mr. FATTAH. Mr. Chairman, I rise in support of the CBC alternative budget.

Mr. OWENS. Mr. Chairman, to close debate, I yield the balance of the time to the gentleman from California [Mr. DELLUMS].

The CHAIRMAN. The gentleman from California is yielded 4 minutes by the gentleman from New York [Mr. OWENS].

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DELLUMS].

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] is recognized for 5 minutes.

Mr. DELLUMS. Mr. Chairman, I thank the gentlemen for their generosity on both sides of the aisle.

Mr. Chairman, we come to the closing moments of this debate. Let me say, as I have said on more than one occasion, that today we engage in perhaps the most important function that a public servant can engage in, and, that is, the adoption of our national budget. Because I believe that our national budget is the best reflection of our national values. For one can determine the nature of our commitment to our future, to our populace, to our children, to our unfortunate, to our disadvantaged, to the less fortunate people in our society by a simple examination of our budgetary priorities.

The second point I would make, Mr. Chairman, is this: Every single budget that has come to the floor today, including the one before us now, balances the budget by the year 2002 that was the prerequisite that allowed any budget alternative to come to the floor.

Thus the debate, Mr. Chairman, is not whether one budget or the other balances but what road, what route, which direction, what values, what priorities are embraced by that national budget.

I am pleased to rise in support of the Congressional Black Caucus/Progressive Caucus budget because it is the only budget before this body that simultaneously does three things:

First, it provides for a comprehensive approach for the effective maintenance of our national security. Second, it provides for a civil investment program that allows all of us here to carry out our significant and important constitutional responsibilities to provide for the common good and to promote domestic tranquility. Third, it places us on the path of tax equity and tax fairness for all of our people.

In the moments I have remaining, let me focus on the issue of an effective national security strategy.

Mr. Chairman, it goes beyond simply placing billions of dollars in a huge military budget. I would submit that there are three elements of an effective national security strategy:

First, a healthy vibrant and vital economy and an able citizenry that is well-educated, well-trained and highly motivated to participate in the political process, allowing us to continue to struggle over the health of our economy, the quality of our lives and the vibrance of our institutions.

Mr. Chairman, with respect to how we address that, we must then fund, more than adequately, education, health, and job training. There must be a commitment to technological and infrastructure development. We must continue to remind ourselves of the significant contribution that comes to us by virtue of our investment in physical and social research, just to name a few.

The second element of an important national security strategy is a comprehensive, thoughtful, well-thought-out, well-funded foreign policy that does several things: promotes regional and international stability by working with our allies and other nations in the world. Second, to promote democracy and human rights, precluding internal conflicts that danger and threaten the security; and, third, to deter war, not by violence and militarism but by the use of diplomacy and other significant nonviolent tools that are at our disposal in the international arena as we carry out our international discourse.

Mr. Chairman, the third element is a sufficient military force to carry out our responsibilities in a rapidly changing world, to address the threats and the challenges that are out there.

I believe that the Congressional Black Caucus budget has done all of that.

Let me place this latter point in proper perspective: We are now, Mr. Chairman, in this country spending as much on our military budget, almost as much as every other Nation in the world combined spends on its national military budgets.

If you add our European allies and our Asian allies into that equation, our friends and the United States spend in excess of 80 percent of the world's military budget. Thus less than 20 percent can be designed to finance any of our potential adversaries.

Question: Why do we need so much money when the cold war is over?

To conclude quickly, Mr. Chairman, I urge my colleagues to support the Congressional Black Caucus effort. It is magnificent as we move to enhance the quality of life for our children and our children's children.

Mr. SHAYS. Mr. Chairman, it is my distinct honor to yield the balance of our time to the gentleman from Texas [Mr. ARMEY], our majority leader.

The CHAIRMAN. The gentleman from Texas [Mr. ARMEY] is recognized for 6½ minutes.

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

Mr. Chairman, let me begin by paying my respects to my friends in the Congressional Black Caucus. Once again as they do every year, they have brought together a budget; they have risen to the occasion and they have put good work into their effort.

Let me assure my friends, it is with a certain amount of regret that I must encourage Members not to vote for your budget, but my statements are made nevertheless in total respect for your good effort.

Mr. Chairman, this debate, this great debate over how and whether we balance the budget, should conclusively prove to America that real and fundamental change has come to the people's House.

For the first time in more than a quarter century, we are actually going to balance the budget of the United States.

Some here today have suggested that we should not; others have argued that we cannot, that the task is too difficult, the choices too tough.

I say to my colleagues, now is the time to stop robbing our children and grandchildren; now is the time, at last, for us to give up the false promise of big Government and deficit spending.

Now is the time to do what is right, to restore the American Dream.

This Republican Congress will neither gamble with the future of our children, nor break our bond with our seniors.

Today is an historic day, but we must keep it in historical perspective.

We just finished celebrating the 50th Anniversary of V–E Day. We honored the courage, the heroism, and the sacrifice of a generation that guaranteed our freedom, and restored liberty to Europe.

They faced far, far tougher foes than simple red ink.

Compared to their sacrifices on the beaches of Sicily, the cliffs of Normandy, and in the forests of the Bulge, our task pales by comparison.

Those brave Americans risked life and limb so that their children would live free. Today, that freedom is at risk again—not because of the military muscle of a foreign power, but because politicians didn't have the courage to do what we will do today.

This debate is about much more than dollars and cents or dueling charts and graphs.

It is about morality; about whether or not one generation will continue cheating the next.

If our children are to live as freely, as proudly, and as happily as we live, then it is time to quit the political posturing and balance the budget.

Will our task be difficult? Things worth doing usually are.

Will it cause discomfort? Freedom sometimes does.

Will it require courage? That is what being American is all about.

Let us suffer no illusions. Those who fear change, those who profit from the status quo, those who have ruled Washington for decades, will fight us at every turn.

Today, the party that once rallied the Nation with ''we have nothing to fear but fear itself,'' has nothing to offer but fear itself.

But the politics of fear never works in America, because America is a Nation of optimists.

Americans want a smaller Government. They demand tax relief. And they reject business as usual.

Now it is up to us. For, today we must decide what kind of a Nation we will be.

We can, as some in this body and in the White House have suggested, do nothing. We can keep on spending, and spending, and spending, giving no thought to what it will do to our future, our families, and our Nation.

Or we can pass the Kasich budget, restore the American Dream, and head into the 21st century with our heads high, our fiscal house in order optimistic, and full of hope.

Mr. Chairman, I ask my colleagues to vote for freedom, hope, and vote for responsibility. Vote for the Kasich budget.

Miss COLLINS of Michigan. Mr. Chairman, I rise today in support of the Congressional Black Caucus alternative budget. This budget demonstrates a commitment to the American people. We will not sit idly by and merely cringe at the possibility that money will be taken out of the homes, and food off the tables, of millions of Americans.

The CBC budget calls for spending much less on defense than the Republican proposal. The disproportionate ratio of defense spending to domestic investment is outdated. Believe it or not, we are at peace. We must have the courage to go further in investing in our human capital.

Those who can least afford cuts—the poor, American children, and the elderly—should not be required to bear the brunt of the Republican agenda. I ask Mr. Chairman, is human life not more important than big business? The CBC alternative budget calls on corporations to bear their fair share of the burden.

The CBC alternative budget will invest in the programs people really need. Funding for Medicare and Medicaid will be maintained. In addition, education and job training will take high priority.

We must again invest in our people and their institutions. This investment will stimulate economic growth and promote the democratic ideal of human dignity. Our conscience mandates that we do no less.

I stand before you today on behalf of the tens of millions of Americans who cannot stand for themselves. For them, I ask my colleagues to balance this country's need for fiscal responsibility with compassion for those Americans who work hard every day but who are still unable to provide for their families; elderly Americans who have worked hard their entire lives only to be told by members of the majority party that Medicare is being abolished to provide tax breaks for the wealthy; and the millions of American youth who rely on summer jobs to help care for their families and keep them off the streets.

I stand today to plead with my colleagues to consider the severe consequences of failing to provide for important programs like Headstart and Summer Youth Employment. Headstart helps ensure that million of poor children in this country will receive the opportunity for a basic education. And Mr. Chairman, I don't have to remind this body of the critical state of education in America. Headstart is the best start we can give to our youth, who alone will determine the future course of this great Nation. By providing our youth with summer jobs, we provide them with an alternative to the tragic influences of crime that so terribly plagues our Nation's cities. I would remind my colleagues that it costs million less to offer summer jobs than to build and maintain prisons. This is a program that just plain makes sense.

I further plead with my colleagues to remember that this Nation's greatest asset is compassion. As we vote on the most important piece of legislation in this Congress, I ask my colleagues to not only show compassion but vision, for without this vision, Mr. Chairman, our Nation shall surely perish.

I urge my colleagues to support the Payne-Owens/Black Caucus substitute.

Mr. SERRANO. Mr. Chairman, I rise in support of the budget for the caring majority offered by Mr. PAYNE and Mr. OWENS.

As I mentioned yesterday, this entire process is flawed because every alternative presented to the House must balance the budget by fiscal year 2002, which some economists fear would pull resources out of the economy too abruptly. The Payne-Owens substitute was developed within this artificial restraint.

But the Payne-Owens substitute is by far the best of the proposals before us today. Its assumptions are far fairer than those behind the other proposals, increasing revenues as well as cutting spending and putting defense on the table along with domestic programs. It protects essential Federal functions from the budget axe and makes needed investments in our Nation's future.

On the revenue side, the substitute would give individuals an income tax credit to offset 20 percent of Social Security payroll taxes—a major, if necessary, burden on working families.

Revenues would come from increasing certain corporate and business taxes, eliminating certain tax subsidies for businesses, and raising the tax rate on capital gains.

On the spending side, the Payne-Owens substitute would cut defense spending to a level more in line with the world we're living in today, while providing the resources to continue our role in international affairs.

It would protect Social Security, Medicare, and Medicaid and increase our investments in education and training programs.

It would continue the crucial Federal role in public health and biomedical research and further our commitment to a cleaner environment and to biological diversity.

It would address the failings of our welfare system by maintaining Medicaid, AFDC, and school lunch as entitlements, creating jobs, and increasing support for child care.

It would balance violent crime enforcement programs by strengthening prevention and increase funding for juvenile justice, weed and seed, drug courts, and ounce of prevention.

Mr. Chairman, this is the best alternative before the House today. It would bring our Federal budget into balance in fiscal year 2002 without making the Federal Government unable to protect the Nation's health, safety, and environment, or provide a safety net for the most vulnerable of our people.

I urge my colleagues to support the Payne-Owens substitute and, if it does not pass, to oppose the Republican budget.

Ms. BROWN of Florida. Mr. Chairman, I rise in support of veterans and the elderly and in support of the Congressional Black Caucus budget.

Our seniors who rely so heavily on Medicare and Medicaid will be especially hard hit by Republican budgets. Hurting seniors and destroying veterans health care is the Republican plan for America. Claude Pepper, a true champion of the elderly, would be outraged with the attempt to reduce Medicare and Medicaid to second-rate health care systems so Republicans can pay for a $355 billion tax cut for the wealthy.

Veterans fair no better than seniors in the cruel Republican budget. Republican budget cuts destroy the heart of VA programs. VA's health care system suffers from years of underfunding; many of its facilities are old and in need of repair. Gutting construction funds to update VA's infrastructure will destroy veterans's health care—especially in Florida where almost 100 new veterans arrive daily.

The Congressional Black Caucus budget is good for America's majority, for the elderly, and veterans. It increases the President's fiscal year 1996 budget for veterans by $175.3 million. It includes increases for medical care and homeless programs, and recommends new construction funding for VA medical centers to meet increasing needs. This caring majority budget remembers veterans—and not just on Memorial Day. It also remembers the elderly.

☐ 1500

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 Jersey [Mr. PAYNE].

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

RECORDED VOTE

Mr. OWENS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 56, noes 367, answered ''present'' 1, not voting 10, as follows:

[Roll No. 344]

AYES—56

Becerra
Bonior
Brown (FL)
Clay
Clayton
Clyburn
Collins (IL)
Collins (MI)
Conyers
Coyne
DeFazio
Dellums
Dixon
Engel
Fattah
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Gonzalez
Green
Hastings (FL)
Hilliard
Hinchey
Jackson-Lee
Johnson, E. B.
Lewis (GA)
Martinez
McDermott
McKinney
Meek
Mfume
Miller (CA)
Mink
Nadler
Oberstar
Owens
Payne (NJ)
Rangel
Reynolds
Sabo
Sanders
Scott
Serrano
Stark
Stokes
Thompson
Torres
Tucker
Velazquez
Waters
Watt (NC)
Woolsey
Wynn
Yates

NOES—367

Abercrombie
Ackerman
Allard
Andrews
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
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
Clement
Clinger
Coble
Coburn
Coleman
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
Dingell
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutierrez
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)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
Meehan
Menendez
Metcalf
Meyers
Mica
Miller (FL)
Mineta
Minge
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Obey
Olver
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
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
Rose
Roth
Roukema
Roybal-Allard
Royce
Salmon
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torricelli
Traficant
Upton
Vento
Visclosky
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED ''PRESENT''—1

Bishop

NOT VOTING—10

Archer	Livingston	Towns
Berman	McNulty	Waxman
Flake	Mollohan	
Kleczka	Rush	

□ 1522

The Clerk announced the following pair:

On this vote:

Mr. Rush for, with Mr. McNulty against.

Ms. PELOSI changed her vote from ''aye'' to ''no.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BONO. Mr. Chairman, on today I missed the following votes: On rollcall No. 342, Gephardt, substitute, I would have voted ''no,'' on rollcall No. 343, Neumann substitute, I would have voted ''no,'' and on rollcall No. 344, Payne substitute, I would have voted ''no.''

The CHAIRMAN. The only further amendment in order under House Resolution 149 is an amendment in the nature of a substitute by the minority leader or his designee, based upon a revised budget submission by the President, if printed in the RECORD by the minority leader not later than May 17, 1995. Such an amendment was not so printed. Consequently, no further amendment is in order.

Pursuant to the rule, a final period of general debate is now in order.

The gentleman from Ohio [Mr. KASICH] will be recognized for 5 minutes, and the gentleman from Minnesota [Mr. SABO] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

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

Mr. GILMAN. Mr. Chairman, I am pleased to rise in support of the measure.

Mr. GILMAN. Mr. Chairman, I rise in support of the budget resolution offered by the gentleman from Ohio [Mr. KASICH], and in opposition to the alternative budget resolutions to be offered on the floor today.

I congratulate the chairman of the Budget Committee for his outstanding, groundbreaking leadership in putting together this budget resolution, helping all of us carry out our promises to bring our budget into balance. None of us want to leave our children and grandchildren an inheritance of debt; we want to leave them a better way of life and we will.

As Chairman KASICH knows better than any of us, this is not easy work and in many ways it is painful. Despite my support for the international affairs function programs, I also support this resolution, even though international affairs spending will go down, sharply, over the next few years.

The leadership has come together in this agreement resolution to support the same funding levels for international affairs.

Those levels are realistic: we are supporting programs that are necessary to the national security and the overall national interest of the United States. We will all stand together against further cuts in spending on those programs in the course of voting on this resolution. We've been facing these same issues in our Committee on International Relations, where appropriations for most of these programs are authorized.

Last Monday night, our committee ordered reported legislation that reduces—I repeat reduces—fiscal year 1996 spending on programs within our jurisdiction by $1 billion compared to fiscal year 1995 appropriations, that is, from $18.4 billion to $17.4 billion.

In 1997, it authorizes spending of $15.2 billion, for a cut of $1.6 billion compared to 1995. And it does even more—it steps off the process of cutting back on Government agencies by ending the independent existence of the Agency for International Development, the U.S. Information Agency, and the Arms Control and Disarmament Agency. When this resolution is adopted, and our American Overseas Interests Act comes to the floor next week, it will be brought into full conformity with the discretionary budget authority targets applicable to our committee.

At that time, we will again stand together with our leadership in support of sharply reduced, prudent, but necessary funding that supports our national interests.

To elaborate further with regard to my reasons for supporting this resolution, it should be underscored that it will provide for a balanced Federal budget within 7 years—by fiscal year 2002—by cutting the deficit by a total of $1.1 trillion. This will be achieved through cuts in both discretionary and mandatory spending programs.

Additionally, H. Con. Res. 67 would allow for an increase in funding to strengthen important defense programs. The cold war may be over, but the world is still a dangerous place.

Although I am voting in favor of the budget resolution, I am concerned about its impact on our Nation's seniors. Though it is important that the Medicare system be reformed due to its impending bankruptcy in the year 2002, the Budget Committee's proposal will cut an estimated $22.5 billion from Medicare in New York State. Accordingly, we must make certain that those reforms do not place undue hardships on our Nation's senior citizens. Therefore, I believe that cuts in the program should not affect current recipients of Medicare. Instead, the changes should be in place for future recipients.

Additionally, I recommend means testing the Medicare Program. Those seniors who can afford to pay more for their health care should do so.

I am hopeful that we can work out a Medicare reform proposal throughout this budget process which can accomplish both saving Medicare from bankruptcy while at the same time protecting our Nation's seniors. I look forward to working with my colleagues in that regard.

Accordingly, I urge my colleagues to vote in support of a budget resolution which will provide for a balanced budget for the first time since 1969.

Mr. KASICH. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. STEARNS].

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

Mr. STEARNS. Mr. Chairman, I also rise in support of the Kasich amendment.

Mr. Chairman, on the issue of Medicare and Medicaid, which my colleagues on the other side of the aisle claim we are going to cut, I want to read a quote:

> Today, Medicaid and Medicare are going up at three times the rate of inflation. We propose to let it go up at two times the rate of inflation. That is not a Medicare or Medicaid cut. We are going to have increases in Medicare and Medicaid, but a reduction in the rate of growth.

I venture to say you might be surprised to learn that these words were spoken not by Republicans, but by the President last year when he was trying to sell his health care package to the American people.

Thus far the debate on making changes to insure the solvency of Medicare has been less than statesmanlike. In fact, at times it has been just plain nasty and mean-spirited. We live in a high-technology country where words spoken by a major political figure can reach a wide audience. I think we should all pause and think before we make statements that are simply untrue and at times even outrageous.

Those who are quick to criticize and condemn what we are trying to do to save Medicare and Medicaid should exercise a little caution. These is no need to let loose with inflammatory statements that could alarm the most vulnerable segments of the population in our country, namely the elderly, the infirmed, and women and children. It is wrong and think frankly ignoble to do so.

I think it is a disgrace that some of my colleagues have likened what we are attempting to do to the actions of Hitler during the Holocaust. I find it repugnant that they would point an accusatory finger and insinuate that through the Contract With America we are waging a war on our children. Nothing could be further from the truth.

I don't remember hearing this type of rhetoric last year when the First Lady said ''We feel confident—that we can reduce the rate of increase in Medicare without undermining quality for Medicare recipients.'' What a difference a year makes. Now, administration officials are singing a different tune. Recently, Secretary Shalala said: ''Our argument is that if you're slowing down growth here, and that's below what's happening in terms of costs out there, it's a real cut.'' So, when the president proposed slowing down the rate of growth in Medicare and Medicaid it wasn't a cut, but now that our budget contains a similar proposal, it is a cut.

It is ironic that the administration is now saying that Republicans don't care about the poor and needy because we want to reform Medicare and Medicaid. When the administration was proposing similar changes would they have accepted the label mean-spirited?

Regardless of whether there is a balanced budget, there is an undeniable, urgent need to make certain reforms to avert the Medicare trust fund's looming bankruptcy. Let's put our differences aside and work in a bipartisan manner to solve the problems of how to save the Medicare Program and how to reform Medicaid so that it delivers the necessary care in a more cost-effective manner. I believe we

are up to the task and I plan to work with my colleagues in Committee and here in Congress to achieve this goal.

Mr. KASICH. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado [Mr. SCHAEFER].

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

Mr. SCHAEFER. Mr. Chairman, I rise in support of the Kasich budget amendment.

Mr. Chairman, today the Republican Party is following through on its promise to propose a budget that complies with the balanced budget amendment sponsored by my good friend CHARLIE STENHOLM and I, this House passed at the beginning of the year.

This is a serious budget resolution with no gimmicks that calls the bluff of those who said we could not or would not propose a balanced budget.

Now, I doubt there is a single Member of Congress that supports absolutely every provision of this resolution. Personally, I am concerned by the proposal to eliminate the Department of Energy.

The notion that eliminating this Department will result in huge savings is simply not correct. Most of the functions of the Department will have to continue—the nuclear weapons complex, for example, will still have to operate. The Environmental Management Program will still exist. Congress cannot eliminate these functions.

The Reagan administration ran into these same difficulties in the early 1980's. The final analysis of dismantling DOE indicated that there would be little, if any, cost savings in the long run, and that in the short run, it would actually cost more money to shut down the Department than leaving it alone.

Significant savings do exist in the Department's programs. There is no doubt of that. The DOE, by its own estimation, will be able to save over $14 billion over the next 5 years—a significant reduction. It also will have eliminated 27 percent of its work force. These are real cuts, and real savings for American taxpayers. The overall savings, in my opinion, will be greater by keeping DOE whole and accountable than by parceling out its responsibilities to a range of other Government agencies.

Of course, every issue addressed in the budget resolution will ultimately be decided by the appropriate authorizing committees. I look forward to the debate over this matter.

I urge my colleagues to support the Kasich budget resolution.

PERSONAL EXPLANATION

Mr. RUSH. Mr. Chairman, on this last vote, I was in the Chamber. I had my card in the machine. I pushed the button twice, but it did not do anything. I ran down here in order to vote, and you closed the vote off. Before I got in, the clerks on the outside yelled, ''One more, one more.'' I came in and yelled again, ''One more, one more,'' and I was not allowed to vote.

The CHAIRMAN. The gentleman's statement will appear in the RECORD.

Mr. KASICH. Mr. Chairman, I wonder if it would be in order for the gentleman to be given an opportunity to vote ''yes'' on the next vote in order to make up for the ''yes'' he did not get to cast on the last vote?

The CHAIRMAN. The Chair declines to rule on that.

Mr. RUSH. Mr. Chairman, on this last vote, I would have voted ''yes'' resoundingly.

PERSONAL EXPLANATION

Mr. JEFFERSON. Mr. Chairman, I would like to make a statement for the record. On the last recorded vote on the amendment, rollcall 344, I believe it is, I inadvertently voted ''no''; my intention was to vote ''yes'' on that amendment.

Mr. SABO. Mr. Chairman, I yield 5 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 and Members of the House, this vote that we are about to take is perhaps the most important vote of the 2-year period that we will serve in the House of Representatives, and for a moment I would like you to take out of your mind all of the charts and all of the graphs and all of the numbers and all of the statistics that we have flooded the floor with and the airwaves with over the last 2 days and to remember that when we pass a budget, unlike anything else we do here, we affect the lives of millions of our people, all of our people.

I would like you to focus on a picture, 70-year-old Cecil Whitner and his wife Ethel, from Affton, MO. All of his life, Cecil has served his country and his community. He fought five major battles in World War II, and he was rewarded with the Bronze Star for his bravery in action.

For more than three decades, he worked as a meatcutter in a grocery store in St. Louis. He always paid his taxes, he paid his Medicare taxes, he paid his Social Security taxes, he did what this society asked him to do, as did his wife.

□ 1530

Now that he is retired on disability and over 70, he depends every month on Social Security and Medicare, on the money that he paid into these programs for more than 35 years.

I say to my colleagues, this budget that you are about to vote on would take approximately $1,300 by the year 2002 between Medicare costs and this pension from Social Security from their annual income, $1,300. It would be one thing if what we are asking them to do was to simply balance the budget, but it is not. In addition to allegedly balancing the budget, we are taking in $1,300 from these folks so that we can give a $20,000 a year tax break to families earning $350,000 a year or more.

I would like to show my colleagues another picture, a younger family. In this picture we see Gina Stacer, whose husband, Roy, works as a car salesman in St. Louis. They are trying to save desperately for their twins' education as well as for their own retirement, but I say to my colleagues, when you live paycheck to paycheck, as most of our people do, that's pretty hard to do. Gina's parents are both retired, and they pay astronomical medical bills with Medicare and Social Security. But this budget would cut those benefits, and Gina and Roy would have to use their savings, not to build their children's future—they would like to go to college—but to have to protect their parents' lives.

I say to my colleagues, these issues that you vote on today are not just the issues of the elderly. They are issues that affect every American and every American family. Young people who are working have a responsibility to take care of their parents, and they take that responsibility very seriously, and, if their parents are in trouble with medical bills, or they cannot support themselves on Social Security, and if they are living on Social Security, then they have got to step into the breach, and, as all of you know, these middle-income families and families trying to get in the middle income are already pressed without having to do what this budget would ask them to do.

Now in the final analysis this budget is about our values. It is about what we believe is right and wrong, just and decent, and I urge my colleagues to understand that as they vote that they are not voting for just charts, and graphs, and numbers. They are voting for flesh-and-blood people who depend on us to represent them in this most important of all transactions that we do as a people. The value of my party, and I hope of a lot in the other party, is that we must invest in people for the things that they cannot do for themselves.

All of us believe our budget must be brought into balance. All of us believe we have go to get our fiscal accounts in order. It is the question of how to do it, and what I argue to my colleagues is, if we're going to balance the budget, let's figure out how to balance the budget, but in that toughest of all transactions let us not represent a value that says we're going to take money from middle-income people who are already struggling, $1,300 a year, to give a $20,000 a year tax cut to families who are earning $350,000 a year.

I realize the value that says we must invest in people who already have it made, and that investment will make its way down to the middle class eventually, but I believe as public servants we have a duty, a responsibility, in justice and decency and for what is right, to continue to make the needed investment in the people of this country, which is the greatest resource of this country, and let the people who have it made continue to make their contributions to this great society as well.

Defeat this resolution. We can do better.

The CHAIRMAN. All time of the gentleman from Minnesota [Mr. SABO] has expired.

Mr. KOLBE. Mr. Chairman, to close this historic debate I consider it my great privilege and honor to yield my time to the distinguished gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget, a person who has done yeoman work on this.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. KASICH] for 5 minutes.

Mr. KASICH. Mr. Chairman, we have seen a lot of pictures. I say, ''I want to show you, America—I want to show you the future. I want to show you who we're doing this for.''

We have seen a lot of pictures. Katie Nunn—a little baby—and her mother who is here says she wants her baby to be able to fly someday like all of us can, spread our wings, and dream and become what we want to become. That is what this is all about today.

The first thing I want to do is I want to talk about the gentleman from Minnesota [Mr. SABO]. MARTIN SABO is as class an act as we can find in public life. He is a wonderful human being.

I love MARTIN because he has fought the good fight, and he is a man of conviction, and a man of courage, and a man of principle. He will be a friend of mine forever.

I also want to take a minute to salute the pioneers. Remember when they went over the mountains, and they broke the wheel, and they struggled to make it work in the rain, and against attacks and disease? That pioneer is PETE DOMENICI. He is a Senator from New Mexico.

I want to thank somebody who is not here today. I am sure he is probably watching, and he does not agree with all the details, but he is a guy that proved that two sides can come together, they can reach agreement. It is my dream someday we will all be able to have a bipartisan effort. His name is Tim Penny. Tim Penny is a man of conscience.

I want to thank the Budget staff who worked day and night, 28 of them. I mean 28 of them going through $12 trillion worth of spending. They are phenomenal, and they dream, and they are being rewarded today.

And I want to thank, most importantly, my colleagues on the Committee on the Budget, the tip of the spear for the revolution, and I want to talk a little bit about the revolution, and this is what I said to MARTIN the other night:

''My dad was a Roosevelt Democrat. No matter how long his son was in politics, no matter how long I talked to him, my dad remained a Roosevelt Democrat because he believed that the Democrat Party stood up for folks, and I want to tell you that over the last 40 years, whether it was civil rights and the need for this country to begin to heal itself, and it is still not healed, or whether it was education or Medicare for our senior citizens, frankly the Federal Government giving opportunity for people to fly, the Democrat Party did it.''

I say to my colleagues that life is about balance. Talk about Neil Armstrong going to the Moon; it was about balance. The pendulum has swung so far to Washington solving problems that people in America have been saying, ''I've given too much money, I've given too much control, I've given too much influence to Washington, and frankly I can do it better in my neighborhood. I want to do it better in my neighborhood. I want to educate my children the way I want to educate them. I want to feed them. I want to show compassion to people who are in need.''

Mr. Chairman, where I came from, in McKees Rocks, it was a simple little thing. It was a sin not to help somebody in need. It was equally a sin to help people who should help themselves.

And what our vision is for the 21st century is a vision of taking power, and money, and control and influence from this city and giving it back to the men and women all across this country in every city, in every town, in every village in this country, and saying, ''We believe in you, and we trust you.''

Mr. Chairman, I say to my colleagues, ''As we go into the 21st century, and you think that an individual can sit in their home with a magical instrument, a magical invention called a computer, and move the financial markets of the world, doesn't it make sense, as we go into the 21st century, that the 21st century is about the power of the individual, not the power of bureaucracy, not the power of redtape, because frankly the power of bureaucracy, and redtape, and misplaced compassion does not reward individual achievement and, in some respects, takes away the incentives for the individual to fly.''

Look at the gentleman from Maryland [Mr. MFUME]. The man came from very tough surroundings, was the chairman of the Congressional Black Caucus. Do my colleagues know why? Because America is a place of opportunity, and that is what this is all about. It is about balancing a budget and stopping the flow of red ink because, just like a family, if Government will spend day in and day out more than what it takes in, it will bankrupt itself, it will create no growth, and do my colleagues know what the worst thing about no growth is? The rich get richer and the poor get poorer, and it is my dream for everybody to be able to fly in America.

Alan Greenspan said to us, and I have listened to many hours of testimony, but when Alan Greenspan came before the Committee on the Budget and said, ''If we can balance the budget, we will unleash a prosperity that we cannot even chart with this precious American system, and that gnawing fear in the guts of mothers and fathers and that their children will not be better off than them can finally be destroyed.'' That is what this is about today.

I say to my colleagues, ''It's about facing hard issues, it's about having to stare somebody square in the eye and say, 'I'd love to help you, but I got to put the kids first, and if there is a political risk, I'm prepared to absorb it,' because in the long run we're going to lift this country.''

I mean what is a better quote than John Kennedy saying, ''A rising tide lifts all boats?'' That is what this is.

And about tax cuts let me just say, ''If there is any institution that ought to be reinforced into the 21st century, it's the American family.'' We all know that.

□ 1545

What we are doing is we are saying that as we cut Government, as we end duplication, we are going to reward the family into the 21st century, and all the things that the family represents, value, stability, hope, capital gains, we did not hate rich people where I came from. I have said it before. Only guilty rich people do not like the rich. What capital gains is about is a funnel. Prosperity. You have got a jug of prosperity in one hand and a funnel in another. And when the stem is too narrow, you try to pour prosperity in, and it overflows, and the Fed says raise interest rates and slow everything down.

Capital gains is about widening the stem. It is about taking that jug of prosperity that is jobs and progress and it is pouring it through that funnel as fast as we possibly can, so everyone can share in the bounty of this country. That is what it is about.

I want to say to my friends who may vote against this, we are going to do this now. We are going to bring the pendulum back, and we have our vision for emphasizing the individual. That does not mean the Government does not have a role. It does. And I know how many of you have worked and bled and fought for the things that you believe in. And as we as Republicans begin to put this plan together, as we march down this road to saving America, I am going to urge everybody to keep their minds and their ears and their eyes open about how we can do it right.

But, ladies and gentlemen, it has to be done. We have to preserve this great country of ours. And it is a historic moment, when all of us can stand up for the future, we can all stand up for America.

Pass the resolution.

The CHAIRMAN. The Chair would request the gentleman to remove references to persons in the gallery and on the floor.

Mr. FAWELL. Mr. Chairman, in the early 1950's, Adlai Stevenson quipped that Republicans, in general, had to be dragged screaming into the 20th century. It appears to me, that the President and the Democrat leadership in the House, will have to be dragged screaming into the 21st century if ever a balanced Federal Budget is to be achieved.

It is amazing how the President—in the face of almost $5 trillion of debt and over $300 billion of annual interest accruing on that debt—

can still refuse to even offer a balanced budget for either this century or the next.

And the minority leadership in the House also resists endorsing any such balanced budget plan. For each of the last 25 years, that leadership—representing the majority control of this body, steadfastly piled up nothing but unbalanced budgets. And now—when the only issue being debated is not whether there should be a balanced budget over the next 5 or 7 years—still the President and his party's leadership in the House—fiddle while others present balanced budgets—including a coalition of Democrat House Members who recognize that—like it or not—the hard choices have to be made and a balanced budget must be achieved.

It is ironic that if the Democrat leadership in the 104th Congress had given recognition to Members like Tim Penney and others within their ranks—who tried to change the calamitous fiscal policies of the big spenders of his party, probably the Democrats would still control this Chamber. It is utterly mystifying however that the Democrat leadership can still resist constructing a balanced budget as we prepare to enter the 21st century. Alas, all they can do is to criticize those who are responsibly creating balanced budget plans.

If they will not lead, they must follow; or, more accurately, in the words of Adlai Stevenson, they must be dragged screaming into the 21st Century.

Mr. FAZIO of California. Mr. Chairman, I intend to vote against this bill.

I have important objections to a bill that ties disaster relief—which I support—to slash-and-burn spending cuts.

The Republican strategy is transparent. It's political gamesmanship.

Saving money, cutting the deficit: these are principles I can support.

But we shouldn't tie the wholesale destruction of programs that help students and working Americans to disaster relief for quake-ravaged Los Angeles, bomb-damaged Oklahoma City, and the flood impacted people of my district.

Let's address these issues separately. Let's reject this callous Republican strategy.

Let's vote on disaster aid, then let's get down to business, and see where we can cut spending.

I hope the American people pay close attention to this debate, and this process. The Republicans have developed a bad habit. They say one thing, but they do another.

They promised to address the budget deficit. In fact, the Republican conferees who crafted this bill dropped a Democratic amendment that would have required that the net savings from this bill—$9 billion—be used to pay down the deficit.

Instead, the Republicans intend to use these savings as their private slush fund to finance a tax break for the privileged few.

Instead of cracking down on corporate tax giveaways, and special interest loopholes, the Republicans cracked down on seniors, students, and everybody who didn't have access to high-priced lobbyists.

Let me highlight just one glaring example. The Senate version of this bill included a provision to eliminate a tax loophole that allowed billionaire expatriates to avoid paying taxes. But the Republican leadership rejected this provision and stripped this language from the conference report.

In fact, this bill typifies the callousness with which the Republicans have addressed our Nation's fundamental problems.

The Republican rescissions bill would devastate—if not eliminate—programs that help at-risk, disadvantaged kids.

Republican targets include:

The Safe and Drug Free Schools Program. Because of Republican cuts, our schools and communities will have $200 million less to combat drugs and violence on campus and in the classroom.

The Goals 2000 Program. Higher academic standards help everyone: students, parents, and employers. But this national program takes a $90 million hit in the Republican bill. This was worked out with our Nation's Governors.

The School-to-Work Program. By matching classroom learning to on-the-job training, we can make sure that students get the help they need to enter today's workforce. But wait. The Republicans cut funding from this program—crippling a program that has drawn positive reviews from corporate participants and schoolkids alike.

America can be a strong, productive Nation if we have the courage and commitment to educate our citizens. Without access to education and training, our workforce cannot compete in an economy that demands new skills and sets new rules.

The evidence is compelling. We can't afford to give up this fight.

Since 1979, most working Americans have lost ground. For everybody but the very wealthy, incomes have barely kept up with inflation. Overall household income increased by nearly $800 billion between 1979 and 1993, yet, almost 97 percent of this increase went to the top 20 percent of American households.

We can't raise wages if we don't give students and working Americans the tools they need to succeed.

A recent study prepared by the Census Bureau documents the direct and positive link between education and productivity. The report found that a better educated work-force can significantly increase productivity.

Let's attack the education deficit with the same intensity we attack the budget deficit. Providing educational opportunity and maintaining fiscal responsibility—these aren't mutually exclusive goals.

I urge my Republican colleagues to open a dialogue with the administration. Let's work out a compromise that we can be proud of and the American people can be proud of.

Mr. NADLER. Mr. Chairman, I rise to express my strongest opposition to this budget resolution. This budget proposes to eliminate the Federal deficit by 2002, yet gives a tax cut to the wealthiest Americans. While we must work toward a balanced budget, we must do so responsibly. We must not force those most in need to bear the burden of balancing the budget alone.

In this budget, the House Republicans have chosen to take away health and financial security to seniors in order to achieve tremendous tax breaks to the wealthiest 1 percent of Americans. While the Republican budget proposes to make millions of seniors pay an additional $1,060 in out-of-pocket Medicare expenses each year, it provides a tax windfall of $20,000 per year for Americans with incomes over $350,000.

This bill is a direct assault on our Nation's seniors. In addition to the Medicare cuts, the Republicans are also planning to cut Social Security benefits to seniors, which would result in an average reduction of $240 in benefits for individual seniors in 2002.

The Republicans said their budget would make tough choices and they were right—their choices will be tough on millions of seniors who rely on Medicare and Social Security.

But seniors are not the only victims of this misguided budget scheme. The Republican budget would make educational opportunity a thing of the past for many middle class students and their families.

It is appalling that the Republican budget cuts student loans by $18.7 billion by charging students interest on their loans while they are still in school. This will increase the cost of a higher education by approximately $5,000 for every student receiving a loan to fiance a college education. Is this the Republican opportunity society?

The Republican plan to terminate many very crucial programs that provide the most basic assistance to those most in need is similarly appalling. Some of the many programs devastated by this budget include: Housing Opportunities for People with AIDS; the Low Income Home Energy Assistance Program [LIHEAP], which ensures low-income Americans, including seniors, access to heat during the cold winter months; unemployment insurance extension benefits; and job training and education programs. The list goes on an on. This resolution also dramatically undermines Americas' access to the arts and humanities by cutting the Corporation for Public Broadcasting, and the National Endowment for the Arts, and the Endowment for the Humanities.

The inequities in this Republican budget are blatant and outrageous. This budget requires those most in need to shoulder the burden of balancing the budget, while granting the wealthiest of Americans a windfall.

Mr. Chairman, this bill is unfair, it is unjust, and must be voted down. I ask my colleagues to reject the budget resolution.

Ms. ESHOO. Mr. Chairman, I rise in strong opposition to the budget resolution we are voting on today.

I am particularly appalled that this measure would rob our senior citizens of their Medicare coverage and Social Security benefits in order to pay for tax breaks . . . something we cannot afford.

Mr. Chairman, I supported a balanced budget amendment and I am prepared to make the tough choices necessary to stop the flow of red ink. Indeed I'm voting for the Stenholm alternative budget which would actually cut more than the Republican proposal and direct these cuts to deficit reduction.

We all have to make sacrifices to achieve a balanced budget, but the Republican plan is clearly out of balance when it comes to fairness and protecting the most vulnerable members of our society.

What does this Republican proposal really mean? It means that out-of-pocket Medicare costs for seniors will increase by $1,060 in 2002 and $3,500 over the next 7 years while Social Security payments will be up to $240 less. It means that students will have to pay on average $5,000 more for their college loans. It means less money for our veterans, public hospitals, public broadcasting, and NIH Research.

And guess what it also means? It means that the very richest will have $20,000 more to

spend each year thanks to the Republicans' tax breaks.

Like the Republican budget, the Stenholm budget resolution I support achieves a balanced budget in 2002. The difference is that the Stenholm resolution takes the $281 billion in tax breaks and puts them back into Medicare, student loans, veterans hospitals, and other worthy expenditures which benefit the middle class and needy Americans.

I can't say that the cuts in the Stenholm budget are painless—they aren't. That's why I urge my colleagues to make responsible choices during the reconciliation process because that's where the rubber really meets the road.

In particular, I strongly believe that deep cuts in Medicare and Medicaid should not take place outside the context of systemic health care reform.

The Medicare program will not become insolvent because of mismanagement—in fact, administrative costs in Medicare represent about 3 percent of the overall program, lower than any private payor.

Rather, Medicare costs have increased because the overall costs of health care have skyrocketed and more people are enrolling in the system.

My constituents are concerned about health care costs and the deficit because they know that these issues will only continue to place larger burdens on their children. They support student loans because they know that these are investments in our future. They support nutrition programs, and public television because they provide nourishment for the body and the mind. And they support NIH Research because they see the connection between basic science and cures and treatments for the diseases which plague our society.

We can not blindly slash these programs without giving thought to what these programs really mean for the people we represent.

So in closing, Mr. Chairman, I would ask my colleagues to think beyond balancing numbers when they vote this afternoon: They should think about balancing austerity and fairness. By this measure, the Stenholm budget proposal is balanced while the Republican plan is not.

Mrs. MORELLA. Mr. Chairman, today we are being presented with four alternative budget resolutions—two offered by the Majority and two by the Minority. For the first time in a quarter century, each of the resolutions before us would result in a balanced Federal budget. Each resolution recognizes that our current pattern of runaway spending is both economically unsustainable and morally indefensible. Each resolution presents us with very difficult, even painful choices; they are not ones that we relish making today or that we will relish making in the future. But the bottom line, Mr. Speaker, is that we will have to make them—and postponing them won't make them any easier.

Let us consider a few facts. Our national debt stands at $4.8 trillion—that is $18,460 owed by every man, woman, and child in our Nation. Interest on our debt is the fastest-growing part of the Federal budget; in fact, each year, the Federal Government spends 15 cents of every dollar—or more than $200 billion—just on interest on the debt. That is almost as much as we spend on all non-defense discretionary programs combined—on education, job training, medical research, and much more. If current trends are not abated, interest and entitlement obligations will continue to grow exponentially until there is little left for anything else. Our choice today, then, is not about whether to balance the budget; it is about how we balance it.

This morning, I voted on the budget resolution offered by Democratic Representatives CHARLES STENHOLM and BILL ORTON. The Stenholm-Orton budget would have cut defense expenditures by $60 billion more than the committee resolution, and it would have cut domestic expenditures by $60 billion less. In addition, the Stenholm-Orton budget would not have funded a tax cut, would not have increased contributions to civil service retirement, would not have cut the student loan program, and it would have curbed the growth in Medicare more modestly than the committee resolution. Unfortunately the Stenholm-Orton resolution was defeated by a wide margin.

Given the defeat of this resolution, and due to the paramount importance of putting our Nation on a glidepath to a balanced budget, I will support the Budget Committee's resolution. While I have concerns about some aspects of the Committee budget, I believe that these concerns can be addressed in a House-Senate conference, and that the budget process must move forward. In fact, given the prevailing sentiment in the Senate, it is my expectation that the final document produced by House and Senate conferees will be very similar to the Stenholm-Orton budget for which I voted today: It will contain deeper defense cuts, more domestic cuts, and few, if any, tax cuts.

Mr. Chairman, a budget on a path to balance—however imperfect that path may be—is preferable to one that saddles future generations with hundreds of billions of dollars of debt each year. In addition, we must remember that a budget resolution is a blueprint, not a fully binding document, and that the authorizing and appropriating committees will have final discretion in determining how funds are spent in each budget category. That is why I will continue to work with these committees to protect our national priorities—education, health care, equity for our civil service, and much more, as I have done throughout my service in Congress.

Mr. POMBO. Mr. Chairman, I rise today on this historic occasion to express my strong support for the Republican Budget. This budget represents a contract with our children. For too long Congress has thoughtlessly spent away the prosperity of our children to satisfy its appetite to spend.

I see Members get up who are opposed to this balanced budget plan claiming that passage of this plan will result in the end of civilization as we know it. They say that the elimination of this program and that program will cause undue harm to this Nation. Well I stand here today and say that if we do nothing then we will be responsible for undue harm to our children and our grandchildren. How compassionate will we have been to our children when in 30 years there is no money left for student loans, no money left for Head Start, and no money left for anything else. Why? Because every dollar that the Federal Government brings in will be eaten up by interest on the debt.

It pains me to see the Federal Government spend over $250 billion per year in interest payments on the Federal debt. That money funds nothing—no education, no military, no Medicare, and no Social Security. Enough is enough.

We are balancing the budget to ensure that we build a future for our children that is free of debt and full of opportunity. My son and daughter deserve nothing less. I can think of no greater responsibility as a father than to do this for my children. I ask that everyone look inside themselves, think of America's children, and support the Republican budget.

Mr. CRANE. Mr. Chairman, today is a day that I almost thought would never come in my time here in Congress. Today I will be voting for a budget resolution, House Concurrent Resolution 67, which will put this Congress on a path toward balancing the federal budget. I have voted for such resolutions in the past only to see them trounced on the floor of the House. What makes today so special for me is that a majority of my colleagues in the House of Representatives will be joining me in voting for this resolution.

Mr. Speaker, for the first time since I came to this House in 1969, a majority of Members of this House agree that we must substantially shrink the size of government in the effort to balance the budget. We are not going to raise taxes, we are not going to use budget gimmicks, we are actually going to cut spending in an effort to slow the rate of growth of the Federal Government. Congress is finally acting in a fiscally responsible manner. The manner in which Congress has acted in the past can be described as selfish at best and criminal at worst. In my view, the debt that past Congresses have heaped upon future generations has been a criminal act. It can be characterized as criminal because that approach was mortgaging the future of our children and grandchildren. In short, Congress has spent money we did not have and sent the bill to our kids. This new Congress is saying enough is enough, and I could not be prouder than I am to be a part of this historic day in the House of Representatives.

Finally, I would like to commend my friend, the chairman of the Budget Committee, JOHN KASICH, for all his hard work and dedication in making this day possible. I remember campaigning for JOHN when he first ran for office and it was clear to me then that he was committed to principle and committed to the concept of fiscal responsibility. The House of Representatives and the people of this country are very fortunate to have JOHN KASICH as chairman of the Budget Committee, and we all owe him a debt of gratitude for his efforts.

Mr. Chairman, I strongly support House Concurrent Resolution 67 and look forward to the day when the end purpose of this resolution—achieving a balanced budget by restraining spending—becomes a reality.

Mr. RAMSTAD. Mr. Chairman, the balanced budget resolution before us today is the single most important vote we will cast since I entered Congress.

The American people have waited a generation for a balanced Federal budget. We House Republicans have delivered.

Passage of this historic balanced budget will show the American people and the world markets that we will balance the Federal budget as promised.

Eliminating the deficit will mean more jobs, lower interest rates, and higher real incomes.

It's high time the Federal Government quits mortgaging our children's and grandchildren's

futures. Every child born this year will face a lifetime bill of $187,000 for their share of interest on the national debt.

Our budget redesigns the Federal Government to make it smaller, more cost-effective, and less bureaucratic. We cut Government red tape and return power from Washington to State and local governments and the private sector.

Although I might not agree with each and every spending priority in the budget, we will now have the appropriations and reconciliation processes to modify certain specifics.

The bottom line is that we zero out the deficit by the year 2002 without touching Social Security or raising taxes.

I urge a ''Yes'' vote on the Republican budget resolution.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in strong support of the Republican plan to balance the Federal budget. This is the first time in over 25 years that the Congress has committed to balancing the budget. And, quite frankly, it's long overdue.

Americans across this great country need to know why it is so important to get our federal spending under control and balance the federal budget.

Here are just the numbers. The Federal Government has amassed a debt of over $4.9 trillion. Even though the Federal Government collected over $1.3 trillion from taxpayers last year, Congress spent in excess of $1.5 trillion every year.

So, today, we offer this broad plan for balancing the Federal budget over the next 7 years. Simply put, it ends business as usual and this spend-more-than-you-can-afford attitude that has existed for far too long in Washington.

What does this debt mean to each and every taxpayer? It means that the share of that debt for every American is $17,000. If we do nothing, our children will have to pay $200,000 in taxes over their lifetime to cover this debt.

And, because of this debt, we are wasting over $260 billion a year—a full 16 percent of the total Federal budget—just paying interest. That's money we could be using for more health care, more education, and many other worthy purposes if only we had balanced the budget.

Most important, this debt means that we are playing a high-risk game with our children's future. Saddled with this debt, we threaten their future opportunities.

So today, we lay out a broad plan to balance the budget—while protecting Social Security, as we promised, and while preserving, protecting, and improving Medicare.

As expected, there are those who claim the sky will fall and that we cannot survive without each and every Federal program, without each and every dollar that is spent here in Washington.

Even under this plan to balance the budget, the Federal budget will still increase every year. Let me repeat that. The budget increases every year. In fact Federal spending will increase $1.2 trillion over the next 7 years. Only in Washington can reasonable increases be called cuts.

What is the alternative? The President has failed to provide a plan to balance the budget. While we are taking the lead and making the tough choices, the President has remained on the sidelines during this critical national debate. It is quite clear that the President does not want to balance the budget.

Despite this, we move forward. To honor our commitment to America, the Congress and the President need to work together. We also must work as a nation to discuss openly the choices we face.

Over the past 4 months, I have heard from thousands of constituents with their ideas, suggestions, and concerns. New Jerseyans know how to make the tough choices for their families and their businesses. In New Jersey, our State balances its budget. In New Jersey, we have made government smaller and more efficient. In New Jersey, we have made sure that taxpayers come first, not last.

Over the next few months, the House will debate and make final decisions on each item proposed in the budget. As we debate our spending priorities, everyone needs to participate. There must be national dialog on where we are today and what we must do for our future.

Today's vote marks a historic beginning. We have set our Nation on the path toward fiscal sanity and a solid future for all Americans.

Mr. BILBRAY. Mr. Chairman, I rise today in strong support of the budget resolution. Now, I want to be clear in that I do not support every single cut that is presented in the resolution. But that is not the issue before us today.

The issue before us is to outline a blueprint from which each authorizing and appropriations committee will be able to work from. It sets guidelines in which we will be able to work from in our own committees where programs can be thoughtfully analyzed and deliberated. I supported a balanced budget amendment and, therefore, support this proposal which would balance the budget by the year 2002. I find it hypocritical that some of those that say they support the balanced budget amendment now oppose any specific plan to do so.

The naysayers complain that the time is not now to save America. But if not now, when? When our debt reaches $5 trillion or $6 trillion? The point is that it is never an easy task to make tough choices. We have well past the time to bite the bullet and pass this blueprint that will put us back onto the road of fiscal accountability.

Thank you, Mr. Chairman, and I yield back the balance of my time.

Mrs. COLLINS of Illinois. Mr. Chairman, I oppose House concurrent resolution 67, the Republican budget resolution for fiscal year 1996, and am in strong support of the Congressional Black Caucus alternative proposal. Unfortunately, the second 100-day rush to judgment is well underway with the GOP plan before us, best described as the ''balance the budget on the backs of senior citizens, poor children, and working families act.'' This is an absolutely wrongheaded and unconscionable approach and one that the overwhelming majority of American people, including my constituents, find fault with.

Let's not mince words here Mr. Chairman. The Republican budget resolution steals $288 billion from the pockets of elderly Medicare patients, rips $24 billion out of the hands of Social Security recipients, and grabs $18.7 billion in financial aid to college students for the sole purpose of providing $355 billion in tax breaks for the wealthiest in this country. In my State of Illinois, this translates to a loss of over $2,700 in Medicare services per enrollee by the year 2002 and about a $5,000 increase in college costs per child for the average family.

But wait that's not all! The American people also receive as a bonus gift the complete elimination of the Department of Education, which will result in a $141 million reduction in major education State grant programs for my constituents that go to support safe and drug-free schools, vocational and adult training, and our public libraries. Tack on to that drastic reductions of $187 billion in Medicaid funds for the poor and disabled—expected to strip three million citizens of their long-term health care coverage—as well as a whopping 35 percent in overall nondefense discretionary spending by 2002, and we've got a true case of Robin Hood in reverse! Where is the Sheriff of Nottingham when you really need him, Mr. Chairman?

At a time when the threat of a major world conflict is at its lowest point in the last few decades, where is the sense in increasing the defense budget by $122 billion while gouging school lunches, child nutrition programs, Head Start, and job training? Does the leadership of this body mean to say that they value B–2 bombers more than they value A-plus grades? Are shiny new planes of more importance than our children's futures?

How can the majority party expect that the variety of problems such as drug abuse, teenage pregnancy, crime, racism, lack of jobs, and poor health care services which face too many residents of our major urban centers, as in my home city of Chicago, are going to be solved if we simply cut, slash, and burn and absolve ourselves of the responsibility to lead? We always hear complaints about how much it will cost to try and attack all of these matters through government action. Well, my friends, ask yourselves what it will cost if we don't? If we adopt the GOP budget, we will be well on our way to finding out.

On the other hand, the CBC budget alternative will achieve the same goal of a balanced budget by 2002 without unfairly singling out middle- and lower-income individuals, families, and seniors to pick up the tab. Medicare, Medicaid, and Social Security, through which we do have a contract with America's seniors, are protected from any cuts or alterations.

Additionally, the CBC's reasoned approach recognizes that education and job creation are the keys to increased American competitiveness and a better quality of life across the Nation. In so doing, $27 billion, or a 25-percent increase over the current budget figures, is invested in vital initiatives such as title I and TRIO programs for underserved pupils as well as summer youth employment and mentoring partnerships which have proved of such great benefit to or communities.

To help offset these investment priorities the CBC budget closes several corporate tax loopholes, effectively ending ''corporate welfare as we now know it,'' and raises the corporate share of the tax burden from 11 to 15 percent in order to correct a long-standing Tax Code imbalance which makes working families shoulder the burden of taxes in this country.

Mr. Chairman I urge my colleagues who, as the CBC alternative budget title states, are in the ''caring majority'' to reject the Republican leadership's backwards fiscal priorities and support the CBC alternative that truly accounts for the needs of all the American people and

thoughtfully attempts to strengthen opportunities for average families and their children.

Mr. COSTELLO. Mr. Chairman, I rise today in opposition to the House Republican budget plan.

This proposal, put forth by House Speaker GINGRICH and Budget Committee Chairman KASICH, would give the very wealthy an enormous tax break while at the same time devastating Medicare and other vital programs.

The goal of this budget proposal is one I share: balancing the Federal budget by the year 2002. In January, I voted for a constitutional amendment to balance our Federal budget. I believe we must end the continued policy of running billion-dollar deficits every year which add to the national debt that must be paid by our children and grandchildren.

But we should not balance the budget by cutting student loans, Medicare, Social Security, funding for veterans and infrastructure while offering a $353 billion tax cut. This outrageous cut will give the wealthiest families a cut of $20,000 while giving middle-income families only $555 in tax relief.

We must also balance our budget in a way which does not put such a tremendous burden on our Nation's elderly. Last fall, during town meetings with my constituents, I talked about the ''Contract With America,'' and its potential impact on Social Security and Medicare. I suggested that if the Republican plan were enacted, our seniors would see huge Medicare cuts, higher Medicare premiums and out-of-pocket costs, and an effort to cut Social Security. If you examine the Republican budget closely, it does all three.

It cuts $283 billion from Medicare over 7 years, meaning that the service currently provided by Medicare will be significantly less in 2002. By cutting the Medicare program by 25 percent in 2002, out-of-pocket costs for seniors will increase by $1060 in 2002. And, this budget begins the dangerous concept of reducing Social Security cost-of-living-adjustments, beginning in 1999, by altering the Consumer Price Index. This will reduce the average benefit by $240 per person.

The Republicans have also suggested this plan will actually balance the budget in 2002. Unfortunately, their proposal relies on unsound economics and budget gimmicks to reach a balanced budget. This budget assumes a $170 billion ''economic bonus'' between 1996 and 2002 for attempting to balance the budget. This is based on a rosy scenario that our financial markets would react to lower interest rates by an optimistic 2 percent in 2002. Without this bonus, the budget is not balanced, and the promises behind this budget remain unfulfilled.

Mr. Chairman, I support a balanced budget. I believe if we got rid of the $340 billion tax cut for the wealthy and used those funds to help keep Medicare solvent; if we asked the very wealthy instead to pay their fair share; restored some funding for some of our most needed initiatives, such as student loans; and did not tamper with Social Security, we would reach this goal. Unfortunately, a majority of my colleagues did not agree with our efforts to make these changes in the Budget Committee.

Therefore, I intend to vote against the Kasich budget plan on the floor of the House.

Mr. WELDON of Pennsylvania. Mr. Chairman, support this historic budget resolution which puts us on the path to a balanced budget for the first time in a generation. It is vitally important for the sake of our future economic health that we keep our commitment to a balanced budget by 2002.

I must object, however, to including repeal of the Davis-Bacon Act in our budget assumptions. As a number of my colleagues and I stated in our recent letter to Speaker Gingrich, Davis-Bacon is an important and historic worker protection deserving thorough consideration in the legislative process before any attempt at repeal is made.

The Budget Committee projects $2.7 billion in savings over 5 years from repeal. I don't think all of those savings would materialize because those figures do not take into account the reduced quality of workmanship on Federal projects that could result if the prevailing wage is not paid.

Mr. Chairman, I believe we can produce the needed savings without repeal of Davis-Bacon and I look forward to working with my colleagues who signed the letter and with the leadership to devise a reasonable alternative to repealing the Davis-Bacon Act.

Mr. OXLEY. Mr. Chairman, I rise today in strong support of the House Republican fiscal year 1996 budget resolution. Our budget, as promised, outlines a clear path to the elimination of our national deficit by the year 2002. For too many years the Democrat leadership in the House has irresponsibly increased spending while putting the fiscal future of our children in jeopardy. This budget will ensure that the legacy we leave our children in debt free and full of opportunity, rather an ever increasing Federal deficit and a bloated, more intrusive Federal Government. On another level, our plan marks a shift in power away from Federal bureaucrats to families, States, and communities, who know what works best for them.

Over the coming weeks we will hear many say that our budget calls for dramatic cuts in Medicare. This could not be further from the truth. Under our proposal Medicare spending will increase from an average of $4,700 per recipient to $6,300 per recipient by the year 2002. As a matter of fact, overall Federal spending grows by about 3 percent annually under the GOP budget plan. The simple truth is that the Medicare trust fund will go bankrupt in just 6 years. The Medicare board of trustees has verified this conclusion. In response to this announcement Republicans have designed a plan to save Medicare. By controlling the amount of growth of all Federal spending, including Medicare, we will put ourselves on track to a balanced budget, and at the same time save Medicare from certain insolvency. Let us pass this budget and bring fiscal sanity to this House for the first time in a generation.

On another matter, note that this budget calls for the elimination of the Department of Commerce. While I recognize the significant savings that would result from this and other efforts to streamline and reduce Government bureaucracy, I would just like to state that the elimination of this Department will not be as easy as simply eliminating funding. The elimination of this agency will require the repealing of a number of underlying statutes and the spinning off of several vital responsibilities. As chairman of the Commerce, Trade, and Hazardous Materials Subcommittee, I will work closely with my Republican colleagues to address these concerns and put ourselves on track for a balanced budget in 2002.

Ms. PELOSI. Mr. Chairman, the Republican budget declares war on biomedical research. The Budget Committee recommends that NIH be cut by $566 million and frozen there for the next 5 years to produce a savings of $2.5 billion. Because biomedical research inflation rate is 4.2 percent, the freeze would require drastic reductions of 30 percent in medical research over 7 years.

NIH Director Harold Varmus has testified that this proposal would be a devastating blow to biomedical research. The success rate of research grants would plummet from 24 percent this year to 15 percent or lower in future years. These ill-advised cuts would have a ripple effect on the Nation's science infrastructure. We will lose laboratories, and long-term investments in biomedical research. We stand the risk of losing a generation of new biomedical researchers. What young person would go into a field with such a low probability of success?

America's health and economic competitiveness depend on an adequate level of funding for biomedical research at the NIH. The Republican devastation of NIH will cost us money in the long run. NIH has played a critical role in innovations that have saved 2–3 dollars for each dollar invested in research. Why would we want to reduce our investment by 30 percent?

Mr. Chairman, it is not only the future of NIH that is a stake in this budget, it is the future of most American families. What family in this country has not been touched by heart disease, cancer, Alzheimer's disease, diabetes, mental illness, or substance abuse? What family feels totally safe from AIDS, breast cancer, or genetic diseases?

Why would the Republicans propose to take away hope from so many American families? Apparently to fund huge tax breaks for large corporations and the wealthiest of Americans. This is a bad budget. I urge a ''no'' vote.

Mr. BONILLA. Mr. Chairman, I would like to thank Chairman KASICH and the House Budget Committee for recognizing that we should not balance the budget at the expense of economic opportunity. In fact, the whole point of even having a balanced budget is to promote opportunities for the good and the future of the Nation. I am proud to be a Member of the 104th Congress which recognizes this factor. I appreciate having had the chance to testify before the House Budget Committee on this critical issue and for their action.

I strongly oppose the Clinton's administration's Immigration and Naturalization Service [INS] budget for including a border crossing fee. The INS fee is an excessive burden to American businesses along the United States border with Canada and Mexico.

Illegal immigration is a national problem and measures to enforce our laws should be financed by all Americans, not only those living on the border, who face the burden of illegal immigration. The American border communities already have the undue hardship of illegal aliens depleting valuable medical and social services.

The Clinton border crossing fee is yet another blow to the economic viability of American border communities already devastated by the devaluations of the Mexican peso and the Canadian dollar. The hardworking, taxpaying Americans in the border towns of Presidio, Del Rio, Eagle Pass, and Laredo are facing ruin.

Already scores of American businesses have closed and thousands of hardworking Americans have joined the rolls of the unemployed because of current economic situations.

To impose an additional levy would reduce commerce and violate the spirit of free trade and economic opportunities and hundreds of thousands of American working men and women.

Taxes assessed by the INS on Canadian and Mexican shoppers will reduce purchases of American goods and services. It is imperative that the administration abandon this proposal and that the House Budget Committee work toward this goal.

The impact of a crossing fee on the average foreign-based shopper is considerable. We must think and take into consideration how this affects the Americans who live and work in our border communities and stop treating them like second-class citizens. It is important that these Americans are not singled out by the administration.

Mr. PORTMAN. Mr. Chairman, I rise today to express my strong support for House Concurrent Resolution 67, the Republican budget plan that moves us to a balanced budget for the first time since 1969. This budget is about America's future—it is a plan that will allow us to enter the next century with America's fiscal house in order. Our country has continued to sink deeper and deeper into debt, and the time has come to restore our Government's economic strength and integrity.

The current budget crisis is taking its toll. Today's $4.8 trillion debt requires annual interest payments of $235 billion. If Government spending is not curtailed, the debt will reach $7.5 trillion by 2005, requiring interest payments of $412 billion. As early as 1997, Americans could pay as much interest on the debt—$270 billion—as we pay for national defense. These wasteful debt payments occupy increasingly large portions of our Federal budget, crowding out money that could remain with the taxpayer or be reinvested in America's neighborhoods, infrastructure, schools, and farms.

In addition to decreasing the amount of money that the Government has to pay for its programs, Americans are adversely affected by the debt each time they borrow money to pay for a home, car, or an education. It is estimated that interest rates are about two points higher than they should be under a balanced budget. The Budget Committee tells me that this adds as much as $37,000 over 30 years to a mortgage on a $75,000 home.

We must meet our budget crisis head-on for our Nation to be strong and prosperous. We cannot continue to mortgage the future of our children and grandchildren. House Concurrent Resolution 67 moves us toward a balanced budget by the year 2002 by eliminating wasteful spending and reducing the growth rate of many programs. In all, this budget reduces the deficit by about $1.1 trillion over the next 7 years.

This budget plan not only balances the budget—it also takes action to protect and preserve Medicare. To save it from bankruptcy, House Concurrent Resolution 67 would reduce the unacceptably high rate of growth of Medicare. I have a special interest in this issue given my position on the Ways and Means Committee, which has jurisdiction over Medicare. As you may know, the Social Security and Medicare trustees have predicted that the Medicare Part A—hospital Insurance—trust fund will be bankrupt in 7 years. That means that by 2002, the funds simply won't be there unless Congress takes some corrective action. In order for Congress to keep its commitment to provide health insurance for the elderly, we must act now to safeguard the system.

The budget resolution recommends three approaches to reforming Medicare, all of which deserve further investigation by the Ways and Means Committee. None of these options would reduce Medicare spending below current levels. In fact, the program would be allowed to continue to grow at a healthy rate, one which is closer to the rate of increase for health care expenditures generally. Under the budget proposal, average spending on a Medicare beneficiary would increase from about $4,800 today to about $6,400 in 2002.

I do not agree with every detail of the budget plan's suggested reforms. But when taken as a whole, it is a well-crafted, responsible and balanced measure. It restores fiscal responsibility to our Government for the first time in more than a generation. It's way overdue. Let's act now to safeguard the future of our children and grandchildren.

Mr. SPENCE. Mr. Chairman, I rise in support for the Budget Committee's budget resolution. This resolution halts the slide in defense spending for the first time in more than a decade. And it represents the first time the Congress has added money for defense to a President's budget since 1981. On average, this proposal will provide the same amount of defense spending as this year—$270 billion. These additional resources, coupled with a significant reduction in non-defense spending, and an aggressive series of reforms within the Department, are the key components in our Republican plan to begin revitalizing our national security.

After adjusting for inflation, this plan does not increase the defense budget. It does, however, provide $50 billion more than the Clinton administration had planned to spend. And, perhaps most importantly, it is a plan that keeps the promise we made to the American people: we can both reinvigorate our national security posture and work toward balancing the Federal budget.

Mr. Chairman, some of our colleagues may be asking: Why, as we struggle to balance the budget, should defense appear to be exempt from the pain of cuts? I do not minimize the importance of deficit reduction and the goal of a balanced budget. Indeed, putting the Government's financial house in order is an important element of our Nation's overall security. I believe that strong measures are appropriate and necessary if we are to finally force the Government to balance its books. However, the armed forces have already paid their fair share.

But before I describe to you how steep the defense cuts of the past decade have been, let me remind you of one simple fact.

Defense is different.

As my colleague, Representative SAM BROWNBACK of Kansas, explained in presenting our budget plan, ''We've got a whole new mentality: what's the proper role of the Federal Government?'' Perhaps the Congress' most solemn charge under the Constitution is to ''provide for the common defense.'' If a Government cannot protect its citizens and interests abroad as well as at home, all its other good works are futile.

And, in my view, we need to restore a more appropriate balance to our priorities. Even as the Federal Government has expanded into areas of our lives never dreamt of by the Founding Fathers, it has come to shortchange those jobs which they considered it alone could do. When national security counts for just one-sixth of the total Federal budget, that's a sign to me that things are out of whack.

The fact is, while other parts of the Federal budget have grown dramatically, the Defense Department has been paying a peace dividend for more than a decade: defense budgets have declined in real terms in each of the last 10 years. Almost alone among Federal departments and agencies, the Pentagon has paid the price of deficit reduction. This year alone, the Defense Department will spend nearly 35 percent less—$140 billion less—than in 1985. Certainly no other department can come close to those figures. Defense spending now accounts for less than 4 percent of GDP, the lowest percentage in over 45 years.

We are the world's only superpower. And the utility of the Defense Department to the Nation has, if anything, increased. All one has to do is look at the extraordinary deployment rates we demand from our soldiers, sailors, airmen and Marines: they're simply going more places and doing more things than at any time in recent history, even during the height of the cold war.

In an uncertain and chaotic world—perhaps especially in such a world—we find that military forces retain their currency. The Soviet Union may no longer exist, but there are plenty of people in this world who wish Americans ill. And who will resort to violence to express that ill-will. And, lest we forget the tragedy in Oklahoma City so soon, who have unprecedented access to powerful technology.

So far, I've talked about numbers: budget cuts, budget shares, budget priorities. Let me tell you what these numbers mean in the real world, where the men and women who wear the uniform live.

First of all, it means fewer troops. Today's military is the smallest force since the end of the Korean War. By the end of fiscal year 1995, the military will be down to about 1.5 million active-duty members, from about 2.2 million in the late 1980's. Since 1990, active Army divisions have been reduced by one third. The active-duty Air Force has cut its inventory of tactical aircraft almost in half. The number of Navy aircraft carriers has been cut by 25 percent, but the total number of combatant ships is down by 32 percent. And make no mistake about it, numbers of troops still matter: in fact, our ability to carry out our national military strategy is in jeopardy, simply for lack of certain highly specialized troops.

Second, it means that these fewer troops are having a tough time keeping ready for all the missions they're being given. Every day new signs of diminished readiness are cropping up. In 1993, the Pentagon's own readiness task force discovered pockets of unreadiness in all the services. Most recently—and shortly after the administration assured the Congress and the Nation that readiness was as high as it had ever been—three of the

Army's divisions were reported as C–3, meaning that they had suffered, in the Army's official definition, a ''significant decrease in flexibility and [an] increase in vulnerability''—should they be sent to war? These divisions ''would require significant compensation for deficiencies'' to be made ready for combat. Air Force air crews in Europe are increasingly requiring waivers for missed training. Navy and Marine Corps aviation squadrons have been grounded due to a lack of maintenance funds.

Third, these troops are being asked to accept a lower standard of living. We should not forget that this administration's initial defense budget proposed freezing servicemembers' pay and benefits—at the same time that they proposed dramatic increases in domestic spending. Last year, the Congress began to correct that wrong, but the quality of service life continues to erode. As deployments—and family separations—lengthen, family housing, troop barracks and mess halls are not getting routine maintenance. There are too many substandard living quarters, too many leaky roofs, too much lead paint.

Fourth, these troops are working with tools that soon will show significant signs of old age. Designing and building weapons is a long-term process; the procurement holiday declared after the victories in the Cold War and the Gulf War is turning into an extended leave of absence. As one retired officer told our committee in hearings this spring: ''Our legacy to the next generation is likely to be 45-year-old training aircraft, 35-year-old bombers and airlifters, 25-year-old fighters, 35-year-old trucks and 40-year-old medium-lift helicopters.'' By this year, the overall Pentagon procurement account has fallen from the 1985 high of $132 to $43 billion, a reduction of more than 70 percent.

Finally, the administration's desire to overextend and over-use our shrinking military forces on an unending stream of peace operations—has dangerously diffused the Defense Department's focus. The Pentagon simply is not keeping its eye on the ball. The administration persists in stretching the reduced force and its reduced budget by sending it on a succession of missions of ambiguous focus, and it compounds the problem by refusing to budget properly for these so-called contingencies. Why long-running operations like the no-fly zones over Iraq and Bosnia should be unforeseen and not budgeted is more than a puzzle; it is a scandal. At this point, the administration's reluctance to budget for its own peacekeeping proclivities must be seen as a sin of commission, not one of omission.

But these missions cause more than budgetary mischief; they have strategic consequences. Sustaining large-scale peace operations for an extended period of time places a heavy burden on certain key military capabilities. The responsibility for these operations has fallen disproportionately on a small number of units: Army military police, port handlers, water purifiers, and quartermasters; and Air Force air cargo carriers—the kind of people who provide food, water, sanitation and showers in inhospitable places, not only to our own troops but to coalition allies, humanitarian relief organizations, even the local populations.

As essential as these units are for peacekeeping operations, they are equally vital in wartime. And the more they participate in peace operations, the less prepared they are to meet the major regional contingencies that are the backbone of our national security strategy.

Should Iraq threaten Kuwait and Saudi Arabia again, our response time would be lengthened while we withdrew essential units and equipment from the many peacekeeping activities they're now engaged in.

These, and other problems can only addressed within the context of stable defense budgets: there must be renewed investment, reordered investment priorities, and reformed defense processes. This budget resolution not only allows us to halt the decline in spending, it allows us to spend on the right things, and to spend smarter.

Our first priority is to restore the quality of service life. The service chiefs who helped to craft the early phases of the post-cold-war drawdown worried first and foremost about not breaking the force; in other words, not breaking the basic contract between the Nation and the men and women who wear its uniforms.

We also must take a comprehensive approach to the complex issue of force readiness: not only do we wish to ensure that current problems be solved, but that tomorrow's readiness is not compromised to meet today's shortfalls.

And we must end the procurement holiday. The President's budget request included no new bombers, no scout or attack helicopters, no tanks or fighting vehicles, just a handful of fighter aircraft and insufficient ammunition to replenish stocks. Relatively small investments will provide the necessary link between the force of today and the force of tomorrow.

Some part of this investment must go to revitalize the administration's anemic ballistic missile defense efforts. As rogue states like Iran dedicate themselves to acquiring weapons of mass destruction and the missiles to deliver them, the United States has a moral obligation to pursue a robust effort to defend against these weapons of terror. We must not forget how a crude, conventionally armed Scud missile accounted for the greatest single loss of American lives during the gulf war. A massive SDI program to develop and deploy exotic technologies is no longer envisioned, but we have an absolute obligation to develop and deploy theater and national missile defenses. It would be unconscionable to protect our troops and friends abroad while insisting that Americans here at home remain vulnerable to ballistic missile attack. Theater and national missile defense must once again become a primary goal, and we must work prudently to make that goal a reality.

We must allow small force structure increases to alleviate the burdens of constant deployments and high operating tempos. We simply cannot ask a small portion of our force to bear a disproportionate burden for noncombat operations.

Finally, we must reform the defense bureaucracy. It must be made to do its proper job, and to do a better job. For example, each year the Government spends about $200 billion on a wide range of goods and services, from sophisticated Stealth bombers to pencils. Regulations and redtape account for almost one-fifth of that amount. Some are necessary—we should not take risks with the American people's money. But too many mandates leave little room for sound business judgment, initiative and creatively.

The Pentagon, particularly, must learn to do its business more effectively. This is not merely a matter of efficiency, it is part and parcel of national security in a rapidly changing strategic and technological world. Unless the Pentagon can be as agile as America's adversaries, we will be at risk; our bureaucrats must be as nimble as our fighter aircraft. This year's National Defense Authorization Act will tackle this problem head-on, recommending a host of good-Government and streamlining initiatives that will make sure the Pentagon becomes a better steward of the taxpayers' dollars. Similarly, Representative BILL CLINGER, chairman of the Government Reform and Oversight Committee, and I are today introducing a comprehensive Federal Acquisition Reform Act that will lighten the bureaucrats' burden and let managers manage; they'll be given power and responsibility.

A second goal of our reform effort must be to ensure that the Defense Department sticks to defense. For too long, the defense budget has been the largest cash cow in Washington. Sadly, items in the defense budget are questionable projects that have little to do with national security. Others may be worthwhile, but are not the Defense Department's job.

Mr. Chairman, in conclusion, I strongly urge my colleagues to support the Budget Committee's budget resolution. Just as we set the rest of the Government on the proper path forward, so it must be with the Pentagon. The decisions we reach about defense spending today will create effects felt not only next year but many years from now. Lieutenants and privates recruited today will become tomorrow's generals and sergeants major. They will not fly the aircraft we order today for a decade. The research we undertake now will produce the new weapons that they will rely on in 20 years. In sum, we must ensure that our future military forces will be assured of being the smartest, best-trained, and best-equipped, and that there will be no doubt in America or around the world that, in Colin Powell's words, a ''superpower lives here.''

Mr. GOSS. Mr. Chairman, ''What a difference a year makes.'' Who could predict a year ago that we would be standing here today debating not one, but four separate, specific proposals to bring our budget into balance. While I do not support each different vision, it is truly gratifying to see the debate shift toward fiscal responsibility and real accountability to the American taxpayer.

I would first like to congratulate Chairman KASICH and his colleagues on the Budget Committee for their tremendous work in crafting the committee's first balanced budget resolution in nearly three decades. We can measure their success by the type of demagogic opposition from those on the other side of the aisle and down the street. Remember, they have no serious proposal. It seems opponents of fiscal responsibility have been reduced to inflammatory rhetoric and misleading assertions of draconian budget cuts. ''The sky is falling,'' they shriek. Nonsense. As you can see from this chart, total outlays under the committee budget will in fact continue to grow at a healthy but responsible rate.

And in fact, we show in the Solomon-Neumann proposal that it's possible to go further and balance the budget in an even more expeditious manner—5 years, rather than 7. This proposal underscores what I have claimed for several years, that there are literally hundreds of billions of dollars of low priority, excessive and wasteful discretionary spending programs

in our current budget. We can cut those programs without touching Social Security and while preserving Medicare benefits. In addition, by balancing the budget in 5 years rather than 7 the national debt will be $600 billion less, and so we could save an extra $42 billion in interest payments. The result: interest rates could drop an additional 1 percent. That's good news for families. The Solomon-Neumann budget is, as advertised, truly a contract with our children.

Mr. Chairman, this is an historic occasion for this body. This Congress is on the verge of reasserting our fundamental duty to live within our means. This Congress will rein in runaway spending and bring our budget into balance. But most importantly, Mr. Chairman, as we enter the 21st century, it is this Congress that will preserve a bright future for our children and grandchildren.

Mr. TAYLOR of North Carolina. Mr. Chairman: I rise in support of the Republican budget not because I agree with every detail, but because this nation must balance it's budget. If we don't we may go the way of Mexico, and if we go bankrupt, there won't be anyone to bail us out.

The American people should know that the Appropriations Committee will make the final decisions on what programs will be eliminated, what programs will be cut and what programs may be increased. Today, we spend about $1.12 for every dollar we take in—it's a 12 percent problem and we can fix it.

This budget begins the process of making priorities, we've simply got to determine how much money we have, prioritize our needs and when the money runs out, so do the programs. Every spending program has a rationale, a constituency and a lobby.

There's been a lot of loose talk in this Chamber about so-called cuts in some programs like Medicare. Only in Washington is an increase in spending a cut. The fact is that Medicare will be broke in 7 years. That means in 2002 there will be no money for Medicare. Those who oppose this budget are willing to scare our seniors and are willing to lie to them, in the pursuit of politics. To vote against this budget is to tell our seniors that we don't care about their healthcare—that we are willing to cast them out—just for politics.

The fact is, under this budget, Medicare spending will increase from $4,700 to $6,300 in the next 7 years—that's a 40 percent increase per recipient. That's hardly a cut anywhere in America, except on the other side of the aisle.

This budget lays out a road map to follow to a balanced budget and a healthy Medicare System in 7 years. We may not agree with every dot and tittle in this budget—they'll be worked out in the Appropriations Committee—but we must agree with a balanced budget, with a healthy Medicare System, and Social Security off the table.

Mr. MINETA. Mr. Chairman, America in ruins. That's right. Even if you put aside for a moment the harm that the Kasich budget does to Medicare, student loans, and everyday Americans, you are left, in terms of our Nation's infrastructure, with a blueprint for disaster.

Forget what we have learned over the past 20 years: That our infrastructure investment has a direct bearing on our ability to compete in the global economy; that an enhanced infrastructure can greatly further productivity, lower the cost of production and increase employment; and that our infrastructure is critical to upgrading the standard of living and quality of life for all Americans.

Forget what we know about the current needs of our transportation systems, wastewater treatment, and water supply facilities: That more than one-half—56 percent—of the Nation's major roadways are in poor to fair condition and are in need of immediate repair, with the cost to eliminate backlogged highway deficiencies estimated at $212 billion; that more than 70 percent of peak-hour travel on urban interstates occurs under congested or severely congested conditions, generating costs from wasted fuel and lost productivity to the economy of $39 billion per year; that one out of three bridges in America is rated structurally deficient or functionally obsolete; that almost one-fourth of the Nation's rail transit facilities are in poor condition, and one-fifth of our transit buses must be replaced as soon as possible; that we now have 23 airports experiencing more than 20,000 hours of aircraft delay annually, costing our economy as much as $6 billion every year; and that more than 10,000 of our 75,000 dams are classified as high hazard, meaning they would cause loss of life and extreme property damage should they fail; 13,549 are classified as being of significant hazard, meaning significant property damage would be sustained if they fail; and about 2,000 are considered unsafe or in need of repair.

Forget—we should not—but that is what the Kasich budget plan does. As a result, spending for infrastructure would decline dramatically.

For transportation, in 1996, the Kasich budget calls for a 1.3-percent cut below 1995 spending. By the year 2002 this would increase to a 14.6-percent cut below last year's spending, representing, because the Kasich budget fails to take account of inflation, a 30.3-percent decline in real transportation purchasing power.

Specific transportation cuts would include the following:

Freeze user-fee supported highway program. The Republican budget freezes the highway program at last year's level notwithstanding the fact that it is supported exclusively by user fees and does not contribute one penny toward the deficit.

Phase out Mass Transit Operating Assistance. The budget phases out operating assistance for local transit agencies between 1996 and 1999, cutting an additional 25 percent each year. This proposal cuts $193 million in 1996, $385 million in 1997, $578 million in 1998, and $770 million in 1999 through 2002.

No new starts for fixed guideway capital grants. The budget terminates funding for new section 3 mass transit systems, cutting $12 million in outlays in 1996, increasing to $645 million in 2002.

Terminate rail programs. The budget eliminates high-speed rail development and the local rail freight assistance program, terminates the Pennsylvania Station Redevelopment Project, and ends funding for the Northeast Corridor Improvement Program in 1999.

Eliminate air transportation programs. The budget eliminates the essential air services program, grants to reliever airports, the Civil Aeromedical Institute, the FAA Management Training Institute, and Air Traffic Control Revitalization Act premium pay.

Cut Coast Guard operating expenses. The Republican budget cuts funding for Coast Guard operations by $65 million, or 3 percent, in 1996 and freezes funding at this reduced level for the following 6 years. By 2002, this would mean a 24-percent loss in real purchasing power.

For environmental programs, in 1996, the Republican plan calls for a 14.2-percent cut below 1995. In 2002, the plan proposes a 15.2-percent cut below 1995, representing a 32.8-percent decline in real purchasing power.

Major changes proposed by the Republicans would include the following:

Cut funds for sewage treatment and safe drinking water facilities. The Republican budget proposes to cut funding for construction and upgrading of sewage treatment and drinking water facilities by $650 million, or 22 percent, in 1996 and then to freeze funding at this reduced level for the following 6 years. By 2002, this would mean a 38 percent loss in real purchasing power.

Cut Corps of Engineers construction. The Republican budget calls for cutting funds for Corps of Engineers water resources construction projects by $172 million, or 19 percent, in 1996. Although the cut is reduced beginning in 1998, in 2002 funding would still be 7 percent below 1995—representing a 26 percent real cut in purchasing power.

Reduce Superfund spending. The budget calls for reducing appropriations from the Superfund for hazardous waste cleanup by 10 percent in 1996 and then freezing appropriations at that reduced level for the following 6 years. By 2002, purchasing power would be down 30 percent.

For regional development programs, in 1996, the Republican plan calls for a 25.3 percent cut below 1995. In 2002, the plan proposes a 25.5 percent cut below 1995, representing a 40.6 percent decline in real purchasing power.

Major changes proposed by the Republicans would include the following—

Eliminate the Economic Development Administration.

Eliminate the Appalachian Regional Commission.

Eliminate the nonpower programs of the Tennessee Valley Authority.

Mr. Chairman, these are but a few examples of the many real infrastructure hardships this budget advocates.

American in ruins. Sound familiar? That is the title of a 1983 best-seller which, for the first time, brought to the forefront of American politics the important role that infrastructure plays in the world economy.

Let me read from the conclusion of that work:

> Economic renewal must be the premier focus of domestic policy in this decade. Our public infrastructure is strategically bound-up in that renewal. Without attention to deterioration of that infrastructure, economic renewal will be thwarted if not impossible.
>
> We have no recourse but to face the complex task at hand of rebuilding our public facilities as an essential prerequisite to economic renewal and maintenance of our quality-of-life.

How quickly we forget—how much the Kasich Republican plan forgets.

Mr. Chairman, I urge a ''no'' vote on the Republican budget.

Ms. PELOSI. Mr. Chairman, I rise today to note that a number of our colleagues on the

other side of the aisle have shown pictures of their children during the course of the debate on budget priorities. These children are beautiful; they have bright futures; and, I am sure they are the pride and joy of their lucky parents. I know; I am the lucky mother of five wonderful children.

With all due respect to my colleagues however, I would note that we are here in Congress to represent all of the children of our districts and, in fact, our Nation, not just our own children. Our children are the lucky ones—they are covered by their parents' congressional health benefits; and, with the benefit of their parents' congressional salaries, they have decent housing and will be able to afford higher education.

It is not enough to gauge the brilliance of the future of this great Nation by its impact on our own children. We, as Federal legislators, have an obligation to all of this Nation's children. Our children are not only the ones in our families. They are also the children down the street, in low income housing, and tragically, sometimes not in housing at all but out on the street. Unless we meet their needs too, the future of our children is not as bright.

The Republican budget before us today is not for America's children, it is only for the children of the privileged few.

Mr. DAVIS. Mr. Chairman, I rise today in support of House Concurrent Resolution 67 which sets out the annual budget limits that will enable our Federal Government to achieve a balanced budget over the next 7 years. Our country faces a deficit crisis that can only be resolved through an honest commitment to the basic idea that our Federal Government can no longer afford to live beyond its means. With this resolution, Congress has an historic opportunity to put an end to the business-as-usual partisan bickering that has resulted in a $4.8 trillion debt that threatens to overwhelm our Nation's economy. It is time to stand together and do the heavy lifting that is needed to put our country's balance sheet in order.

This year's interest obligation on the debt is $235 billion, and over the next 15 years—if current patterns are allowed to continue—accumulated interest payments will total several trillion dollars. You don't need to be a finance expert to understand that this year's $235 billion interest payment on the Government's debt means that we have that much less money to fund critical government functions like crime control, education, and transportation initiatives. On a personal level, these growing interest payments will mean that my 13-year-old son Carlton will be saddled with approximately $125,000 in additional taxes during his expected lifetime to pay for his share of the interest obligation.

Even now, Americans are paying for this debt in the form of interest rates that are about 2 percentage points higher than they would be if the budget were balanced. This adds as much as $37,000 over 30 years to the mortgage on a $75,000 home. A 2-percent reduction in interest rates will result in the following economic benefits:

It will lead to the creation of 4.25 million more jobs over the next 10 years.

It will increase per capita incomes 16.1 percent.

It will generate $235 billion more revenue for the Federal Government without a tax increase.

It will generate $232 billion more revenue for State and local governments without a tax increase.

As the former chairman of the Fairfax County Board of Supervisors, I can report from firsthand experience that a spendthrift Federal Government with unrestrained deficits will inevitably attempt to pass the buck on to State and local governments in the form of unfunded mandates. While we addressed part of this problem with the Unfunded Mandates Reform Act, we will never fully cure the Federal Government's habit of passing the buck until we adopt a firm balanced budget policy that forces the Government to live within its means. When I was elected county board chairman in Fairfax County, VA—a county of 900,000 residents with the second largest county budget in the Nation—we were faced with more than a $200 million deficit that threatened the financial security and well-being of the county. Well, we rolled up our sleeves and went to work. We made the county government leaner and more efficient. We set priorities and stayed on focus to achieve a balanced budget, without tax hikes, that featured added funding for education. Two years later, Fairfax County was voted best financially managed county in the country by City and State magazine and I learned that fiscal responsibility creates economic opportunity and has the power to restore the average taxpayer's faith in government.

It is now time to restore faith in the Federal Government. This resolution sets tough budget limits that will require difficult choices and painful spending cuts. I oppose several of the individual, non-binding proposals that are contained in the committee report that accompanies this resolution. I will continue to fight to see that the more than two million hard working Federal employees are not unfairly targeted for pay and benefit cuts. While we all must share in the sacrifices that are necessary to achieve a balanced budget, I believe that Federal workers were unfairly singled out for a 2.5 percent pay cut and a sizeable reduction in promised retirement pay contained in H.R. 1215—the tax bill.

I voted against the rule that limited amendments and against final passage of H.R. 1215. The other body has not embraced these pay cuts, and I am confident that the end result of this budget process will be much more acceptable to the Federal worker than the provisions contained in the misguided tax bill. I am pleased that this resolution recommends the formation of a high-level commission to study the security of our military and civil service retirement funds. The Congressional Research Service and General Accounting Office are on record as certifying that these retirement systems have no unfunded liability problem and face no threat of insolvency. I applaud this resolution for embracing a long-range, analytical approach to the questions raised during the tax bill debate about the solvency of these retirement funds. This resolution appears to recognize that any increase in employee contribution rates based on the argument that these funds are unstable should be postponed until the commission makes findings and recommendations.

There is some good news for northern Virginians in this balanced budget plan: our METRO system is fully funded until its planned completion; retired civil servants and military personnel do not face reduced or delayed cost-of-living allowances; and, the U.S. Geological Survey remains intact and viable in its Reston headquarters.

Let's put partisanship aside for the sake of our children's economic security. To those critics who focus solely on the sacrifices required to balance our budget, I say: Where is your plan? This resolution represents a solid plan to balance the budget over 7 years. A balanced budget will directly result in lower interest rates, a stable dollar in the international market, and long-term economic security. I urge my colleagues to join me in support of House Concurrent Resolution 67.

The CHAIRMAN. No further debate is in order. Accordingly, pursuant to House Resolution 149, the Committee rises.

Accordingly, the Committee rose; and the Speaker having assumed the chair, Mr. SENSENBRENNER, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the concurrent resolution (H. Con. Res. 67) setting forth the congressional budget for the U.S. Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, as amended, he reported the concurrent resolution, as amended, back to the House.

The SPEAKER. Under the rule, the amendment printed in H. Rept. 104–125 is adopted.

Under the rule, the previous question is ordered.

PARLIAMENTARY INQUIRIES

Mr. WYDEN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. WYDEN. Mr. Speaker, does House rule XXI(c) requiring a three-fifths vote to increase Federal taxes apply to the $17.4 billion tax increase contained in the Republican budget resolution due to the consumer price index cut?

The SPEAKER. The Chair appreciates the gentleman's parliamentary inquiry, and the Chair interprets clause 5(c) of rule XXI to apply only to the passage or adoption of a bill, a joint resolution, an amendment thereto, or a conference report thereon. The rule does not apply to the adoption of a concurrent resolution.

Mr. WARD. Mr. Speaker, I have a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WARD. Mr. Speaker, I am a freshman. On my first day here I voted that a three-fifth vote of this body be required to pass a tax increase.

The SPEAKER. The gentleman is not in order.

Mr. WARD. Is this not a bill, Mr. Speaker?

The SPEAKER. This is not a bill. The gentleman is a freshman. He should study this. It is not a bill.

Mr. WARD. It is not a question of studying, Mr. Speaker. What is the voter to think if we do not call a bill a bill?

The SPEAKER. The question is on the concurrent resolution, as amended.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 238, nays 193, not voting 4, as follows:

[Roll No 345]

YEAS—238

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
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

NAYS—193

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

NOT VOTING—4

Berman
Collins (IL)
Kleczka
McNulty

☐ 1609

So the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. COLLINS of Illinois. Mr. Speaker, during rollcall vote No. 345 on House Concurrent Resolution 67 I was unavoidably detained. Had I been present I would have voted ''no.''

PERMISSION FOR COMMITTEE ON INTERNATIONAL RELATIONS TO HAVE UNTIL MIDNIGHT FRIDAY, MAY 19, 1995, TO FILE REPORT ON H.R. 1561, AMERICAN OVERSEAS INTERESTS ACT OF 1995

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that the Committee on International Relations have until midnight, Friday, May 19, 1995, to file a report on the bill (H.R. 1561) to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal years 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal years 1996 and 1997, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERSONAL EXPLANATION

Ms. WOOLSEY. Mr. Speaker, I was present and voted no on rollcall vote No. 337, final passage of H.R. 961, the Federal Water Pollution Control Act amendments. Unfortunately, due to a technical difficulty, my vote was not recorded.

I ask that the RECORD be clear that I voted on opposition to final passage of H.R. 961.

CONFERENCE REPORT ON H.R. 1158, EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR DISASTER ASSISTANCE AND RESCISSIONS, FISCAL YEAR 1995

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 151 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 151

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore (Mr. WALKER). The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Boston, MA [Mr. MOAKLEY], the former chairman of the Committee on Rules.

Pending that, Mr. Speaker, I yield myself such time as I may consume. All time yielded is for debate purposes only.

(Mr. DREIER asked and was given permission to revise and extend his remarks, and to include extraneous material.)

Mr. DREIER. Mr. Speaker, this rule provides for consideration of the conference report to accompany the bill, H.R. 1158, a measure providing emergency supplemental appropriations for disaster assistance and rescissions for fiscal year 1995. The rule waives all points of order against the conference report and against its consideration.

In particular, I would note that the conference report violates clause 3, rule XXVIII, relating to scope, because appropriations related to the terrorist

bombing in Oklahoma City were added to the bill in conference, and I know everyone is very supportive of that effort.

□ 1615

The debates on this floor are getting somewhat predictable. Fortunately, the American people are getting one message that is coming through loudly and clearly.

Mr. Speaker, the Democratic leadership, including President Clinton right at the top, are unquestionably, unwaveringly, and unalterably addicted to big government. We just heard the gentleman from Ohio [Mr. KASICH] talk about the fact that we are for the first time in years turning the corner on that.

There are a number of important emergency supplemental appropriations in this bill. However, I would especially call attention to the $6.7 billion in supplemental funding for disaster relief in 40 States; not just California, 40 States are involved.

I can assure the Members, Mr. Speaker, that in Los Angeles, in Los Angeles, where the impact of the Northridge earthquake is still felt, these funds are more critical than the rescissions included in the funding package.

The budget debate in this House boils down to whether politicians can muster the courage and conviction to stop passing trillions of dollars of economy-choking debt to our Nation's children. This is one of the most important political debates in our history. It will impact the future of every working family in this country. This emergency supplemental is a miniature version of the budget debate that we just went through.

The new majority in Congress has changed the way Washington does business. Rather than simply tossing new spending onto the mountainous Federal debt, as has been done in the past, we propose to pay for it. Is that so incredibly radical, Mr. Speaker?

The Committee on Appropriations went back and reevaluated nearly every item in the fiscal year 1995 spending program. They tried to find what I call smart cuts. They used the following criteria: No. 1, spending that was not authorized; No. 2, duplicative Federal programs; No. 3, programs that receive large funding increases in fiscal year 1995; No. 4, programs with unspent funds piling up from year to year; No. 5, programs that exceeded the level in the Clinton budget; finally, programs that are wasteful and do not work.

Those are the criteria that they used in looking at these items. Only among big-government liberals in Washington are these considered radical criteria. The Committee on Appropriations took another radical step. They proposed to cut as much unnecessary spending as possible, not just enough to balance out the new spending. Only inside the Beltway here in Washington would people advocate only looking for enough wasteful spending to balance the amount of new spending, but the Committee on Appropriations very responsibly went further. We proposed to get this Government on the path to a balanced budget, the one that was just called for in the resolution passed.

That, of course, gets us back to the balanced budget question. We are starting to see a clear trail here, Mr. Speaker, on the balanced budget amendment, despite strong bipartisan support, the President opposed it, and it came up short. However, he sure had the rhetoric down extraordinarily well, as many of our colleagues on the other side of the aisle have in this House. He and his friends supported a balanced budget, not just that they supported the amendment. They said they wanted specifics.

Then the Republicans came up with specific budget plans to balance the budget. Again, the big-government liberals, led by the President, ran for cover. Again there were excuses. We heard a lot of that here today when the House made history and passed this budget resolution that will put us on this glide path towards a balanced budget by the year 2002.

Now, Mr. Speaker, the President's staff indicates, and the President himself has indicated, that this emergency supplemental appropriations and rescission bill will be vetoed. We are the ones who responded to his request, and he was not at the table, and yet the call is that he is going to be vetoing it. Should we be surprised?

On the one hand it is hard to believe that the President is going to veto the bill that provides relief to American families that have already suffered at the hands of earthquakes, fires, flood, and terrorism. However, look at it from the perspective of big-government's great protector. Every special interest that lives off the bloated Federal Government is frightened. They all think that they are next. The President and his very liberal allies in Congress are their great protectors. The great protectors' advisers have probably told him that if he does not oppose these cuts, special interests all over the country are likely to think that maybe the President will agree with Congress tomorrow or next week or later this year, that their special program is not absolutely critical to this Nation's future. Better to make it clear to those who live off the Federal Government that he is here for them.

Mr. Speaker, this is a very good conference report. It makes history. Two months ago when a bill came to the floor providing funding for these priorities, and reducing spending to pay for it, people said the spending cuts would die in the other body. Apparently they misread things. They passed by a 99 to 0 vote. Now we have these veto threats. They could be wrong, too. If not, let the President make the case that in a $1.5 trillion budget, a 1-percent spending cut is too much.

By the way, explain why those cuts are more important than this extraordinarily important disaster relief. Mr. Speaker, I urge my colleagues to support this very fair rule, this extraordinarily balanced conference report, which the American people are behind.

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

Mr. MOAKLEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill really cuts things we should keep, and keeps things that we should cut. Even though, and I want the Members to listen closely, even though it is not as bad as the House bill, and in that we are all thankful, we are still left holding a big pile of favors for the well off at the expense of everyone else. The worst part is that $50 billion of these cuts are not even going to deficit reduction. They are going to provide a tax break for some 1 million people, 1 million of the richest Americans in the land. Those are figures from the Department of the Treasury.

Mr. Speaker, I feel like yesterday I was standing here complaining about tax cuts for the rich at the expense of Medicare recipients. Now I am standing here complaining about tax cuts for the rich at the expense of education and housing. My Republican friends say they have to cut these programs to balance the budget, but President Clinton has shown us that it is possible to cut spending, and not cut the legs from under working families. President Clinton's bill cuts $110 million more than the Republican bill, but it does it without socking it to the middle class.

The President's rescissions bill proves if you give up the idea of tax breaks for the very rich, then we can afford a lot of very good programs that benefit the rest of the people, programs for education and training, programs for crime prevention, programs for housing, programs for veterans, and the list just goes on and on.

Mr. Speaker, this Republican rescissions package is a big, fat boon for expatriated billionaires, and a serious cut for working American families. Republicans have broken their promise not to cut Medicare, and they are breaking their promise to help working families. While we are on the subject of broken promises, Mr. Speaker, my Republican friends had promised not to waive the 3-day layover, and they have gone ahead and done that, too.

Therefor, Mr. Speaker, we are getting used to this. I urge my colleagues to oppose the rule. This bill, like the Republican budget, hurts the people who need help and helps the people who really do not need help. We do not have to gut education and crime programs to pay for tax breaks for the very, very rich.

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

Mr. DREIER, Mr. Speaker, I yield 30 seconds to the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, I just want to say in response to the last

gentleman's statements, there are no tax breaks in here, no money is going to people for tax breaks, because the conference agreement includes the amendment of the gentleman from West Virginia in the Senate. The President never got his list of rescissions to us until after the conference was closed, so there was no possible way for us to act on any of his ideas, even though we have been pleading with him for 4 months to give us his ideas on rescissions.

I do not know where the gentleman got this business about a billionaires' tax cut. This is an appropriation bill, not a Committee on Ways and Means bill. It has nothing to do with tax breaks.

Mr. DREIER. Mr. Speaker, still basking in the glow of passing the first balanced budget in 26 years, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Claremont, CA, for yielding time to me. It is nice to have him down out of the gallery and here on the floor. He is doing such a great job.

Mr. Speaker, I rise in strong support of this rule and the conference report it makes in order. This is the conference report that contains funds to try to repair just some of the damage that was done by the Oklahoma City blast, and yet the President has said he will veto it? This is the conference report that contains disaster assistance for the victims of the California earthquake, and yet the President of the United States has said he will veto it? This is the conference report which contains debt relief for Jordan, which the President says he wants, and yet the President has said he will veto it?

This is the conference report, Mr. Speaker, which takes the first concrete steps toward reducing the deficit by actually cutting excessive spending out of this year's funds, and yet the President has said that he will veto it? What is going on here, Mr. Speaker? Is this the only way the President can try to prove that he is relevant to the setting of budget priorities, since he has failed to propose a budget plan which would lead to a balanced budget by the year 2002?

As chairman of the Committee on Rules, I personally invited him to put that budget before us, and we would make it in order and have a legitimate, relevant debate. There was no proposal. It is unlikely, Mr. Speaker, that all 435 of us will ever agree on every detail of any set of budget priorities, because we represent different constituencies. I come from New York. We did not have the earthquake disasters in California, but yet, we have to support legitimate legislation, and this is just that.

However, this conference report does agree to reflect the will of the House reached after, I think, 10 hours of the amendment process back when the bill was first considered in this House. There is a little sore spot involved, because at that time the distinguished chairman of the Committee on Veterans' Affairs, the gentleman from Arizona [Mr. STUMP], and myself, along with the help of the gentleman from Florida [Mr. YOUNG], successfully passed on this floor by a vote of 382 to 23 an amendment and that is overwhelming, 382 to 23 restoring funding for veterans medical care and veterans health care facilities, with the cost offset by reductions in AmeriCorps, and leaving the veterans' programs with zero cuts.

Mr. Speaker, I am sorry to report that in a compromise the conferees have restored AmeriCorps, the President's pet project, to where it was before this House acted, and put back in the cuts in veterans' programs totaling $81 million. I know conferees fought very hard against that, and I appreciate that, but as far as I am concerned, this conference agreement has already gone too far to protect the President's pet project, that thing called AmeriCorps.

I am going to vote for this conference report, but if the President does veto the compromise agreement, I strongly hope and urge that our conferees or that this House will stick to the overwhelming position that this House took when the bill first left the floor.

Mr. Speaker, the chairman of the committee, the gentleman from Louisiana [Mr. LIVINGSTON], and the gentleman from Florida [Mr. YOUNG] have very difficult jobs, and they have done them so well. I just hope that this body, after the vote on the balanced budget resolution today, is now going to have the guts that the gentleman from Louisiana has and that the other members of the Committee on Appropriations are going to have in putting specific cuts out here on the floor for debate. I am going to support every one of them. That is a promise. They deserve our support, and they deserve our commendations.

If the President is smart, he will sign this legislation, Mr. Speaker. There is one other point I would like to make. That has to do with the rhetoric that has been used with regard to the conference agreement on the budget debate. Repeatedly we Republicans have been accused of making cuts that are mean-spirited as we attempt to balance the budget, the most important issue facing this entire Nation over the next 5 years. What is really mean-spirited and what is greedy is to keep borrowing money and doubling the bills on future generations so liberal Democrats can make themselves feel self-righteous today.

□ 1630

Mr. Speaker, if they want to feel self-righteous, they should have the courage to step up here and offer balanced budget solutions of their own rather than just criticize those that we have offered.

I urge support for this very vital piece of legislation.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. PETERSON].

Mr. PETERSON of Minnesota. Mr. Speaker, I rise in opposition to this rule and this conference report. I do so not because I oppose cutting spending, but because the conference report does not include the Brewster-Minge lockbox amendment which applied all of the savings from the bill to deficit reduction.

The Brewster-Minge amendment would have reduced the discretionary spending caps to reflect the savings in each of the next 5 years from the spending cuts in the package, thereby applying the savings to deficit reduction. The Brewster-Minge amendment would have reduced the spending limits by $66.2 billion over 5 years. Incidentally, I would point out that the Brewster-Minge amendment uses the same approach to reducing the discretionary caps that was in the Penny—Kasich amendment offered by our former colleague Tim Penny and the current chairman of the Budget Committee JOHN KASICH in the 103d Congress.

The House overwhelmingly passed the Brewster-Minge amendment when the rescission bill was considered by the House, but the House leadership almost immediately began to back away from its support of the amendment. The other body passed a significantly weaker version of the lockbox that only applied the savings from the first year to deficit reduction instead of reducing the caps to lock in the savings for all 5 years to deficit reduction. Unfortunately, the conference chose to accept the weaker version of lockbox that only applies $15.5 billion in savings to deficit reduction.

The House conferees would have us believe that they had to drop the Brewster amendment because the other body would not accept it. However, I would point out that PETE DOMENICI, the chairman of the Budget Committee and a very influential member of the other body on budget issues in the other body endorsed the approach in the Brewster-Minge amendment during the debate on this bill on March 29. He said, and I quote, ''We could take this little $6 billion savings and make it recur each year, and we would be over $30 billion * * * We will have to do more than that.''

I have heard some members argue that the savings from the lockbox amendment are irrelevant because we will reduce the spending limits much more in the reconciliation bill later in the year. If that is true, then I do not understand the objection to making those reductions now by accepting the Brewster-Minge amendment. Should we not lock in the savings now just in case we do not enact lower spending limits later in the year for whatever reason?

Mr. Speaker, we should defeat this bill and send it back to conference so

that we can keep the strongest possible lockbox in the bill. I urge a ''no'' vote.

Mr. DREIER. Mr. Speaker, I yield 4 minutes to the gentleman from Everett, PA [Mr. SHUSTER], the chairman of the Committee on Transportation and infrastructure.

Mr. SHUSTER. Mr. Speaker, I rise in support of this rule. To set the record straight, yesterday the Director of the Office of Management and Budget, Leon Panetta, stated that the President was disappointed that the conferees failed to rescind and included $130 million for nine separate highway projects in one congressional district, in my congressional district.

The facts are that they had their facts all wrong. The truth is, and I know it is difficult sometimes for them in this administration to stick to the truth, but the truth is that the Senate attempted to rescind $141 million in 72 projects. This gentleman had only 2 projects in the 72 with a total value of less than $6 million.

I regret deeply that this administration has decided to attempt to politicize what historically has been a bipartisan issue, transportation, and just this afternoon compounded their distortion with the double talk of saying what they really were talking about were 10 projects in Pennsylvania that go all the way back to the 1980's.

These projects that they talked about this afternoon have absolutely nothing to do with the rescission bill. This is classic double talk. I deeply regret that the administration is deciding apparently to politicize transportation.

In fact, it is ironic the projects which they seem to attack this afternoon are projects which were passed into law by a Democratically controlled House, and projects which Leon Panetta voted in favor of when he was in this House. But their crocodile tears are simply that.

The fact of the matter is the proof of their political activity is that the original House rescission bill had $131 million in old transit funds in it. Despite the fact that the Federal Transit Administration promised us they would not act on any of these rescissions to put the money out, they violated that trust. Between the time of the original rescission bill and when it came to the floor, the Federal Transit Administration pumped out $100 million in transit projects that were to be rescinded. Of course, these transit projects go to the big cities, largely to Democratic districts.

Mr. Speaker, they have chosen to politicize transportation. I regret that deeply, but if that is the game they want to play, we know how to play that game.

I would simply say to the Clinton administration downtown, if this is the way you want to treat transportation, we understand what you are doing. We regret it. We hope that you will rethink this partisan approach to transportation. But if you do not, then I can assure you as we move transportation legislation this year through the House, the national highway system, for example, and other transportation bills, we will have to respond in kind to the very sad approach which you seem to be taking to what historically has been a bipartisan issue, and, that is, transportation for the good of our country.

Wonderful Jim Howard, Democratic chairman of the Committee on Transportation and Infrastructure when he was here, used to say there are no Republican or Democratic bridges or highways; there are American bridges and highways. That is the way we Republicans still feel.

I know many of my Democratic friends in the House here feel that way as well, but obviously the Clinton administration does not. They have chosen to politicize this issue. They have chosen to break trust with the House by pushing through $100 million in transit projects that were to be rescinded. I guess we are going to have to recognize it is a new and sad day.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. OBEY], the ranking minority member.

Mr. OBEY. Mr. Speaker, I would just like to correct the impression left by the last speaker. The fact is, the last speaker arrives at his number by carefully excluding certain activities that were undertaken by the administration. The fact is, the administration's proposal would have allowed cancellation of projects in ISTEA, which is the authorizing highway legislation, as well as allowing the cancellation of appropriated items.

If we look at all of the projects that the administration was talking about being allowed to cancel, including those in the authorizing legislation, there are 9 projects in the gentleman's district and there are 30 in the gentleman's State. The gentleman is correct that if we look only at what the Senate rescinded, or tried to rescind, that he only has 2 projects, but if we look at the totality of the projects the administration wanted to cancel in both the authorization and appropriation bill, then the administration's numbers are correct.

Mr. DREIER. Mr. Speaker, I am happy to yield such time as he may consume to the gentleman from Sanibel, Florida [Mr. GOSS], the chairman of the Subcommittee on Legislative and Budget Process of the Committee on Rules.

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

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from greater downtown San Dimas, CA [Mr. DREIER], the chairman of another important subcommittee of the Committee on Rules, for allowing me such time as I may consume.

Mr. Speaker, we have just had a very strong historic vote in this Chamber. It really was remarkable to be here and feel the sense of what is happening here. We sent a signal.

Sadly enough, it is a little too late in fiscal year 1995 to balance our budget this year. But it is certainly not too late to cut our unnecessary spending in fiscal year 1995, and we have a chance to do that right now.

Any day is a good day to save taxpayers' dollars. If you doubt it, just ask the taxpayer. Every day that we spend taxpayers' dollars is a good day to spend them wisely. If you doubt it, ask a taxpayer.

This legislation starts us toward balancing the budget, which we just had a strong, convincing vote on. It does it in a big way. We are talking about billions of dollars.

Why would we delay that? The answer is we would not. Why is the President talking of delaying that by vetoing our effort to stop bad spending now?

Let's agree that there may be some disagreement with the President about what actually constitutes bad spending, but then let's look at the next thing. There could be no disagreement about providing prompt and needed relief to Americans, American citizens, victims of tragedies, and this conference report provides relief to such Americans.

This conference report also saves money. This conference report is a responsible first step toward getting our spending under control. Why do we not pass it now? Why would we think that the President would even veto such a good piece of legislation?

Why, in fact, did we hear from the gentleman from Massachusetts [Mr. MOAKLEY], the distinguished ranking member of the Committee on Rules, that there is concern about the 3-day layover waiver so that we could get to this legislation now and pass it and provide this relief?

The waivers that we have provided for in the rule, and this is a very good rule for this type of legislation, show that the only things that are in this resolution are basically a provision to take care of the victims of Oklahoma, which I think everybody would agree is important, and recognition for Korean War veterans, which I think also everybody would agree is important. There is nothing else new from the original report. Consequently, there is no reason.

Members are aware of what is going on here. I do not think there is any justification at all for not getting on immediately with this and passing this legislation and getting it down to the White House. I sincerely hope the President of the United States will agree there is no reason for delay.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE. Mr. Speaker, I think you will notice that I have a pretty worn and torn and tattered example of what will happen to not just the State of Texas but to many States

around the Nation. I carry this because these are not the numbers of the 18th Congressional District in Texas. These are the numbers of $1.1 billion that will impact the citizens of the State of Texas.

Even as we begin to deliberate on the rescissions bill, I thought there was hope, as the process proceeded and we went forward to the Senate and then the conference committee, in order to be able to emphasize what all of us are concerned about, and that is helping to reduce the deficit.

Unfortunately, when the bill returns we find that if you take it, you will lose it. What we will lost in Texas is $1.1 billion, only an example of what the rest of the country will lose as well.

□ 1645

Let me respond to the concern for those citizens who tragically have experienced a very serious loss. I have spoken to the administration and there is a response to those in Oklahoma City and California, the dollars are there for that kind of need. But what we do not have the dollars for, and what we are spending the dollars for, is a tax cut for those making over $200,000, and taking away money in this rescissions package from assisted housing that is needed all over the Nation for those who would need to have section 8 rental assistance. Those are working families that need those dollars, and I thought we were beginning to be able to strike a very good compromise on summer youth employment. That is what the young people have asked for in my district. They need to work. Oh, yes, they can work this summer, but folks, they will not be able to work next summer. And some of these people work to survive, to be able to go to school and in order to pay for clothes in order to get an education.

Education, the school-to-work program that the Houston Community College came to me and said was one of the best programs in this Nation, is now being cut drastically, $12.5 million. Education in the Goals 200 Program, and those communities, rural, towns, and cities that are just beginning to rebuild their infrastructure and transportation system, well, folks, they are gone.

Those who are just getting up the stairsteps, trying to make a system that is more mobile, trying to comply with the Clean Air Act, transportation dollars for those communities have now been cut $2.2 billion.

And the veterans, somebody said stop giving to the deadbeats, are veterans deadbeats? Are they the ones who have, in fact, given both their lives, some, but as well their support to this Nation? Well, Mr. Speaker, the veterans are being cut as well, $50 million.

I thought I could support this rescission package in the spirit of cooperation, but not at the tune of $1.1 billion for the State of Texas.

Mr. DREIER. Mr. Speaker, may I inquire of the Chair how much time is remaining on both sides?

The SPEAKER pro tempore. The gentleman from California [Mr. DREIER] has 10½ minutes remaining and the gentleman from Massachusetts [Mr. MOAKLEY] has 20 minutes remaining.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the distinguished former mayor of Santa Clarita, CA, an area heavily impacted by the Northridge earthquake, the gentleman from California [Mr. MCKEON].

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

Mr. MCKEON. Mr. Speaker, I always love to be introduced by the gentleman from California [Mr. DREIER]. He always makes you feel so good and has some flowery use of words.

Mr. Speaker, I rise in strong support for this rule, and to decry the veto threats of the President's political advisors. There is no excuse for playing politics with working families in California who have suffered immense hardship from natural disasters.

There are times when elected officials must rise above politics and respond to a crisis. When the Northridge earthquake devastated the San Fernando Valley, Santa Clarita, and surrounding areas last year, I believed one of those times was at hand.

I applauded the President for going to Los Angeles and seeing the destruction first hand. He met hard-working people who bravely faced the brunt of the disaster. It was not a question of Democrat or Republican, liberal or conservative, it was the President responding to an emergency that rose above politics.

When the President asked Congress for $6.7 billion in supplemental appropriations to begin to rebuild in the face of massive destruction, my Republican colleagues in the House were determined to cut other spending to pay for the cost. Now, I accept second place to nobody in the desire to reduce Federal spending and balance the budget. However, I opposed my colleagues and supported the President's request without offsets.

I argued last year that there are a few instances when providing relief rises above political fights. When a leader must make the difficult decisions, even stand against those who are usually his allies, in order to meet the needs of those who have been struck by a disaster.

Mr. Speaker, by threatening to veto the conference report that continues to provide relief to communities decimated by last year's earthquake, the President is failing that test. He is letting down the families and communities who need this assistance. Has he forgotten his visit of last year? Maybe the political advisers urging a veto weren't with the President when he walked through the communities he now threatens to ignore?

I recognize that it is difficult for this big-government President to support spending cuts. It was very difficult for me last year to vote to add emergency relief funds to deficit. But, I made a tough choice in order to help those disaster victims who needed it most. Ultimately, the political fights over balanced budgets were played out in more appropriate places.

Mr. Speaker, the President's advisers have lost touch with disaster victims in California. Go ahead, oppose the balance budget amendment. Oppose the budget resolution. Oppose the appropriations bills later this year that will cut spending. But have the courage to accept a few cuts to enact disaster relief.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. YATES], the ranking minority member of the Subcommittee of the Committee on Appropriations.

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

Mr. YATES. Mr. Speaker, I must vote against the rule and this bill. It is an accumulation of unwise reductions in important programs. Just about every program in the Government was cut, housing, health research, transportation, clean fuel, nutrition for women and children, the elderly, every program benefiting the average person has been reduced by the Republican majority. But the amazing fact, Mr. Speaker, is that this bill does not cut the Department of Defense by one penny; a budget of $272 billion for the Department of Defense last year, and there are no reductions at all.

I noticed in the paper this morning, Mr. Speaker, that the Department of Defense is getting ready to obtain procurement for a program of $60 billion in new submarines. When I asked the staff who our enemy was that justifies the expenditure of $60 billion, I was told that the Navy came in and testified well, it could be Iran, it could be North Korea, it could be India.

What kind of program is this? What kind of fairness is this when the programs that are so vital to the average person are being reduced substantially and the Department of Defense, which a great majority of the people of this country look to for having reductions, has not been cut at all? I shall vote against this program, Mr. Speaker. I think that the House should kill this bill. The President is exactly right in threatening to veto it.

Particularly destructive is the so-called Taylor amendment.

One point seven million miles of timber. Nine billion board feet. That is what the timber salvage sales amendment mandates. And this long line of timber is to be taken out of our national forests without the normal environmental protections, with no administrative review, and only limited judicial review.

If you voted for my amendment to strike the timber salvage sales provision when the rescissions bill was before the House in March, there is no reason to change your mind now about this subsidy for the timber industry. In fact, there is every reason for more of you to

join me in rejecting this ill-conceived evasion of current law and invasion of our national forests.

First, you will recall that the House version was limited to 2 years of salvage sales. The Senate version was to last only through fiscal year 1996, less than 2 years. But guess what, the timber lobbyists got their wish and the conference agreement extends all the way through fiscal year 1997. This giveaway now lasts 3 years. So, now you have an amendment that suspends all laws, yes, all laws, not just environmental laws, for a period longer than either the House or Senate version.

Proponents of the amendment will say they have removed the mandates to sell 6 billion board feet in 2 years as contained in the House version. Yes, that is accurate. But read the statement of the managers. That is where the targets are and they are more than the Forest Service says it can reasonably and responsibly do. Now, nearly 9 billion board feet is demanded, 3 billion more than the original plan. And if the Forest Service is not able to match the targets of the managers, then there are veiled threats about what will happen to the Forest Service. The report says: ''The managers will carefully review the Administration's implementation of the salvage program, and, if found to be inadequate, will employ such actions as deemed necessary. Such action might include, but are not limited to, reallocation or other prioritizations to be determined by the Congress.'' A threat if I have ever heard one. Do not be fooled, there is still a mandate to get a specified amount of timber cut.

All administrative appeals processes are eliminated. Judicial review is severely curtailed. All balance is thrown out the window. Just get the timber out the door. Do not worry about silting streams, do not worry about environmental protection; do not worry about Forest plans; do not worry about below cost sales; do not worry about contracting procedures. Just do it, or else.

And the conference agreement goes beyond the House version by exempting the President's plan for the Pacific Northwest from all administrative review and as with salvage sales, also limits judicial review. There is no reason to do this. The President's plan has just recently received the approval of the courts. It takes time to refill the pipeline to reach the timber sales approved by the courts.

Those who were allowed to participate in the discussions leading to this final version, and I was not invited, have exceeded their scope. They have gone beyond what either House agreed to in terms of length of the program and have added more exemptions to the Senate provision on the President's Northwest Forest Plan, exemptions that were in neither bill. This timber salvage sale provision now has more exemptions than a CPA's tax return.

Yes, I care about forest health and acknowledge there must be timber salvage sales. That is not the question. The question is: Do we allow the Forest Service to harvest the salvageable timber in a responsible way or do we arbitrarily impose these capricious limits on agencies that think it is a mistake. The Forest Service, the Bureau of Land Management, and the administration have moved to expedite salvage sales without abandoning appropriate checks and balances. We must let the professional foresters do their job.

In the name of fiscal prudence, forest health and common sense, we should reject this fatally flawed conference agreement.

Mr. DREIER. Mr. Speaker, may I inquire of my dear friend from South Boston how many speakers he has remaining?

Mr. MOAKLEY. Mr. Speaker, at the present time we have four speakers waiting with bated breath.

Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Speaker, we have had a great deal of rhetoric this afternoon about the task of balancing the budget. There is probably not a Member of this Chamber that does not in one way or the other have a commitment to balancing the budget. It is a question of how do we do it and do it fairly.

The term shared sacrifice has been used a great deal. To me shared sacrifice means that we do not balance the budget on the backs of low-income Americans, children, veterans, and the elderly. It means that we look to the broader community and ask who can contribute a fair share to this effort.

I am struck because this year I had a visit from a person who has been very active in the Republican Party in my community. He came as a businessman. And he talked to me about the summer job program for youth, not because he in any way is connected with the program; his business does not benefit one way or the other. He is a former educator. He came to me because he believes in the program and he thinks it ought to be continued. And he paid his own way, he bought his own ticket to come to Washington, DC, to talk to me about this.

To me, this speaks volumes about what this type of program does for our young people. The question is then, if we truly have shared sacrifice, how does this fit into the equation? What does it mean when we are trying to balance the budget and at the same time we strip out of the rescissions bill the provisions that would otherwise commit the savings to deficit reduction and allow them to go to tax cuts?

This speaks volumes to me about the motives of those that have brought this bill to us for final action.

Mr. Speaker, I submit that what is happening here bears no resemblance to shared sacrifice. Instead we are asking youth, elderly, low-income, and veterans, with the budget that we have debated today in this rescissions bill, to tighten their belts by two notches while many other Americans are bellying up to the table for an extra dessert.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the ranking member for yielding me the time. As a member of the Committee on Appropriations, I recall very vividly that when we started the markup in our appropriations subcommittees on this rescission bill the first question that was asked of the chairman of the committee was why are we making these cuts, why do we have to make billions of dollars of cuts in nutrition, education, housing, mass transit, clean air enforcement, and the list goes on and on.

The response we received was that we needed the funds to provide a tax cut. There was some embarrassment with that answer after a while and it shifted to well, we need the funds for deficit reduction.

Why then, if these funds are supposed to go to deficit reduction, did not the Republican majority accept the Brewster Minge language for the lockbox to save the money that is in this bill for deficit reduction? It is very clear, and that is that the funds that are cut from education, nutrition, transportation, housing, et cetera, are once again to fund a tax cut for the wealthiest Americans.

Earlier today we saw Members on the other side of the aisle show us beautiful pictures of their children, and they are lovely. Indeed, we are all so very proud of our children, and it is hard to understand how we can treasure our own children while at the same time we come to this floor to cut education for the children of America and they are our children, too. How can we value our children and make all of the cuts that this legislation does in funding for safe and drug-free schools, for Goals 2000, and then down the line to vocational and adult education and student financial aid. This on the same day as the budget bill cut so much funding from the student aid programs for college education. In addition to that, in addition to that, there are millions of dollars cut in funding for displaced workers' programs to assist those who have lost their jobs due to imports, plant closings, and other economic reasons.

There are many, many reasons to oppose this legislation, Mr. Speaker, but the education part of the bill and adult education and job training part of the bill and the summer youth programs part of the bill are enough reason for the President to veto the bill, and I am so pleased that he is.

As a California member of the Committee on Appropriations I want to make another point, and it is that no person in any disaster in any part of this country will be deprived of their assistance if the President vetoes this bill.

Indeed, I voted against this bill in committee and on this floor because I object to a bill that would say to the children of California you had a disaster, now in order to get assistance you are going to have to pay for it with your education and your nutrition and your housing.

□ 1700

So I think that the Clinton administration response to this legislation is appropriate.

I also want to say one more thing about the Clinton administration. They deserve a great deal of credit for the excellent response they have given to disasters that have occurred in this country. Jamie Lee Whitten deserves our gratitude and the President our commendation.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. I thank the gentleman because in the last day and a half we have learned a great deal about rescissions. We have seen one giant rescission on the floor of this House as our Republican colleagues rescinded their commitment to the millions of American seniors that are counting on Medicare.

And now we get three more lessons:

No. 1, when it comes to making a choice, a choice between locking in savings from these cuts to deficit reduction and using it for a tax cut for the privileged few, the choice was easy; this House voted overwhelmingly to lock in those savings. But it was not 24 hours later than across the street the chairman of the Committee on the Budget said, ''Oh, it is all just a big game.'' And it was just a big game because all along they needed every dollar of those cuts to give out tax breaks for their friends.

Lesson No. 2: When it comes time to chop, who gets chopped first? Well, it is the middle-class families that are struggling to get up that economic ladder, to get their children educated, because the place that this rescission begins rescinding is in education and the Federal commitment to back up our local schools with education.

Lesson No. 3: Loopholes last. The Senate approved language that would be part of this rescissions bill to condemn the atrocious practice where some Americans can actually go out and burn their citizenship card and at the same time burn the taxpayer. Is that loophole provision in here? No, sir, it is nowhere to be found in this conference report.

We have heard a lot about disasters today. Well, let me tell you, as long as the priorities are to cut education first and to cut tax loopholes for the privileged last, that is a disaster.

I am glad to have an opportunity to vote against that kind of a disaster by voting against this conference report.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM.]

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

Mr. STENHOLM. Mr. Speaker, I rise in opposition to this conference report.

Like many of my colleagues in the coalition and some beyond in my party, I believe in many of the rescissions included in this conference report.

I am absolutely dead set, however, against taking these spending cuts and using them for a tax cut or for other spending.

We had a way to guarantee that the cuts would go to deficit reduction. The Brewster-Minge lock box sealed up $66.2 billion over the next 5 years.

I am not only willing to make that sort of cut, I am eager to do so. But I am not going to give up Rural Health grants, AHEC money, Safe & Drug Free School money, funds for Vocational Education—and much more, just so that money can be used for tax cuts.

There has been a weakening of trust over the way the lock box in this bill was handled. An early understanding of $66 billion in savings disintegrated into something much smaller, $15.5 billion in this conference report.

I would love to vote for a rescission bill—but not for the sake of tax cuts. If the President vetoes this bill, I intend to support him in that veto for purposes of restoring the lock box.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

CONFERENCE REPORT ON H.R. 1158, EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR DISASTER ASSISTANCE AND RESCISSIONS, FISCAL YEAR 1995

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. LIVINGSTON] the chairman of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding.

I just wanted to respond to the previous speaker.

All this discussion about a lock box and an agreement, the agreement was oral. There was no mention in the discussions with respect to future savings.

The past savings and current savings are in there in the Byrd amendment, which was passed in the Senate and agreed to in the conference. So that entire issue is by the boards. There is no savings going to tax cuts.

The Byrd amendment in the conference agreement makes sure that that is the case.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. I wanted to make sure I heard the chairman of the Committee on Appropriations correctly. He said that was not an agreement; it was an oral agreement. Are we to conclude from that that an agreement, an oral agreement with the Republicans is not worth the paper it is written on?

Mr. LIVINGSTON. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. There was no paper. When I engaged in negotiations with the gentleman from Oklahoma [Mr. BREWSTER], there was no mention of paper. We talked about saving of past efforts and current efforts. There was never any mention of future projected savings or future offsets.

Ms. PELOSI. The gentleman is saying the savings in the bill will not go for deficit reduction?

Mr. LIVINGSTON. I am saying the Byrd amendment covers exactly word for word the agreement that was made. The gentlewoman fully knows that.

Ms. PELOSI. No, I do not.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking minority member of the committee.

Mr. OBEY. Mr. Speaker, I simply want to say that CBO has no trouble figuring out what the Brewster language meant. Because the Congressional Budget Office estimates that the Brewster lockbox would result in $66.5 billion in deficit reduction over 5 years.

The deficit reduction in this conference report is $15.48 billion. So it seems to me that the CBO, which is the neutral umpire which is supposed to keep all of us honest around here, understood what the Brewster amendment did. The Brewster amendment tried to dedicate all savings in the immediate year and out years for deficit reduction.

The conference report comes back and only dedicates $15 billion.

Now the chairman of the committee says, ''Oh, but that was the Byrd language.'' Let me make clear, Senator BYRD and I are in full agreement. Neither one of us wants to see these savings used to provide tax cuts for rich people. The difference is that Senator BYRD is in the other body, and the other body has a budget resolution that does not even contemplate using any of these savings for tax reduction. They contemplate using them all for deficit reduction, and so they never even dreamed that these funds would be used for a tax cut rather than for deficit reduction.

So do not try to say that the language in the conference report meets the test of the Brewster amendment. It does not.

CBO indicates the Brewster amendment would save $66 billion. This conference report only provides $15.48 billion for deficit reduction and makes available the rest for tax cuts.

Four hundred and four people in this institution voted not to do that.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. VENTO].

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

Mr. VENTO. Mr. Speaker, I rise in opposition to the rule. We would not need this rule if we followed the rules of the House.

The fact of the matter is, besides being a bad bill in cutting youth employment and education programs and housing, this bill also puts our national forests up for sale. This bill, which left the House as a bad bill with the forest provision, mandates these cuts. It puts

a fire sale, of course, on our national forests. It goes into wilderness study areas. In fact, 40 Members of the House signed letters to the President asking for a veto because this bill destroys not only our national legacy but our children's national legacy.

This particular provision adds to the deficit, not cuts it.

There is a place, obviously, for deficit timber sales, but it is not in a bill that is a rescission bill, not a bill that destroys our national forests, that disregards forest health. In fact, our forests are more healthy than they have ever been. That is because we have been investing in watersheds and a variety of other projects. This flies in the face of science, flies in the face of good sound practices, overrides it all, simply to award special interests to the timber interests.

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to our leader, the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, we have heard a lot of talk about sacrifice the past few days.

But I do not think the American people need any lectures about sacrifice.

The senior citizens who stood by this country during World War II, the working families who are struggling to make ends meet, the middle class parents who are working hard to put their kids through school, they know about sacrifice.

They do not need any lectures from Washington.

Every day in every way, the American people prove that they are willing to take responsibility and do their part.

The Republicans have come to this floor and talk about sacrifice. About how everybody must do their fair share.

But is it fair to cut Medicare and Social Security in order to give tax breaks to the privileged few?

Is it fair to cut student loans and school lunches, in order to give tax breaks to the wealthiest corporations in our society?

Is it fair to target the middle class—when we are not even willing to close a loophole that lets billionaires renounce their citizenship to avoid paying taxes?

This debate today is not just about numbers and charts. It is not just about line items and budget marks.

It is about the real lives of flesh and blood people.

And that is really the difference between Democrats and Republicans.

Republicans look at this bill and see a $319 million cut to LIHEAP. Democrats see senior citizens who will be freezing in the winter.

You look at this bill and see a $20 million cut to WIC. We see children who will be born at low birthweight if they don't get the proper nutrition.

You see a $25 million cut in the school-to-work program. We see kids who will not get jobs because they do not have the skills to compete.

You see an $81 million cut to veterans benefits.

We see people who defended this country who won't get the medical care they need and deserve.

This debate is about the real lives of real people.

You want to talk about spending cuts?

What about the $200 billion we give away every year in corporate tax breaks?

What about the $1.2 billion we give to rich corporate miners?

What about the $4.3 billion we give to rich corporate agribusiness?

What about the $50 billion you want to spent on Star Wars? What about the bloated CIA budget?

Can we not cut those programs first?

Do we have to target women and children? Do we have to target seniors and working families?

And what about that billionaires loophole?

In this bill, you propose cutting $875 million from education programs.

Closing the loophole for billionaires will save us $3.6 billion, that's billion with a ''b,'' over the next 10 years.

Yet when Democrats offered a bill to close it, every Republican but five voted against it.

So do not come here today and lecture us about sacrifice, about everybody doing their fair share, about everybody doing their part.

Do not tell us that you are doing this for our kids.

Only Republicans in Washington would believe that we could cut programs that help teach our kids, train our kids, and provide jobs for our kids, and then say they are doing it for our kids.

And do not pretend that these cuts are being made to cut the deficit, or balance the budget.

The Brewster lockbox—which had overwhelming support in this House—which would have guaranteed that the cuts went to deficit reduction—was rejected by the Republicans in conference.

These cuts are being made for one reason and one reason only: to pay for tax breaks for the privileged few.

This is a defining issue for our Nation.

The president is determined to veto this bill.

And I am confident that we will have enough votes to sustain that veto.

In the end, this vote comes down to one simple question: do you really think it is fair to target senior citizens, to cut education, to cut school-to-work, to cut veterans benefits, to cut nutrition programs, and to cut senior housing and heating assistance, in order to pay for tax cuts for the wealthy?

That is the question.

Is that what we mean by fair?

Is that what we mean by everyone doing their part?

I say no.

Mr. Speaker, I urge my colleagues to vote ''no'' on final passage of this conference report, and when the President vetoes it and sends it back, to overwhelmingly endorse and sustain his veto.

□ 1715

The SPEAKER pro tempore (Mr. WALKER). All time has expired on the minority side.

The Chair recognizes the gentleman from California [Mr. DREIER].

Mr. DREIER. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman has 6½ minutes remaining.

Mr. DREIER. Mr. Speaker, I was contemplating yielding back the balance of my time so we can move ahead, but the speech that was just delivered compels me to yield myself the balance of the time.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California [Mr. DREIER] for 6½ minutes.

Mr. DREIER. Mr. Speaker, to me it is very sad that we have had to continue this same kind of rhetoric that has been going on for the past several days and weeks around here. I listened to my very dear friend say that Republicans see $319 million of savings by cutting the low-income heating energy assistance program and the Democrats seeing senior citizens freeze to death in the winter.

Now, the fact of the matter is:

Let's us look at the low-income heating energy assistance program; LIHEAP, it's called. It was put into place in 1979, when this country was in the midst of an energy crisis. It was a foreign policy issue, and the Federal Government stepped forward because of the escalating energy costs that existed and decided that people who were in those areas that would get very cold in the winter should get some kind of assistance.

Now, where do we stand in 1995 when it comes to those dramatically increasing energy costs juxtaposed to where we were in 1979?

The cost of heating oil today is lower than it was when we put this program into place, and so to determine that there are going to be people who will freeze because of our desire to try and bring about some kind of sanity in the area of Federal spending is tragic, and it is really demagoguery.

This program, this package that has come from the Committee on Appropriations, in no way deals with taxes. There are no tax implications to this whatsoever.

This package that the gentleman from Louisiana [Mr. LIVINGSTON] has brought forward from his committee, having labored for days and days along with members of his staff and other members of the committee, does two very simple and basic things. It is designed to meet the very important disaster needs that exist, not only in my State of California, but in 40 States across this country. It is designed to

rebuild, to rebuild that Federal building that the entire world saw devastated in Oklahoma City, and this bill is designed to cut Federal spending.

The very moving speeches that were just given over the past several hours here in looking at this balanced budget issue have underscored the need to address this. So, disaster assistance and cutting spending; that is what this bill does. It is very important for us to move ahead with this.

Mr. Speaker, as I listened to the rhetoric about all of these tax cuts for the rich, 75 percent of the benefits go to families earning less than $60,000, and I should not say benefits. All we are saying is that they should be able to keep some of their hard-earned dollars. Where do the rest go? They go to the very important job-creating mechanisms that this country desperately needs.

We have serious economic problems. My State of California has yet to recover from the defense and aerospace cuts. We need to have the kinds of tax incentives that are built into the budget that we just passed.

This is a very fair and balanced rule that will lead us toward passage of an important historic appropriations bill. As the chairman of the committee said to our Committee on Rules last night, this is the first time ever that we have been able to have this kind of rescission package built in to meet a very important need.

Vote ''yes'' for this rule, and ''yes'' for this important appropriation and rescission bill.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. LIVINGSTON. Mr. Speaker, pursuant to the provisions of House Resolution 151, I call up the conference report on the bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Tuesday, May 16, 1995 at page H5013.)

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 30 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. LIVINGSTON].

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report to accompany H.R. 1158, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. LIVINGSTON. Mr. Speaker, just a little while ago we voted to balance the budget over the next 7 years. Mr. Speaker, what we are about to do in this bill is to take the first step, the first step toward that 7-year goal when we ultimately balance the budget.

I am very, very pleased and proud to bring to the House the conference agreement on H.R. 1158, the emergency supplemental appropriations and rescissions bill. The scope and size of this agreement is unprecedented. It will rescind over $16.4 billion. Let me stress that. It will rescind over $16.4 billion.

Mr. Speaker, this is the largest single rescissions bill in history, and I say to my colleagues, that if you add in the $3.9 billion that was already rescinded in the emergency defense supplemental that is now law, the rescissions brought forward by the Committee on Appropriations total, in this year of 1995, are over $20.3 billion for the 104th Congress. I do not believe you will find any comparable performance in any previous Congress.

Mr. Speaker, for those who are thinking about voting ''no'' on this bill, let me simply say you would effectively be voting not to save the American taxpayers some $9.1 billion in net savings.

Mr. Speaker, we started developing this bill in our subcommittees the first week in February. Today, over 3 months later, we have got a conference agreement.

It has been tough. Many people said we would not get this far, but we are here. The conference was intense, the issues were hard fought on all sides, and I want to thank all the conferees and all the staff on both sides of the aisle for their very long and hard work.

I want to thank our Senate counterparts, especially the chairman on that side, the Senator from Oregon, Mr. HATFIELD, for his collegial participation in this very difficult conference.

This conference agreement is critically needed so that we can begin to get our government's fiscal house in order. In order to be in a position to achieve the savings anticipated in the budget resolution that we have just passed, Mr. Speaker, we have to start the downsizing of government this year. This agreement does that.

The conference agreement also includes important supplemental appropriations for disaster assistance in the sum of $6.7 billion; for Oklahoma City recovery, $105.4 million; for anti-terrorism initiatives and enhanced security, $145.1 million; and for debt relief requested by the President for the country of Jordan the full sum of $275 million.

These supplemental appropriations are more than offset by the amount of the rescissions or cuts in this bill.

We have achieved the goals that, frankly, I as chairman, set out for the bill. We defunded unauthorized programs. We consolidated programs where duplication was so obvious that a meaningful service could not be developed or provided. We cut back on programs that received large increases in fiscal year 1995 appropriation bills; where we found programs that just do not work or are wasteful or inefficient, we stood up and said so; in other programs we flushed the pipeline, especially in the Department of Housing and Urban Development, where we eliminated those funds that are justifying around being unused.

This bill yields over $9 billion in savings, and none of these savings go for any tax cuts, contrary to what many of the arguers contended during debate on the rule just a little while ago. All of the savings in this bill, under the Byrd amendment, are required to go for deficit reduction.

Yesterday I regret to say, after 4 months of silence, after many, many pleas to come forward and share his thoughts with us, the President of the United States stated his intention to veto this bill when it reaches his desk. I believe that that would be a tragic mistake, Mr. Speaker. His expressed concerns are totally without merit. Over the last 5 months we have been begging the President for his input. His response was the sound of silence, which, unfortunately or fortunately, was broken yesterday with a suggestion of a patchwork of more social spending, and only then, after the conference on this bill was concluded did the President state his concerns and provide a general list of alternative offsets, all of which consist of token increases in programs in which he showed little or no interest as we went through the conference.

In fact, the only indication of a veto threat throughout this entire process was on the subject of striker-replacements, which has not been included in this bill. Apparently, the President needs to reach a little better understanding on conference procedures. If he wants his views considered, he should interject them at that time when they can be considered by the conferees, and I want to assure him that they would be considered as we did with his Oklahoma City request. Coming up with alternatives after the legislative process has already concluded frankly does not reflect a very good grasp of the job. Either that or his staff does not have a good grasp of theirs.

I might add the President still has not given us the courtesy of submitting a formal document to implement his own recommendations. He says he wants more money for Goals 2000. But even with our rescissions, Mr. Speaker, we will spend 300 percent more in fiscal year 1995 than we spent the previous

year, three times the amount, even after including the rescissions in the bill. He wants more money for safe drinking water, but he has not gotten that program authorized. The money can't be spent because the program has not been authorized, Mr. Speaker.

In the last 24 hours, he objects to the emergency salvage timber sales, but his Agriculture Department had actually signed off on the language and cooperated in the perfecting of that language.

He wants more money for Women, Infants, and Children, but his own bureaucrats admit they cannot spend what they have got in the pipeline now. And, finally, he complains about the pork. This is the same President who traveled halfway across America last month to support construction of an unbudgeted swine research facility, which the House was rescinded in the House passed bill.

Remember, Mr. Speaker, every ounce of pork in the Federal checkbook that was not rescinded in this bill has President Clinton's personal stamp on it because it was passed by his Congress, his majority in this House and in the other body, and he signed every bill.

So, Mr. Speaker, the President should indeed get off the sidelines. He should get in the game. We need to get on with our fiscal year 1996 bills. We have already taken too long with this bill.

This is the last shot, the last train leaving the station for fiscal year 1995. Every day that goes by, additional funds that are proposed for rescissions, for cuts, become obligated by the administration. So I hope that we will pass this conference report and begin the process of balancing the budget the old-fashioned way, by making real, specific cuts that appear in this bill, and let us send it to the President, and let us ask him not to veto it.

Now is the time to start balancing the budget. It will not get any better. The decisions will only get harder if we postpone them until fiscal year 1996. All of those causes will only be harder hit if we are going to truly work our way toward a balanced budget.

So, Mr. Speaker, I urge my friends on both sides of the aisle to vote for this conference report if they want to work toward a balanced budget.

□ 1730

But if you vote ''no,'' in the final analysis, you will be voting not to take the first step towards a balanced budget.

Mr. Speaker, for the RECORD I will insert a table reflecting the conference agreement.

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158)

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	TITLE I - SUPPLEMENTALS AND RESCISSIONS						
	CHAPTER I						
	DEPARTMENT OF AGRICULTURE						
.....	Agricultural Research Service (by transfer)	.....	.....	(2,218,000)	(2,218,000)	(+2,218,000)	.....
	Food Safety and Inspection Service						
104-4	Salaries and expenses	9,082,000	9,048,000	9,082,000	9,082,000	+34,000	.....
	Agricultural Stabilization and Conservation Service						
.....	Salaries and expenses	.....	10,000,000	.....	5,000,000	-5,000,000	+5,000,000
	Commodity Credit Corporation						
104-4	Commodity Credit Corporation Fund: Food for progress	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	.....	.....
	General Provisions						
104-4	Section 715 (increase in limitation)	(24,500,000)	.....	(24,500,000)	(24,500,000)	(+24,500,000)	.....
	Total, Department of Agriculture	9,082,000	19,048,000	9,082,000	14,082,000	-4,966,000	+5,000,000
	DEPARTMENT OF AGRICULTURE						
.....	Office of the Secretary	.....	-31,000	-31,000	-31,000	.....	.....
.....	Alternative Agricultural Research and Commercialization	.....	-3,000,000	.....	-1,500,000	+1,500,000	-1,500,000
	Agricultural Research Service:						
.....	Buildings and facilities	.....	-12,678,000	-1,500,000	-1,400,000	+11,278,000	+100,000
.....	Cooperative State Research Service	.....	-1,051,000	-958,000	-1,051,000	.....	-93,000
.....	Buildings and facilities	.....	-20,994,000	.....	-2,184,000	+18,810,000	-2,184,000
	Animal and Plant Health Inspection Service:						
.....	Buildings and facilities	.....	.....	-6,000,000	-2,000,000	-2,000,000	+4,000,000
	Farmers Home Administration						
	Rural Housing Insurance Fund Program Account:						
.....	Rental housing (sec. 515) (loan subsidy)	.....	-115,500,000	.....	-15,500,000	+100,000,000	-15,500,000
.....	Local technical assistance and planning grants	.....	-1,750,000	-1,750,000	-1,750,000	.....	.....
.....	Alcohol Fuels Credit Guarantee Program Account (FY93)	.....	-9,000,000	-9,000,000	-9,000,000	.....	.....
	Total, Farmers Home Administration	.....	-126,250,000	-10,750,000	-26,250,000	+100,000,000	-15,500,000
	Rural Electrification Administration						
	Rural Electrification and Telephone Loans Program Account:						
.....	Loan subsidies: Telephone 5%	.....	-3,000,000	-1,500,000	-1,500,000	+1,500,000	.....
	Food and Nutrition Service:						
.....	Special supplemental food program for women, infants, and children (WIC)	.....	-25,000,000	.....	-20,000,000	+5,000,000	-20,000,000
	Food stamp program:						
	Nutrition assistance for Puerto Rico:						
104-28	Cattle tick eradication	-2,900,000	.....	.....	.....	.....	.....
	Public Law 480 Program Account:						
	Title I - Credit sales:						
104-28	Program level	(-60,200,000)	.....	(-60,200,000)	.....	.....	(+60,200,000)
104-28	Ocean freight differential	-6,135,000	.....	-6,135,000	.....	.....	+6,135,000
	Title III - Commodity grants:						
104-28	Program level	(-92,500,000)	(-20,000,000)	(-92,500,000)	(-40,000,000)	(-20,000,000)	(+52,500,000)
104-28	Appropriation	-92,500,000	-20,000,000	-92,500,000	-40,000,000	-20,000,000	+52,500,000
104-28	Loan subsidies	-43,865,000	.....	-43,865,000	.....	.....	+43,865,000
	Total, Public Law 480 program account	-142,500,000	-20,000,000	-142,500,000	-40,000,000	-20,000,000	+102,500,000
	Total, Chapter I:						
	New budget (obligational) authority	-136,318,000	-192,956,000	-154,157,000	-81,834,000	+111,122,000	+72,323,000
	Appropriations	(9,082,000)	(19,048,000)	(9,082,000)	(14,082,000)	(-4,966,000)	(+5,000,000)
	Rescissions	(-145,400,000)	(-212,004,000)	(-163,239,000)	(-95,916,000)	(+116,088,000)	(+67,323,000)
	(By transfer)	.....	.....	(2,218,000)	(2,218,000)	(+2,218,000)	.....
	CHAPTER II						
	DEPARTMENT OF JUSTICE						
	RELATED AGENCY						
104-4	National Bankruptcy Review Commission (by transfer)	(1,500,000)	.....	(1,500,000)	(1,000,000)	(+1,000,000)	(-500,000)
	DEPARTMENT OF STATE						
	International Organizations and Conferences						
104-4	Contributions for International Peacekeeping Activities (emergency)	672,000,000	.....	.....	.....	.....	.....

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	RELATED AGENCY						
	United States Information Agency						
104-4	International broadcasting operations	7,290,000	7,290,000		7,290,000		+7,290,000
	DEPARTMENT OF JUSTICE						
	Office of Justice Programs						
	Drug courts (crime trust fund)		-27,750,000	-17,100,000	-22,100,000	+5,650,000	-5,000,000
	Ounce of Prevention Council (crime trust fund)			-1,000,000			+1,000,000
	General Administration						
	Working capital fund 1/		-1,500,000	-5,000,000	-5,500,000	-4,000,000	-500,000
	Legal Activities						
	Assets forfeiture fund			-5,000,000	-5,000,000	-5,000,000	
	Immigration and Naturalization Service						
	Salaries and expenses: General fund appropriation		-1,000,000	-1,000,000	-1,000,000		
	Federal Prison System						
104-59	Salaries and expenses	-28,037,000			-28,037,000	-28,037,000	-28,037,000
	Total, Department of Justice	-28,037,000	-30,250,000	-29,100,000	-61,637,000	-31,387,000	-32,537,000
	DEPARTMENT OF COMMERCE						
	National Institute of Standards and Technology						
	Scientific and technical research and services		-16,500,000	-19,500,000	-17,000,000	-500,000	+2,500,000
	Industrial technology services		-27,100,000	-3,100,000	-16,300,000	+10,800,000	-13,200,000
	Construction of research facilities			-30,000,000	-30,000,000	-30,000,000	
	Total, National Institute of Standards and Technology		-43,600,000	-52,600,000	-63,300,000	-19,700,000	-10,700,000
	National Oceanic and Atmospheric Administration						
	Operations, research, and facilities		-37,000,000	-23,100,000	-24,200,000	+12,800,000	-1,100,000
	Construction			-15,000,000	-15,000,000	-15,000,000	
	GOES satellite contingency fund			-2,500,000	-2,500,000	-2,500,000	
	Total, National Oceanic and Atmospheric Administration		-37,000,000	-40,600,000	-41,700,000	-4,700,000	-1,100,000
	Technology Administration						
	Salaries and expenses		-3,300,000		-1,750,000	+1,550,000	-1,750,000
	National Technical Information Service						
	NTIS revolving fund		-4,000,000	-7,600,000	-1,000,000	+3,000,000	+6,600,000
	National Telecommunications and Information Administration						
	Information infrastructure grants		-30,000,000		-4,000,000	+26,000,000	-4,000,000
	Economic Development Administration						
	Economic development assistance programs		-7,500,000	-40,000,000	-25,000,000	-17,500,000	+15,000,000
	Emergency appropriations		-37,584,000	-7,384,000	-5,250,000	+32,334,000	+2,134,000
	Total, Department of Commerce		-162,984,000	-148,184,000	-142,000,000	+20,984,000	+6,184,000
	THE JUDICIARY						
	United States Court of International Trade						
	Salaries and expenses			-1,000,000	-1,000,000	-1,000,000	
	Courts of Appeals, District Courts, and Other Judicial Services						
104-62	Defender services	-5,400,000	-1,100,000	-4,100,000	-9,500,000	-8,400,000	-5,400,000
104-62	Fees of jurors and commissioners	-5,000,000			-5,000,000	-5,000,000	-5,000,000
	Total, The Judiciary	-10,400,000	-1,100,000	-5,100,000	-15,500,000	-14,400,000	-10,400,000
	RELATED AGENCIES						
	Small Business Administration						
104-28	Salaries and expenses	-15,000,000	-15,000,000	-15,000,000		+15,000,000	+15,000,000
	Business loans program account			-15,000,000	-6,000,000	-6,000,000	+9,000,000
	Total, Small Business Administration	-15,000,000	-15,000,000	-30,000,000	-6,000,000	+9,000,000	+24,000,000

1/ $1,500,000 requested to be transferred to National Bankruptcy Review Commission. House Subcommittee denied request and rescinded the amount.

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	Legal Services Corporation						
	Payment to the Legal Services Corporation		-5,849,000			+5,849,000	
	DEPARTMENT OF STATE						
	Administration of Foreign Affairs						
	Diplomatic and consular programs		-2,000,000	-2,500,000	-2,250,000	-250,000	+250,000
	Acquisition and maintenance of buildings abroad		-23,000,000	-30,000,000	-30,000,000	-7,000,000	
	Total, Administration of Foreign Affairs		-25,000,000	-32,500,000	-32,250,000	-7,250,000	+250,000
	International Organizations and Conferences						
	Contributions for international peacekeeping activities		-14,617,000	-14,617,000	-14,617,000		
	Total, Department of State		-39,617,000	-47,117,000	-46,867,000	-7,250,000	+250,000
	RELATED AGENCIES						
	Arms Control and Disarmament Agency						
	Arms control and disarmament activities		-3,000,000	-4,000,000	-4,000,000	-1,000,000	
	Board for International Broadcasting						
	Israel relay station		-2,000,000	-2,000,000	-2,000,000		
	United States Information Agency						
	Educational and cultural exchange programs		-5,000,000	-5,000,000	-5,000,000		
	International broadcasting operations			-27,710,000			+27,710,000
	Radio construction		-6,000,000	-6,000,000	-16,000,000	-10,000,000	-10,000,000
	Radio Free Asia			-6,000,000	-5,000,000	-5,000,000	+1,000,000
	Total, United States Information Agency		-11,000,000	-44,710,000	-26,000,000	-15,000,000	+18,710,000
	Total, Chapter II:						
	New budget (obligational) authority	625,653,000	-263,510,000	-310,211,000	-296,714,000	-33,204,000	+13,497,000
	Emergency appropriations	(672,000,000)					
	Emergency rescissions		(-37,584,000)	(-7,384,000)	(-5,250,000)	(+32,334,000)	(+2,134,000)
	Appropriations	(7,290,000)	(7,290,000)		(7,290,000)		(+7,290,000)
	Rescissions	(-53,437,000)	(-233,216,000)	(-302,827,000)	(-298,754,000)	(-65,538,000)	(+4,073,000)
	(By transfer)	(1,500,000)		(1,500,000)	(1,000,000)	(+1,000,000)	(-500,000)
	CHAPTER III						
	DEPARTMENT OF DEFENSE - CIVIL						
	DEPARTMENT OF THE ARMY						
	Corps of Engineers - Civil						
	General investigations		-10,000,000	-10,000,000	-10,000,000		
	Construction, general		-40,000,000	-60,000,000	-60,000,000	-20,000,000	
	Total, Department of Defense - Civil		-50,000,000	-70,000,000	-70,000,000	-20,000,000	
	DEPARTMENT OF THE INTERIOR						
	Bureau of Reclamation						
	Operation and maintenance		-10,000,000	-10,000,000	-10,000,000		
	DEPARTMENT OF ENERGY						
	Energy Supply, Research and Development Activities.		-116,500,000	-71,500,000	-74,000,000	+42,500,000	-2,500,000
	Atomic Energy Defense Activities:						
	Defense Environmental Restoration and Waste Management		-26,000,000	-13,000,000		+26,000,000	+13,000,000
	Materials Support and other Defense programs			-15,000,000	-15,000,000	-15,000,000	
	Departmental Administration		-20,000,000	-20,000,000	-20,000,000		
	Power Marketing Administrations						
	Construction, rehabilitation, operation and maintenance, Western Area Power Administration			-30,000,000	-30,000,000	-30,000,000	
	Total, Department of Energy		-164,500,000	-149,500,000	-139,000,000	+25,500,000	+10,500,000
	INDEPENDENT AGENCIES						
	Appalachian Regional Commission		-10,000,000	-10,000,000	-10,000,000		
	Tennessee Valley Authority: Tennessee Valley Authority Fund		-5,000,000	-5,000,000	-5,000,000		
	Total, Chapter III:						
	Rescissions		-239,500,000	-244,500,000	-234,000,000	+5,500,000	+10,500,000

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	CHAPTER IV						
	FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS						
	BILATERAL ECONOMIC ASSISTANCE						
104-4	Development assistance fund	18,000,000					
104-4	Economic support fund	82,300,000					
104-4	Debt restructuring: Debt relief for Jordan	275,000,000	50,000,000	275,000,000	275,000,000	+225,000,000	
	Total, Bilateral Economic Assistance	375,300,000	50,000,000	275,000,000	275,000,000	+225,000,000	
	MILITARY ASSISTANCE						
104-4	Peacekeeping operations	27,200,000					
	Total, Foreign Operations	402,500,000	50,000,000	275,000,000	275,000,000	+225,000,000	
	FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS						
	Foreign Operations, Export Financing, and Related Programs			-125,000,000			+125,000,000
	MULTILATERAL ECONOMIC ASSISTANCE						
	International organizations and programs		-25,000,000		-15,000,000	+10,000,000	-15,000,000
	BILATERAL ECONOMIC ASSISTANCE						
	Agency for International Development						
	Development assistance fund		-45,500,000		-41,300,000	+4,200,000	-41,300,000
	Population, development assistance		-9,000,000		-19,000,000	-10,000,000	-19,000,000
	Development fund for Africa				-21,000,000	-21,000,000	-21,000,000
	Debt restructuring under the Enterprise for the Americas Initiative		-2,400,000		-2,400,000		-2,400,000
	Economic Support Fund		-42,975,000		-25,000,000	+17,975,000	-25,000,000
	Operating expenses of the Agency for International Development		-5,000,000		-2,000,000	+3,000,000	-2,000,000
	Assistance for the New Independent States of the former Soviet Union		-47,700,000		-25,000,000	+22,700,000	-25,000,000
	Total, Bilateral Economic Assistance		-152,575,000		-135,700,000	+16,875,000	-135,700,000
	MILITARY ASSISTANCE						
	Peacekeeping operations		-4,500,000		-3,000,000	+1,500,000	-3,000,000
	EXPORT ASSISTANCE						
	Export-Import Bank of the United States						
	Subsidy appropriation		-5,000,000			+5,000,000	
	Trade and Development Agency						
	Trade and development		-4,500,000		-4,000,000	+500,000	-4,000,000
	Total, Export Assistance		-9,500,000		-4,000,000	+5,500,000	-4,000,000
	Total, Chapter IV:						
	New budget (obligational) authority	402,500,000	-141,575,000	150,000,000	117,300,000	+258,875,000	-32,700,000
	Appropriations	(402,500,000)	(50,000,000)	(275,000,000)	(275,000,000)	(+225,000,000)	
	Rescissions		(-191,575,000)	(-125,000,000)	(-157,700,000)	(+33,875,000)	(-32,700,000)
	CHAPTER V						
	DEPARTMENT OF THE INTERIOR						
	National Park Service						
104-4	Construction	5,500,000					
104-4	Land acquisition and State assistance	1,300,000					
	Total, National Park Service	6,800,000					
	Bureau of Land Management						
	Management of lands and resources		-70,000	-70,000	-70,000		
	Construction and access		-4,500,000	-2,100,000	-900,000	+3,600,000	+1,200,000
	Payments in lieu of taxes		-5,000,000		-2,500,000	+2,500,000	-2,500,000
	Land acquisition		-1,997,000	-1,497,000	-1,497,000	+500,000	
	Total, Bureau of Land Management		-11,567,000	-3,667,000	-4,967,000	+6,600,000	-1,300,000

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	United States Fish and Wildlife Service						
.....	Resource management	.....	-2,000,000	.....	.....	+2,000,000	.....
.....	Construction	.....	-14,390,000	-13,215,000	-12,415,000	+1,975,000	+800,000
.....	Land acquisition	.....	-7,345,000	-3,893,000	-1,076,000	+6,269,000	+2,817,000
	Total, United States Fish and Wildlife Service	.....	-23,735,000	-17,108,000	-13,491,000	+10,244,000	+3,617,000
	National Biological Survey						
.....	Research, inventories, and surveys	.....	-16,680,000	-12,544,000	-14,549,000	+2,131,000	-2,005,000
	National Park Service						
.....	Construction	.....	-22,831,000	-25,970,000	-20,890,000	+1,941,000	+5,080,000
.....	Urban park and recreation fund	.....	-7,480,000	-7,480,000	-7,480,000	.....	.....
.....	Land acquisition and State assistance	.....	-16,509,000	-9,983,000	-13,634,000	+2,875,000	-3,651,000
	Total, National Park Service	.....	-46,820,000	-43,433,000	-42,004,000	+4,816,000	+1,429,000
	Minerals Management Service						
.....	Royalty and offshore minerals management	.....	.....	-814,000	-514,000	-514,000	+300,000
	Bureau of Indian Affairs						
.....	Operation of Indian programs	.....	-4,046,000	-11,350,000	-4,850,000	-804,000	+6,500,000
.....	Construction	.....	-10,309,000	-9,571,000	-9,571,000	+738,000	.....
.....	Indian direct loan program account	.....	.....	-1,900,000	-1,700,000	-1,700,000	+200,000
	Total, Bureau of Indian Affairs	.....	-14,355,000	-22,821,000	-16,121,000	-1,766,000	+6,700,000
	Territorial and International Affairs						
.....	Administration of territories	.....	-2,438,000	-1,900,000	-1,938,000	+500,000	-38,000
.....	Trust Territory of the Pacific Islands	.....	-32,139,000	-32,139,000	-32,139,000	.....	.....
.....	Compact of Free Association	.....	.....	-1,000,000	-1,000,000	-1,000,000	.....
	Total, Territorial and International Affairs	.....	-34,577,000	-35,039,000	-35,077,000	-500,000	-38,000
	Departmental Offices						
.....	Office of the Secretary	.....	.....	-150,000	.....	.....	+150,000
	Total, Department of the Interior	6,800,000	-147,734,000	-135,576,000	-126,723,000	+21,011,000	+8,853,000
	RELATED AGENCIES						
	DEPARTMENT OF AGRICULTURE						
	Forest Service						
.....	Forest research	.....	-6,000,000	-6,000,000	-6,000,000	.....	.....
.....	State and private forestry	.....	-12,500,000	-6,250,000	-7,800,000	+4,700,000	-1,550,000
.....	International forestry	.....	-1,000,000	-3,000,000	-2,000,000	-1,000,000	+1,000,000
.....	National forest system	.....	-3,327,000	.....	-1,850,000	+1,477,000	-1,850,000
.....	Construction	.....	-4,919,000	-7,824,000	-6,072,000	-1,153,000	+1,752,000
.....	Land acquisition	.....	-3,974,000	-3,720,000	-1,429,000	+2,545,000	+2,291,000
	Total, Forest Service	.....	-31,720,000	-26,794,000	-24,951,000	+6,769,000	+1,843,000
	DEPARTMENT OF ENERGY						
.....	Fossil energy research and development	.....	-18,850,000	-20,750,000	-18,100,000	+550,000	+2,650,000
.....	Naval petroleum and oil shale reserves	.....	-21,000,000	-11,000,000	.....	+21,000,000	+11,000,000
.....	Energy conservation	.....	-59,928,000	-48,628,000	-49,628,000	+10,300,000	-1,000,000
	Total, Department of Energy	.....	-99,578,000	-80,378,000	-67,728,000	+31,850,000	+12,650,000
	DEPARTMENT OF EDUCATION						
.....	Indian education	.....	-2,000,000	-2,000,000	-2,000,000	.....	.....
	OTHER RELATED AGENCIES						
	Smithsonian Institution						
.....	Construction and improvements, National Zoological Park	.....	-1,000,000	-1,000,000	-1,000,000	.....	.....
.....	Construction	.....	-31,012,000	-11,237,000	-11,512,000	+19,500,000	-275,000
	Total, Smithsonian Institution	.....	-32,012,000	-12,237,000	-12,512,000	+19,500,000	-275,000
	National Gallery of Art						
.....	Repair, restoration and renovation of buildings	.....	-407,000	-407,000	-407,000	.....	.....
	John F. Kennedy Center for the Performing Arts						
.....	Construction	.....	-3,000,000	-3,000,000	-3,000,000	.....	.....

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	Woodrow Wilson International Center for Scholars						
.....	Salaries and expenses	.....	-2,300,000	-1,000,000	-1,000,000	+1,300,000	.....
	National Foundation on the Arts and the Humanities						
	National Endowment for the Arts						
.....	Grants and administration	.....	-5,000,000	-5,000,000	-5,000,000	.....	.....
	National Endowment for the Humanities						
.....	Grants and administration	.....	-5,000,000	-5,000,000	-5,000,000	.....	.....
	Total, Chapter V:						
	New budget (obligational) authority	6,800,000	-328,751,000	-271,392,000	-248,321,000	+80,430,000	+23,071,000
	Appropriations	(6,800,000)	.....	.....	.....	.....	.....
	Rescissions	.....	(-328,751,000)	(-271,392,000)	(-248,321,000)	(+80,430,000)	(+23,071,000)
	CHAPTER VI						
	DEPARTMENT OF LABOR						
	Employment and Training Administration						
.....	Training and employment services	.....	-2,284,132,000	-1,308,720,000	-1,399,115,000	+885,017,000	-90,395,000
.....	Community service employment for older Americans	.....	-14,440,000	-14,440,000	-14,440,000	.....	.....
.....	State unemployment insurance and employment service operations	.....	-12,000,000	-20,000,000	-20,000,000	-8,000,000	.....
104-4 104-39	Limitation on trust fund transfer	-40,700,000	-47,700,000	-67,700,000	-67,700,000	-20,000,000	.....
	Total, Employment and Training Administration	-40,700,000	-2,358,272,000	-1,410,860,000	-1,501,255,000	+857,017,000	-90,395,000
	Employment Standards Administration						
.....	Salaries and expenses	.....	-2,487,000	.....	.....	+2,487,000	.....
	Occupational Safety and Health Administration						
.....	Salaries and expenses	.....	-19,572,000	.....	.....	+19,572,000	.....
	Bureau of Labor Statistics						
104-28	Salaries and expenses	-1,100,000	.....	-1,100,000	-700,000	-700,000	+400,000
	Compliance Assistance Activities						
.....	Compliance assistance activities (sec. 602)	.....	.....	-8,975,000	.....	.....	+8,975,000
	Total, Department of Labor	-41,800,000	-2,380,331,000	-1,420,935,000	-1,501,955,000	+878,376,000	-81,020,000
	DEPARTMENT OF HEALTH AND HUMAN SERVICES						
	Health Resources and Services Administration						
104-28	Program operations	-29,147,000	-53,925,000	-42,071,000	-41,350,000	+12,575,000	+721,000
	Centers for Disease Control and Prevention						
104-28	Disease control, research, and training	-1,300,000	-8,883,000	-1,300,000	-2,300,000	+6,583,000	-1,000,000
	National Institutes of Health						
104-28	National Center for Research Resources	-1,000,000	-20,000,000	.....	-10,000,000	+10,000,000	-10,000,000
.....	Buildings and facilities	.....	-50,000,000	-79,289,000	-60,000,000	-10,000,000	+19,289,000
	Total, National Institutes of Health	-1,000,000	-70,000,000	-79,289,000	-70,000,000	.....	+9,289,000
	Assistant Secretary for Health						
.....	Office of the Assistant Secretary for Health	.....	-1,400,000	-2,320,000	-1,400,000	.....	+920,000
	Agency for Health Care Policy and Research						
.....	Health care policy and research	.....	-3,132,000	-3,132,000	-3,132,000	.....	.....
	Health Care Financing Administration						
104-4	Program management	-20,000,000	-26,200,000	-15,700,000	-19,700,000	+6,500,000	-4,000,000
	Social Security Administration						
.....	Supplemental security income program	.....	.....	(-87,000,000)	.....	.....	(+87,000,000)
.....	Limitation on administrative expenses	.....	.....	(-88,283,000)	.....	.....	(+88,283,000)
	Administration for Children and Families						
.....	Job opportunities and basic skills	.....	.....	-330,000,000	-330,000,000	-330,000,000	.....
.....	Low income home energy assistance (advance appropriation, 1996)	.....	-1,319,204,000	.....	-319,204,000	+1,000,000,000	-319,204,000
.....	State legalization impact assistance grants	.....	.....	-6,000,000	-2,000,000	-2,000,000	+4,000,000
.....	Child care and development block grant	.....	.....	.....	-8,400,000	-8,400,000	-8,400,000
.....	Community services block grant	.....	-26,988,000	-12,888,000	-15,287,000	+11,701,000	-2,399,000
.....	Children and families services programs	.....	-25,900,000	.....	-25,900,000	.....	-25,900,000
.....	Payments to States for foster care and adoption assistance (indefinite)	.....	-150,000,000	.....	.....	+150,000,000	.....
	Total, Administration for Children and Families	.....	-1,522,092,000	-348,888,000	-700,791,000	+821,301,000	-351,903,000

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
.....	Administration on aging	.....	-899,000	-899,000	-899,000	.....	.....
	Office of the Secretary						
.....	Policy research	.....	.....	-4,018,000	-4,018,000	-4,018,000	.....
	Total, Department of Health and Human Services	-51,447,000	-1,688,531,000	-497,617,000	-843,590,000	+844,941,000	-345,973,000
	DEPARTMENT OF EDUCATION						
.....	Education reform	.....	-186,030,000	-10,100,000	-104,030,000	+82,000,000	-93,930,000
.....	Education for the disadvantaged	.....	-146,570,000	-7,900,000	-4,606,000	+143,964,000	+3,294,000
.....	Impact aid	.....	-16,293,000	.....	.....	+16,293,000	.....
.....	School improvement programs	.....	-735,921,000	-111,317,000	-391,840,000	+344,081,000	-280,523,000
.....	Crime trust fund	.....	-11,100,000	-11,100,000	-11,100,000	.....	.....
.....	Bilingual and immigrant education	.....	-38,500,000	-34,580,000	-38,500,000	.....	-3,920,000
	Special Institutions for Persons With Disabilities:						
.....	National Technical Institute for the Deaf	.....	-799,000	.....	.....	+799,000	.....
.....	Gallaudet University	.....	-1,298,000	.....	.....	+1,298,000	.....
	Total	.....	-2,097,000	.....	.....	+2,097,000	.....
104-28	Vocational and adult education	-43,888,000	-119,544,000	-54,566,000	-90,607,000	+28,937,000	-36,041,000
.....	Student financial assistance	.....	-187,475,000	-10,000,000	-85,000,000	+102,475,000	-75,000,000
.....	Howard University	.....	-4,300,000	-3,300,000	-1,800,000	+2,500,000	+1,500,000
104-28	Higher education	-26,903,000	-102,246,000	-42,159,000	-54,672,000	+47,574,000	-12,513,000
104-28	College housing and academic facilities loans program	-166,000	-490,000	-490,000	-432,000	+58,000	+58,000
104-28	Education research, statistics, and improvement	-750,000	-55,250,000	-15,200,000	-30,925,000	+24,325,000	-15,725,000
104-28	Libraries	-12,942,000	-26,716,000	-2,916,000	.....	+26,716,000	+2,916,000
.....	Program administration	.....	.....	-4,424,000	.....	.....	+4,424,000
	Total, Department of Education	-84,651,000	-1,634,532,000	-308,052,000	-813,512,000	+821,020,000	-505,460,000
	RELATED AGENCIES						
	Corporation for Public Broadcasting:						
.....	Advance appropriation, 1996	.....	-47,000,000	-26,360,000	-37,000,000	+10,000,000	-10,640,000
.....	Advance appropriation, 1997	.....	-94,000,000	-29,360,000	-55,000,000	+39,000,000	-25,640,000
	Railroad Retirement Board:						
.....	Dual benefits payments account	.....	-5,000,000	-7,000,000	-7,000,000	-2,000,000	.....
	GENERAL PROVISIONS						
	DEPARTMENT OF EDUCATION						
.....	Federal direct student loans	.....	-47,000,000	-95,000,000	-61,000,000	-14,000,000	+34,000,000
	Total, Chapter VI: Rescissions	-177,898,000	-5,896,394,000	-2,384,324,000	-3,319,057,000	+2,577,337,000	-934,733,000
	CHAPTER VII						
	LEGISLATIVE BRANCH						
	HOUSE OF REPRESENTATIVES						
	Payments to Widows and Heirs of Deceased Members of Congress						
.....	Gratuities, deceased Members	.....	133,600	133,600	133,600	.....	.....
	JOINT ITEMS						
.....	Joint Economic Committee	.....	-460,000	-460,000	-460,000	.....	.....
.....	Joint Committee on Printing	.....	-418,000	-238,137	-238,137	+179,863	.....
	Total, Joint items	.....	-878,000	-698,137	-698,137	+179,863	.....
	OFFICE OF TECHNOLOGY ASSESSMENT						
.....	Salaries and expenses	.....	-650,000	-650,000	-650,000	.....	.....
	CONGRESSIONAL BUDGET OFFICE						
.....	Salaries and expenses	.....	-187,000	-187,000	-187,000	.....	.....
	ARCHITECT OF THE CAPITOL						
	Capitol Buildings and Grounds						
.....	Capitol buildings	.....	-2,500,000	.....	.....	+2,500,000	.....
.....	Senate office buildings	.....	.....	-850,000	-850,000	-850,000	.....
.....	Capitol Power Plant	.....	.....	-1,650,000	-1,650,000	-1,650,000	.....
.....	Capitol complex security enhancements (transfer from Botanic Garden)	.....	(3,000,000)	.....	(3,000,000)	.....	(+3,000,000)
	Total, Capitol Buildings and Grounds	.....	-2,500,000	-2,500,000	-2,500,000	.....	.....

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	GOVERNMENT PRINTING OFFICE						
.....	Congressional printing and binding	.....	-3,000,000	-5,000,000	-5,000,000	-2,000,000	.....
	Office of Superintendent of Documents						
.....	Salaries and expenses	.....	-600,000	-600,000	-600,000	.....	.....
	Total, Government Printing Office	.....	-3,600,000	-5,600,000	-5,600,000	-2,000,000	.....
	BOTANIC GARDEN						
.....	Salaries and expenses	.....	-4,000,000	-7,000,000	-4,000,000	.....	+3,000,000
	LIBRARY OF CONGRESS						
.....	Salaries and expenses	.....	-150,000	-150,000	-150,000	.....	.....
.....	Books for the blind and physically handicapped, salaries and expenses	.....	-100,000	-100,000	-100,000	.....	.....
	Total, Library of Congress	.....	-250,000	-250,000	-250,000	.....	.....
	GENERAL ACCOUNTING OFFICE						
.....	Salaries and expenses	.....	-8,867,000	-8,867,000	-2,617,000	+8,250,000	+8,250,000
	Total, Chapter VII:						
	New budget (obligational) authority	.....	-20,798,490	-25,618,537	-18,368,537	+4,429,863	+9,250,000
	Appropriations	.....	(133,600)	(133,600)	(133,600)	.....	.....
	Rescissions	.....	(-20,932,000)	(-25,752,137)	(-18,502,137)	(+4,429,863)	(+9,250,000)
	(By transfer)	.....	(3,000,000)	.....	(3,000,000)	.....	(+3,000,000)
	MILITARY CONSTRUCTION						
.....	Military construction, Army	.....	.....	-10,000,000	.....	.....	+10,000,000
.....	Military construction, Navy	.....	.....	-13,050,000	.....	.....	+13,050,000
104-4	Emergency appropriation	18,000,000	.....	.....	.....	.....	.....
.....	Military construction, Air Force	.....	.....	-33,250,000	.....	.....	+33,250,000
.....	Military construction, Air National Guard	.....	.....	-1,340,000	.....	.....	+1,340,000
	Total, Military Construction	.....	.....	-57,640,000	.....	.....	+57,640,000
.....	North Atlantic Treaty Organization Infrastructure	.....	.....	-69,000,000	.....	.....	+69,000,000
	Base realignment and closure accounts:						
.....	Part II	.....	.....	-10,628,000	.....	.....	+10,628,000
.....	Part III	.....	.....	-93,566,000	.....	.....	+93,566,000
	Total, Base realignment and closure accounts	.....	.....	-104,194,000	.....	.....	+104,194,000
	Total, Military Construction:						
	New budget (obligational) authority	18,000,000	.....	-230,834,000	.....	.....	+230,834,000
	Emergency appropriations	(18,000,000)	.....	.....	.....	.....	.....
	Rescissions	.....	.....	(-230,834,000)	.....	.....	(+230,834,000)
	CHAPTER VIII						
	DEPARTMENT OF TRANSPORTATION						
	Coast Guard						
104-4	Operating expenses (emergency)	28,297,000	28,197,000	.....	.....	-28,197,000	.....
	Federal Railroad Administration						
104-4	Office of the administrator (by transfer)	(611,950)	(611,950)	(611,950)	(611,950)	.....	.....
	Federal Transit Administration						
.....	Mass transit capital fund (Highway Trust Fund) (liquidation of contract authorization)	.....	.....	.....	(350,000,000)	(+350,000,000)	(+350,000,000)
	Office of the Secretary						
.....	Transportation, planning, research, and development	.....	-1,293,000	.....	.....	+1,293,000	.....
.....	Working capital fund	.....	-8,000,000	-4,000,000	-6,000,000	+2,000,000	-2,000,000
104-28	Payments to air carriers (Airport and Airway Trust Fund)	-7,680,000	.....	-5,300,000	-5,300,000	-5,300,000	.....
	Total, Office of the Secretary	-7,680,000	-9,293,000	-9,300,000	-11,300,000	-2,007,000	-2,000,000
	Coast Guard						
.....	Operating expenses	.....	-6,440,000	-3,700,000	-4,300,000	+2,140,000	-600,000
	Acquisition, construction, and improvements:						
.....	Hurricane Andrew/Iniki supplemental (emergency)	.....	-4,400,000	-4,400,000	-4,400,000	.....	.....
.....	Vessels	.....	-12,333,000	-12,133,000	-12,133,000	+200,000	.....
.....	Aircraft	.....	-3,400,000	.....	.....	+3,400,000	.....
.....	Other equipment	.....	-6,155,000	-2,000,000	-2,500,000	+3,655,000	-500,000

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
.....	Shore facilities and aids to navigation	.....	-18,281,000	-15,765,000	-18,281,000	.....	-516,000
	Subtotal	.....	-42,569,000	-34,298,000	-35,314,000	+7,255,000	-1,016,000
.....	Environmental compliance and restoration	.....	-3,500,000	-400,000	-2,500,000	+1,000,000	-2,100,000
	Total, Coast Guard	.....	-52,509,000	-38,398,000	-42,114,000	+10,395,000	-3,716,000
	Federal Aviation Administration						
.....	Operations	.....	.....	-1,000,000	-1,000,000	-1,000,000	.....
.....	Facilities and equipment (Airport and Airway Trust Fund)	.....	-69,825,000	-31,850,000	-24,850,000	+44,975,000	+7,000,000
.....	Research, engineering, and development (Airport and Airway Trust Fund)	.....	-7,500,000	-7,500,000	-7,500,000	.....	.....
104-59	Grants-in-aid for airports (Airport and Airway Trust Fund)	-94,000,000	.....	-2,000,000,000	-2,094,000,000	-2,094,000,000	-94,000,000
	Total, Federal Aviation Administration	-94,000,000	-77,325,000	-2,040,350,000	-2,127,350,000	-2,050,025,000	-87,000,000
	Federal Highway Administration						
.....	Limitation on general operating expenses	.....	(-42,500,000)	(-45,950,000)	(-54,550,000)	(-12,050,000)	(-8,600,000)
	Federal-aid highways (Highway Trust Fund):						
.....	(Limitation on obligations)	.....	(-70,140,000)	(-123,590,000)	(-132,190,000)	(-62,050,000)	(-8,600,000)
.....	Rescission	.....	.....	.....	-132,190,000	-132,190,000	-132,190,000
104-4	(Bonus obligations)	(-208,000,000)	.....	.....	.....	.....	.....
.....	Emergency relief program	.....	-351,000,000	-50,000,000	-100,000,000	+251,000,000	-50,000,000
104-4	Federal-aid highways	-356,154,000	.....	.....	.....	.....	.....
104-4	Miscellaneous highway trust funds	-8,890,000	.....	-140,638,074	.....	.....	+140,638,074
104-4	Miscellaneous appropriations	-36,956,000	.....	.....	.....	.....	.....
	Total, Federal Highway Administration	-400,000,000	-351,000,000	-190,638,074	-232,190,000	+118,810,000	-41,551,926
	National Highway Traffic Safety Administration						
.....	Highway traffic safety grants (Highway Trust Fund)	.....	.....	-20,000,000	.....	.....	+20,000,000
	Federal Railroad Administration						
.....	Northeast corridor improvement program	.....	-7,768,000	-7,768,000	-9,707,000	-1,939,000	-1,939,000
.....	National MAGLEV prototype development (Highway Trust Fund)	.....	.....	-250,000,000	-250,000,000	-250,000,000	.....
	Total, Federal Railroad Administration	.....	-7,768,000	-257,768,000	-259,707,000	-251,939,000	-1,939,000
	Federal Transit Administration						
.....	Transit planning and research	.....	-8,800,000	.....	-7,000,000	+1,800,000	-7,000,000
	Discretionary grants:						
.....	(Limitation on obligations) (Highway Trust Fund)	.....	(-131,651,000)	(-67,293,000)	(-33,911,500)	(+97,739,500)	(+33,381,500)
.....	Rescission	.....	.....	.....	-33,911,500	-33,911,500	-33,911,500
	Total, Federal Transit Administration	.....	-8,800,000	.....	-40,911,500	-32,111,500	-40,911,500
	GENERAL PROVISIONS						
.....	Salaries and expenses	.....	-20,000,000	-10,000,000	-15,000,000	+5,000,000	-5,000,000
	Total, Chapter VIII:						
	New budget (obligational) authority	-473,383,000	-498,498,000	-2,566,454,074	-2,728,572,500	-2,230,074,500	-162,118,426
	Emergency appropriations	(28,297,000)	(28,197,000)	.....	.....	(-28,197,000)	.....
	Emergency rescissions	.....	(-355,400,000)	(-54,400,000)	(-104,400,000)	(+251,000,000)	(-50,000,000)
	Rescissions	(-501,680,000)	(-171,295,000)	(-2,512,054,074)	(-2,624,172,500)	(-2,452,877,500)	(-112,118,426)
	(Limitations on obligations)	(-208,000,000)	(-201,791,000)	(-190,863,000)	(-166,101,500)	(+35,689,500)	(+24,761,500)
	(By transfer)	(611,950)	(611,950)	(611,950)	(611,950)	.....	.....
	CHAPTER IX						
	DEPARTMENT OF THE TREASURY						
	United States Customs Service:						
.....	Salaries and expenses (by transfer)	.....	.....	(13,200,000)	(13,200,000)	(+13,200,000)	.....
	INDEPENDENT AGENCIES						
.....	Advisory Commission on Intergovernmental Relations	.....	.....	500,000	.....	.....	-500,000
	Office of Personnel Management:						
104-4	Government payment for annuitants, employee life insurance benefits	9,000,000	9,000,000	9,000,000	9,000,000	.....	.....
	DEPARTMENT OF THE TREASURY						
.....	Departmental offices	.....	-100,000	-100,000	-100,000	.....	.....
	Federal Law Enforcement Training Center:						
.....	Salaries and expenses	.....	.....	.....	11,000,000	+11,000,000	+11,000,000
.....	Acquisition, construction, improvements, and related expenses	.....	-11,000,000	.....	-11,000,000	.....	-11,000,000

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
.....	Financial Management Service	.....	-160,000	-160,000	-160,000	.....	.....
.....	Bureau of the Public Debt	.....	-1,500,000	-1,500,000	-1,500,000	.....	.....
.....	Internal Revenue Service: Information systems	.....	-1,490,000	-1,490,000	-1,490,000	.....	.....
	Total, Department of the Treasury	.....	-14,250,000	-3,250,000	-3,250,000	+11,000,000	.....
	EXECUTIVE OFFICE OF THE PRESIDENT						
.....	The White House Office	.....	-171,000	-171,000	-171,000	.....	.....
	Federal Drug Control Programs:						
.....	Special Forfeiture Fund	.....	.....	13,200,000	13,200,000	+13,200,000	.....
.....	Rescission	.....	-13,200,000	-13,200,000	-13,200,000	.....	.....
	Total, Executive Office of the President	.....	-13,371,000	-171,000	-171,000	+13,200,000	.....
	INDEPENDENT AGENCIES						
	General Services Administration:						
.....	Federal Buildings Fund: Rescissions	.....	-136,593,000	-1,894,840,000	-580,412,000	-443,819,000	+1,314,428,000
.....	Operating expenses	.....	-2,065,000	.....	.....	+2,065,000	.....
	Total, General Services Administration	.....	-138,658,000	-1,894,840,000	-580,412,000	-441,754,000	+1,314,428,000
.....	Federal Election Commission	.....	-2,792,000	.....	-1,396,000	+1,396,000	-1,396,000
	Office of Personnel Management:						
.....	Salaries and expenses	.....	-3,140,000	-3,140,000	-3,140,000	.....	.....
	Total, Chapter IX:						
	New budget (obligational) authority	9,000,000	-163,211,000	-1,891,901,000	-579,369,000	-416,158,000	+1,312,532,000
	Appropriations	(9,000,000)	(9,000,000)	(22,700,000)	(33,200,000)	(+24,200,000)	(+10,500,000)
	Rescissions	.....	(-172,211,000)	(-1,914,601,000)	(-612,569,000)	(-440,358,000)	(+1,302,032,000)
	(By transfer)	.....	.....	(13,200,000)	(13,200,000)	(+13,200,000)	.....
	CHAPTER X						
	INDEPENDENT AGENCIES						
	FEDERAL EMERGENCY MANAGEMENT AGENCY						
104-4	Disaster relief (emergency)	6,700,000,000	5,360,000,000	1,900,000,000	3,350,000,000	-2,010,000,000	+1,450,000,000
.....	Advance appropriation, FY 1996 (emergency)	.....	.....	4,800,000,000	3,350,000,000	+3,350,000,000	-1,450,000,000
104-4	National flood insurance fund (by transfer)	(5,331,000)	.....	(5,331,000)	(5,331,000)	(+5,331,000)	.....
	Total, Federal Emergency Management Agency..	6,700,000,000	5,360,000,000	6,700,000,000	6,700,000,000	+1,340,000,000	.....
	CORPORATIONS						
	Federal Deposit Insurance Corporation:						
.....	Bank Enterprise Act	.....	.....	.....	36,000,000	+36,000,000	+36,000,000
	DEPARTMENT OF VETERANS AFFAIRS						
	Veterans Health Administration						
.....	Medical care	.....	.....	-50,000,000	-50,000,000	-50,000,000	.....
	Departmental Administration						
.....	Construction, major projects	.....	.....	-50,000,000	-31,000,000	-31,000,000	+19,000,000
	Total, Department of Veterans Affairs	.....	.....	-100,000,000	-81,000,000	-81,000,000	+19,000,000
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
	Housing Programs						
.....	National homeownership trust demonstration program	.....	-50,000,000	-50,000,000	-50,000,000	.....	.....
104-28	Annual contributions for assisted housing	-439,200,000	-5,733,400,000	-3,721,289,000	-5,031,400,000	+702,000,000	-1,310,111,000
.....	(Deferral)	.....	.....	(465,000,000)	(405,900,000)	(+405,900,000)	(-59,100,000)
.....	Assistance for the renewal of expiring section 8 subsidy contracts	.....	.....	-1,050,000,000	-1,177,000,000	-1,177,000,000	-127,000,000
104-28	Congregate services	-37,000,000	.....	.....	.....	.....	.....
.....	Payments for operation of low-income housing projects	.....	-404,000,000	.....	.....	+404,000,000	.....
.....	Severely distressed public housing	.....	-523,000,000	.....	.....	+523,000,000	.....
.....	Drug elimination grants for low-income housing	.....	-32,000,000	.....	.....	+32,000,000	.....
.....	Youthbuild program	.....	-38,000,000	.....	-10,000,000	+28,000,000	-10,000,000
.....	Housing counseling assistance	.....	-38,000,000	-38,000,000	-38,000,000	.....	.....
.....	Flexible subsidy fund	.....	-8,000,000	.....	-8,000,000	.....	-8,000,000
.....	Nehemiah housing opportunities fund	.....	-19,000,000	-17,700,000	-10,500,000	+8,500,000	+7,200,000
.....	Total, Housing Programs	-476,200,000	-6,845,400,000	-4,876,989,000	-6,324,900,000	+520,500,000	-1,447,911,000
	Homeless Assistance						
.....	Homeless Assistance grants (deferral)	.....	(297,000,000)	.....	(297,000,000)	.....	(+297,000,000)

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	Community Planning and Development						
.....	Community development grants	.....	-349,200,000	.....	.....	+349,200,000	.....
	Total, Department of Housing and Urban Development	-478,200,000	-7,194,600,000	-4,876,989,000	-6,324,900,000	+869,700,000	-1,447,911,000
	INDEPENDENT AGENCIES						
	Chemical Safety and Hazard Investigation Board						
104-26	Salaries and expenses	-500,000	-500,000	-500,000	-500,000	.....	.....
	Community Development Financial Institutions						
.....	Community development financial institutions fund program account	.....	-124,000,000	-88,000,000	-124,000,000	.....	-36,000,000
	Corporation for National and Community Service						
.....	National and community service programs	.....	-416,110,000	-105,000,000	-210,000,000	+206,110,000	-105,000,000
	Environmental Protection Agency						
104-26	Research and development	-3,635,000	-14,635,000	-9,635,000	-14,635,000	.....	-5,000,000
104-26	Abatement, control, and compliance	-4,806,805	-4,806,805	-9,806,805	-9,806,805	-5,000,000	.....
.....	Buildings and facilities	.....	-25,000,000	-83,000,000	-83,000,000	-58,000,000	.....
.....	Hazardous substance superfund	.....	.....	-100,000,000	-100,000,000	-100,000,000	.....
104-26	Water infrastructure / State revolving fund	-3,200,000	-1,303,200,000	-1,242,095,000	-1,302,200,000	+1,000,000	-60,105,000
	Total, Environmental Protection Agency	-11,641,805	-1,347,641,805	-1,444,536,805	-1,509,641,805	-162,000,000	-65,105,000
	National Aeronautics and Space Administration						
.....	Science, aeronautics and technology	.....	-75,000,000	-68,000,000	-52,000,000	+23,000,000	+16,000,000
104-26	Construction of facilities	-27,000,000	-27,000,000	-76,000,000	-34,000,000	-7,000,000	+42,000,000
104-26	Mission support	-1,000,000	-1,000,000	-6,000,000	-32,000,000	-31,000,000	-26,000,000
104-59	Space flight, control and data communications	-10,000,000	.....	.....	-20,000,000	-20,000,000	-20,000,000
	Total, National Aeronautics and Space Administration	-38,000,000	-103,000,000	-150,000,000	-138,000,000	-35,000,000	+12,000,000
	National Science Foundation						
104-26	Academic research infrastructure	-131,867,000	-131,867,000	-131,867,000	-131,867,000	.....	.....
	CORPORATIONS						
	Federal Deposit Insurance Corporation:						
.....	FDIC affordable housing program	.....	-11,281,034	-11,281,034	-11,281,034	.....	.....
	Total, Chapter X:						
	New budget (obligational) authority	6,041,791,195	-3,968,999,839	-208,173,839	-1,795,189,839	+2,173,810,000	-1,587,016,000
	Emergency appropriations	(6,700,000,000)	(5,360,000,000)	(6,700,000,000)	(6,700,000,000)	(+1,340,000,000)	.....
	Appropriations	.....	.....	.....	(36,000,000)	(+36,000,000)	(+36,000,000)
	Rescissions	(-658,208,805)	(-9,328,999,839)	(-6,908,173,839)	(-8,531,189,839)	(+797,810,000)	(-1,623,016,000)
	(By transfer)	(5,331,000)	.....	(5,331,000)	(5,331,000)	(+5,331,000)	.....
	(Deferrals)	.....	(297,000,000)	(465,000,000)	(702,900,000)	(+405,900,000)	(+237,900,000)
	Total, Title I:						
	New budget (obligational) authority	6,316,345,195	-11,714,193,239	-8,137,565,450	-9,182,125,878	+2,532,067,363	-1,044,560,428
	Emergency appropriations	(7,416,297,000)	(5,388,197,000)	(6,700,000,000)	(6,700,000,000)	(+1,311,803,000)	.....
	Emergency rescissions	.....	(-392,984,000)	(-61,784,000)	(-109,850,000)	(+283,334,000)	(-47,866,000)
	Appropriations	(434,672,000)	(85,471,600)	(306,915,600)	(365,705,600)	(+280,234,000)	(+58,790,000)
	Rescissions	(-1,536,623,805)	(-16,794,877,839)	(-15,082,697,050)	(-16,138,181,478)	(+656,696,363)	(-1,055,484,428)
	(Increases in limitations on obligations)	(24,500,000)	.....	(24,500,000)	(24,500,000)	(+24,500,000)	.....
	(Reductions in limitations on obligations)	(-206,000,000)	(-201,791,000)	(-279,168,000)	(-166,101,500)	(+35,689,500)	(+113,064,500)
	(By transfer)	(7,442,950)	(3,611,950)	(22,860,950)	(25,360,950)	(+21,749,000)	(+2,500,000)
	(Deferrals)	.....	(297,000,000)	(465,000,000)	(702,900,000)	(+405,900,000)	(+237,900,000)
	TITLE II - GENERAL PROVISIONS						
	Emergency two-year salvage timber sale program (Forest Service and Bureau of Land Management):						
.....	Salvage costs/payments	.....	3,831,000	3,831,000	3,831,000	.....	.....
.....	Receipts	.....	-35,000,000	-35,000,000	-35,000,000	.....	.....
.....	Federal administration and travel expenses	.....	.....	-342,500,000	.....	.....	+342,500,000
	Total, Title II:						
	New budget (obligational) authority	.....	-31,169,000	-373,669,000	-31,169,000	.....	+342,500,000

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	TITLE III						
	EMERGENCY SUPPLEMENTAL APPROPRIATIONS ANTI-TERRORISM INITIATIVES OKLAHOMA CITY RECOVERY						
	CHAPTER I						
	DEPARTMENT OF JUSTICE						
	Office of Justice Programs						
104-62	Justice assistance	4,000,000					
	General Administration						
104-62	Salaries and expenses	8,700,000			34,220,000	+34,220,000	+34,220,000
	Legal Activities						
104-62	Salaries and expenses, United States Attorneys	4,034,000			2,000,000	+2,000,000	+2,000,000
104-62	Salaries and expenses, United States Marshals Service	2,521,000					
	Total, Legal activities	6,555,000			2,000,000	+2,000,000	+2,000,000
	Federal Bureau of Investigation						
104-62	Salaries and expenses	49,200,000			77,140,000	+77,140,000	+77,140,000
	Drug Enforcement Administration						
104-62	Salaries and expenses	3,000,000					
	Total, Department of Justice	71,455,000			113,360,000	+113,360,000	+113,360,000
	THE JUDICIARY						
	Courts of Appeals, District Courts, and Other Judicial Services						
104-62	Court security	10,400,000			16,640,000	+16,640,000	+16,640,000
	Total, Chapter I: New budget (obligational) authority	81,855,000			130,000,000	+130,000,000	+130,000,000
	CHAPTER II						
	DEPARTMENT OF THE TREASURY						
104-62	Departmental offices	300,000					
104-62	Financial Crimes Enforcement Network	300,000					
104-62	Federal Law Enforcement Training Center	1,100,000			1,100,000	+1,100,000	+1,100,000
104-62	Bureau of Alcohol, Tobacco and Firearms	16,207,000			34,823,000	+34,823,000	+34,823,000
	United States Customs Service:						
104-62	Salaries and expenses	1,200,000			1,000,000	+1,000,000	+1,000,000
	Internal Revenue Service:						
104-62	Administration and management	1,000,000					
104-62	United States Secret Service	3,875,000			6,675,000	+6,675,000	+6,675,000
	Total, Department of the Treasury	23,982,000			43,598,000	+43,598,000	+43,598,000
	INDEPENDENT AGENCY						
	General Services Administration:						
	Federal Buildings Fund:						
	Limitations on availability of revenue:						
104-62	Construction and acquisition of facilities	(2,300,000)			(2,300,000)	(+2,300,000)	(+2,300,000)
	Alfred P. Murrah Federal Office Building				(40,400,000)	(+40,400,000)	(+40,400,000)
104-62	Repairs and alterations	(3,300,000)			(3,300,000)	(+3,300,000)	(+3,300,000)
104-62	Rental of space	(8,300,000)			(8,300,000)	(+8,300,000)	(+8,300,000)
104-62	Real property operations	(12,500,000)			(12,500,000)	(+12,500,000)	(+12,500,000)
	Total, limitations	(26,400,000)			(66,800,000)	(+66,800,000)	(+66,800,000)
	Total, Chapter II:						
	Budgetary resources available	50,382,000			110,398,000	+110,398,000	+110,398,000
	Emergency appropriations	(23,982,000)			(43,598,000)	(+43,598,000)	(+43,598,000)
	(Limitations on availability of revenue)	(26,400,000)			(66,800,000)	(+66,800,000)	(+66,800,000)
	CHAPTER III						
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
	Management and Administration						
104-62	Salaries and expenses	3,200,000			3,200,000	+3,200,000	+3,200,000

FY 1995 EMERGENCY SUPPLEMENTAL AND RESCISSION BILL (H.R. 1158) — continued

Doc No.		Supplemental Request	House	Senate	Conference	Conference compared with House	Conference compared with Senate
	INDEPENDENT AGENCIES						
	FEDERAL EMERGENCY MANAGEMENT AGENCY						
104-62	Salaries and expenses	3,523,000	.....	.....	3,523,000	+3,523,000	+3,523,000
104-62	Emergency management planning and assistance	3,477,000	.....	.....	3,477,000	+3,477,000	+3,477,000
	Total, Federal Emergency Management Agency	7,000,000	.....	.....	7,000,000	+7,000,000	+7,000,000
	Total, Chapter III:						
	New budget (obligational) authority	10,200,000	.....	.....	10,200,000	+10,200,000	+10,200,000
	Total, Title III:						
	Budgetary resources available	142,437,000	.....	.....	250,598,000	+250,598,000	+250,598,000
	Emergency appropriations	(116,037,000)	.....	.....	(183,798,000)	(+183,798,000)	(+183,798,000)
	(Limitations on availability of revenue)	(26,400,000)	.....	.....	(66,800,000)	(+66,800,000)	(+66,800,000)
	Grand Total:						
	New budget (obligational) authority	8,432,382,195	-11,745,382,239	-8,511,234,450	-9,029,496,876	+2,715,885,363	-518,262,426
	Emergency appropriations	(7,534,334,000)	(5,388,197,000)	(6,700,000,000)	(6,883,798,000)	(+1,495,601,000)	(+183,798,000)
	Emergency rescissions	.....	(-392,984,000)	(-61,784,000)	(-109,650,000)	(+283,334,000)	(-47,866,000)
	Appropriations	(434,672,000)	(54,302,800)	(275,746,800)	(334,536,800)	(+280,234,000)	(+58,790,000)
	Rescissions	(-1,536,623,805)	(-16,794,877,839)	(-15,425,197,050)	(-16,138,181,476)	(+656,696,363)	(-712,984,426)
	(FY 1995)	(-1,536,623,805)	(-15,334,673,839)	(-15,369,477,050)	(-15,726,977,476)	(-392,303,637)	(-357,500,426)
	(FY 1996)	.....	(-1,366,204,000)	(-26,360,000)	(-356,204,000)	(+1,010,000,000)	(-329,844,000)
	(FY 1997)	.....	(-94,000,000)	(-29,360,000)	(-55,000,000)	(+39,000,000)	(-25,640,000)
	(Increases in limitations on obligations)	(50,900,000)	.....	(24,500,000)	(91,300,000)	(+91,300,000)	(+66,800,000)
	(Reductions in limitations on obligations)	(-208,000,000)	(-201,791,000)	(-279,166,000)	(-166,101,500)	(+35,689,500)	(+113,064,500)
	(Total, appropriations and increases in limitations on obligations)	(8,019,906,000)	(5,442,499,800)	(7,000,246,800)	(7,309,634,800)	(+1,867,135,000)	(+309,388,000)
	(Total, rescissions and reductions in limitations on obligations)	(-1,744,623,805)	(-17,389,652,839)	(-15,766,147,050)	(-16,413,932,976)	(+975,719,863)	(-647,785,926)
	(By transfer)	(7,442,950)	(3,611,950)	(22,860,950)	(25,360,950)	(+21,749,000)	(+2,500,000)
	(Deferrals)	.....	(297,000,000)	(465,000,000)	(702,900,000)	(+405,900,000)	(+237,900,000)

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

Mr. OBEY. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, first of all, this debate is the not about spending levels. The President in his message yesterday indicated he wants to spend $50 million less than the amount provided in the conference report. There are some other very good reasons to vote against this bill.

First of all, this bill cuts programs for kids and old folks, and despite the denials on the Republican side of the aisle, it does so to pay for tax gifts for the wealthy and the well-connected. We just passed a budget resolution which slashed Medicare to pay for tax cuts for the wealthy. Under that proposal, we are going to go back to the ''good old days,'' such as we had between 1982 and 1985, when 47 Fortune 500 corporations, even though they made hundreds of millions of dollars in profits, paid not one dime in Federal taxes.

Even President Reagan recognized that was wrong, closed the loophole in 1985. Under the tax proposals passed by this House and endorsed by the budget resolution passed today, we are going to go back to those ''good old days.'' And this bill is going to help pay for that new loophole. We should not be doing that.

Let me trace for you the history of what has happened on so-called deficit reduction in this bill. When this bill was first in the committee, as the gentlewoman from California pointed out, the committee chairman said that the cuts in this bill were going to be used at least in part to pay for those tax cuts. Then that rhetoric was softened.

During the debate in the committee, we said we thought it was wrong to cut Healthy Start for preborn kids; we said we thought it was wrong to cut school nutrition; we said we thought it was wrong to cut public broadcasting for preschool kids; we said we thought it was wrong to cut education and training funds; we said we thought it was wrong to cut fuel assistance and housing for the elderly all in order to give somebody who was making $200,000 a year a tax cut.

The Republicans in committee voted down the amendment offered by the gentleman from Pennsylvania [Mr. MURTHA], which tried to dedicate all cuts to deficit reduction. On the floor, after pressure on that subject, the Republican majority said: ''OK, we changed our mind.'' They voted for the Brewster amendment, and so did we, which said that all of the funds that were saved in the bill would be used for deficit reduction.

One day after that amendment passed the gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget, said that well, they could not afford to live with that language because they wanted to have the out-year savings used in order to finance that tax package. Now the chairman of the committee claims that because of the adoption of the Senate amendment in conference, that somehow the Brewster amendment is protected.

I want to ask one question: If the Brewster amendment was protected, why did the Republican conferees vote against my motion in conference to keep it? You voted against it, you killed my amendment that would have saved the Brewster amendment, 8 to 6. If the Brewster amendment had been protected in conference, $50 billion more of savings in this bill would be dedicated for deficit reduction. They would not be available to finance that turkey of a rich man's tax cut that you supported on the other side of the aisle.

The CBO, as I said earlier, fully understands that if all of the dollars that were saved in this bill were dedicated to deficit reduction, as the Brewster amendment provided, there would be $50 billion more in deficit reduction provided under this proposal. So I think that is reason enough to vote for this proposition.

And there is a second reason. It is simply because this bill represents warped priorities. It cuts education and training funds by $875 million. Is it really smart to cut our effort to preserve drug-free schools by 50 percent? Is it really smart to cut school-to-work programs? Do you really want to take deep cuts in elderly and housing projects in order to move funds down the line to use for tax cuts for wealthy people?

Someone on the other side have just suggested that the LIHEAP program, low income heating assistance program, was not all that important to old folks anymore. I want to tell you, 80 percent of the people who use that program make less than $10,000 a year. One-third of them are disabled. Two million senior citizens nationally use that program.

I will never forget a woman in my own district, in Stevens Point, I met when I walked into her house to talk to her about the program. She lived in a house that was built for her by her husband as a wedding present. She was 82 years old. She had very little money. She had every room in that house closed up except the living room, the kitchen, and the bathroom, in order to save heat. She slept on an old beat up couch in the living room.

That house meant as much to her as life itself. It was her last link with her husband. She desperately wanted to hang onto it, and it was low income heating assistance program that helped her to do so.

Do you really think you ought to cut a woman like that so you can give one of your wealthy $200,000 a year income friends an additional tax break? Pardon me, I do not agree with those kind of priorities.

I think we also ought to take a look at what you have not cut. The gentleman from Pennsylvania, Mr. SHUSTER, got up here and defended highway demonstration projects. I like to see highway projects built just like anyone else, but not at the expense of senior citizens, not at the expense of drug-free schools, not at the expense of decent education and training opportunities for our young people.

Of all things, I do not see why this Republican-controlled Congress should have retained the Benedict Arnold tax loophole provision which allows people to renounce their American citizenship in order to avoid paying taxes to the country that made them rich in the first place.

The gentleman from Ohio, [Mr. KASICH] said that we hate rich people on this side of the aisle. Absolute nonsense. I would like everybody in this society to be rich. Profits are good for this country. High incomes are good for this country. But what is also good for this country is that when people make it, and they make it very well in this society, they should not be pulling the ladder up after them. They should be willing to pay their fair share to support the public services in this country that the entire society needs. That is all we are suggesting.

The gentleman from Ohio [Mr. KASICH], said the vote today was about balance. There is nothing very balanced about proposals that cut back on aid to seniors, that cut back on educational opportunities, that cut back on veterans who have fought and risked their lives for this country, in order to give somebody who makes $200,000 bucks a year a tax cut. That is not balance at all. That is extreme. It is wrong economically, it is wrong morally.

Mr. Speaker, I congratulate the President for drawing the line in the right place. We ought to turn this bill down. We ought to reshape it, we can easily do that in a week, and we can come out here with something that we can be proud of.

Mr. LIVINGSTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. LEWIS], the chairman of the Subcommittee on VA, HUD, and Independent Agencies.

Mr. LEWIS of California. Mr. Speaker, I very much appreciate my chairman yielding. I did not intend to speak on this measure, but the fact is that over half of the funds we are talking about here, the rescissions, came out of my subcommittee. In view of the President's decision—at least it appears to be a decision—to veto this measure, I thought there were at least a couple of points I should try to make.

My colleagues, the President has proposed a list of 14 items that if restored would cause him to sign this legislation. Five of these items fall under the jurisdiction of my subcommittee. While all of them deserve mention, there are two points that I would like to make.

As you know, the AmeriCorps Program budget of 1995 has been reduced by $210 million to the 1994 funding level of $365 million. This reduction was

made not out of partisanship, but out of a true desire to review how well the AmeriCorps Program has worked, a program the President holds at the highest priority.

Many of my colleagues made it no secret that they wanted to eliminate this program. Until now, I personally had not come to a final consideration on the matter. Today I stand before you convinced that the President has already given up on the National Service Program, AmeriCorps. His veto promise has raised the stakes, and regardless of the outcome, I now believe the President will lose on that one.

Like it or not, the National Service Program has become an even larger target than ever before. Maybe not today or this week or this month, but you can rest assured the AmeriCorps Program will be the victim of this debate and this veto. The writing is now on the wall.

Mr. Speaker, there is another item that I would raise that would hopefully cause the President to reconsider his position, and that is my second point. A few months ago, before my committee, James Lee Witt, the Administrator, the Director of FEMA, the Federal Emergency Management Agency, told us that without replenishment, that as of the end of May, FEMA would run out of money. They would be out of money. No more in the pipeline.

Think of the disasters. Not just earthquakes and floods in California, but disasters across the country. Of most important recent notice, the horrible disaster of Oklahoma City. FEMA running out of money, not being able to respond to those disasters. The President is now actually thinking about turning his back on those people who had to deal with those disasters.

Mr. Speaker, it is time for the President to rethink this position. He should not take the advice of his political advisers. He should look to the people of the country who at this moment need our assistance.

Mr. Speaker, upon completion of the conference on HR 1158 this past Tuesday morning, I had anticipated taking just a little time to briefly discuss the role my subcommittee—VA, HUD, and independent agencies—had in achieving over half of the budget savings realized in this emergency supplemental and rescissions bill.

While we certainly had difficult choices, the conferees on this chapter worked diligently to retain or restructure certain high priority items while at the same time making meaningful reductions where we thought appropriate. Our final decisions were, in my mind, legislative compromise in the truest and best sense of the word.

Perhaps more important than the specific choices we made though was the fact that our actions have gotten us headed on a track that recognizes the even more difficult budget decisions awaiting us in fiscal year 1996 and beyond. Simply put, balancing this Nation's budget will require hard choices and sacrifice on the part of each and every lawmaker and each and every citizen.

It is in this vein that I am absolutely dismayed at the announcement by the President that he will veto this legislation. The very first real opportunity this President has had to show he truly wants to get spending under control is instead squandered for what can't be described as anything other than cheap demigodary. As I mentioned the President has proposed a list of 14 items that, if restored, would cause him to sign this legislation. Again five of these items fall under the jurisdiction of my subcommittee, and a quick review of each of the other four items points out just how ridiculous is the President's announced action:

Environmental Programs: Safe Drinking Water—The President has proposed restoring $500 million for State revolving grant funds for this program which does not now and has never existed. This proposal will do nothing more than put funds aside for a program that likely will not be authorized until next year and, once it is authorized, will likely see at least another half-year of rule writing before a single dime is sent to the States. How can the President possibly justify giving money to a program that does not exist while agreeing to take funds away from others that do?

VA Medical Care—The President has suggested giving $50 million back to VA medical care, even though these funds are salary savings that the Department itself says it will not use. This rescission will not impact a single VA employee or patient, yet it clearly appears on the President's list merely for its press value.

HUD: Assisted Housing—The President has asked to restore $150 million to HUD assisted housing for residents displaced by demolition of old housing units, but apparently never checked with HUD to see what their needs are in this regard. In fact, the conferees restored half-a-billion dollars for this purpose and there is enough money now in the account to fund 20,000 families with 5-year vouchers or 50,000 families with 2-year vouchers. According to the Department, this is more than adequate to meet their needs.

HUD: Housing Opportunities for People With Aids (HOPWA)—The President's suggestion to restore $30 million in this account is truly the height of hypocrisy. The 1995 funding level of $156 million for HOPWA is exactly what the President requested for the program for 1995. Moreover, this funding level agreed to by the conferees now leaves over $400 million available for HOPWA, meaning this administration has yet to even distribute all of the funds we appropriated for HOPWA in fiscal year 1993, let alone use the funds we provided for fiscal years 1994 and 1995. Shouldn't the President be more concerned with helping the people we meant to be helped rather than raise phony issues meant to obscure the real facts?

Mr. Speaker, although I can't speak to the details of each of the 14 items, I am quite certain the story for each is similar. The President's scenario in this sorry episode is, indeed, all too clear: he decides for the first time to fully engage himself in this rescission process that for this Member started in January. He realizes he is late to the table so threatens to use his veto to get his way. For cover, he demands that 14 sexy- looking programs be restored, yet utterly fails to realize there is no substance behind restoring most if not all of the 14 items He hopes to claim a public relations victory, caring not that the real losers are the American public who most go on paying for programs that should, indeed must, be phased out.

Mr. Speaker, the President's actions so far in this regard is politics at its absolute worst and nothing short of despicable. I can only hope he somehow get a dose of honest conscience before his pen makes the wrong marks.

Mr. Speaker, in the hope that the President will in fact sign this bill, I would like to take an additional moment to clarify our intent with respect to language included in the bill dealing with EPA's Automobile Inspection and Maintenance Program provided for in the Clean Air Act.

Under the regulatory framework first developed by EPA, a premium was placed on State adoption of a centralized testing facility, while an automatic discount was applied to noncentralized facilities proposed by the States. EPA itself has recently indicated they intend to be more flexible in the granting of credits for noncentralized programs, and our bill and report language should be interpreted to support EPA in this movement toward flexibility and reasonableness.

Rather than automatically discount programs, EPA should attempt to assign credits to each State's program based on the worthiness of each program. Higher credits, even up to 100 percent, need not be granted just for programs that have expensive equipment. On the contrary, if a State presents a plan that outlines how and why a certain level of credit can be achieved, EPA should be reasonable and thoughtful in its review process toward making a decision allowing such appropriate credits. If EPA believes additional data is required to make the State's case, they should be flexible in permitting such data collection for up to 2 years or two full cycles.

Mr. Speaker, I firmly believe that what we are doing in their regard is a step in the direction of truly permitting sound science to prevail. Sometimes laws and regulations become too prescriptive in our zeal to achieve an end result. I am absolutely committed to our national goal of clean air, but I am equally persuaded we must be flexible and allow new methods and new

technologies and new ideas to lead the way toward this goal. If the agency will not or cannot provide that flexibility I am quite certain the Congress will once again address this issue in a manner that is perhaps less appealing to those who support our clean air goals.

The SPEAKER pro tempore. (Mr. WALKER). Members are reminded that all remarks are to be addressed to the Chair.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio [Mr. STOKES], the ranking member of the Subcommittee on VA, HUD, and Independent Agencies.

Mr. STOKES. Mr. Speaker, I thank my ranking minority member for yielding to me.

Mr. Speaker I rise in strong opposition to H.R. 1158, a bill rescinding appropriations for fiscal year 1995.

From the very beginning of deliberations on this legislation, it has been clear that Draconian and callous cuts to funds already approved for Federal programs were for the purpose of fulfilling the Republican Contract With America to cut taxes. This is abundantly clear when you consider that the conference agreement rejects the House adopted amendment which required all budgetary savings from the rescissions bill be used for deficit reduction. Under the Republican proposal, these savings can be use to finance tax cuts to benefit the wealthiest persons in this Nation.

Take for example, the $6.3 billion cut from critical housing programs serving the elderly, low income, and homeless families with children, and the disabled. The $1.9 billion cut from incremental assistance programs means a loss of 52,000 section 8 rental certificates. An additional $815 million reduction in public housing modernization will prevent public housing agencies from rehabilitating some 40,000 substandard pubic housing units. Further cuts of $620 million to public housing development will prevent the tearing down and replacement of 7,000 of the most distressed public housing units in the Nation.

On top of these reductions, there is the $1.5 billion cut to the Labor and Employment Training Program, the $844 million cut to Health and Human Services programs, and the $875 million cut to education programs. I find these reductions in quality of life programs appalling. Further, how can the Members of this House support a bill that cuts $65 million from student aid, cuts $11.2 million from TRIO, cuts $236 million from safe and drug-free schools, eliminates summer youth jobs in fiscal year 1996, and cuts by 68 percent funding for youth employment training? In an ever-increasing technological society, instead of ensuring that we provide adequate training to new and returning workers, this bill makes drastic cuts in vocational and adult education, displaced worker initiatives, and school-to-work programs.

This bill sends a signal to the rest of the world that the United States of America, a world leader, places a very low priority on the education of its youth.

While the uproar over initial rescissions figures forced restoration of some of the funds taken from VA programs, this bill still cuts $81 million from veterans programs. Therefore, Republicans are sending a message to our veterans that their needs are not as important as tax cuts for the wealthy.

I can understand and support a balanced approach to addressing our Nation's fiscal difficulties. But I cannot, and will not, support balancing the needs of the wealthy on the backs of the poor, the elderly, our children, veterans, and the disabled. I urge my colleagues to defeat this conference report.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. STOKES. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I understand the gentleman's position regarding the housing cuts of roughly $6 billion, but does he realize the President only asked to restore $150 million of the housing cuts? Obviously the balance of over $5 billion is okay with him.

Mr. STOKES. Mr. Speaker, I will accept the gentleman's comment.

□ 1745

Mr. LIVINGSTON. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER], the distinguished chairman of the Subcommittee on Labor, Health and Human Services, and Education.

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

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, Members on both sides of the aisle have worked on this rescission package for over 2½ months. We worked through the House and the Senate and for the past 2 weeks we have been meeting often, often late into the evening in order to resolve our differences.

Nowhere, nowhere in this process was the President or his representatives seen. There was no hint to any of us as to his feelings regarding sections of this bill, and I think all of us were dismayed on opening the newspaper a day or two ago to find that he has vowed to veto it.

He has not been a part of the process. He has not said to any of us he would veto it, if certain conditions were not met. And what is most dismaying, Mr. Speaker, is that he is talking about $1.5 billion or about 9 percent of a $16.5 billion bill, which is itself only 1 percent of the entire Federal budget for fiscal 1995.

He is talking about half of that in the area of education and job training or one-twentieth of 1 percent of Federal spending, a minuscule amount. He objects, even though in our area of labor, health and human services and education, the House figure was $5.9 billion in rescissions, the Senate figure was about $3 billion in rescissions, and the House went very far in accommodating the view of the Senate, which the Senate was very insistent on, and we ended up at $3.3 billion. So we were not making the heavy cuts that the House had recommended in our area. We, rather, deferred to the Senate on most of these matters. And the cuts involved are cuts that are very, very minor, although obviously in programs that we consider to be very important as well.

I find the President's lack of attention and unwillingness to be at the table irresponsible in the extreme. I find his threat to veto this legislation incomprehensible. If we are to approach our entire fiscal 1996 budget with a President who will not be at the table, who will simply say, I am going to veto it when all the work is done, I think we are going to have a very, very difficult time indeed.

No one wants to ascribe certain motivations to the President. I will not do so. But I will say that it is irresponsible for the President to threaten such a veto.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Oklahoma [Mr. BREWSTER].

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

Mr. BREWSTER. Mr. Speaker, this floor has been full of debate on the budget the last few days. Many Members from both sides of the aisle have spoken on the importance of deficit reduction and debt reduction.

And, yet, this conference report is classic double-speak. This conference report does not contain the Brewster-Minge lockbox, but rather contains a Pandora's Box. The Brewster-Minge lockbox, which passed the House overwhelmingly by a vote of 418 to 5, has been scored by CBO as containing $66.2 billion in savings.

Instead, this afternoon we are considering a conference report with a watered-down version of the lockbox—a true Pandora's Box. This conference report has been scored by CBO to only save $15.4 billion—over $50 billion less than the Brewster lockbox.

That's $50 billion that should be deposited in the lockbox but will instead go for additional spending.

Mr. Speaker, I will be candid about my feelings on this conference report. There are many difficult cuts in this bill that will effect education, housing, economic development and agriculture. There are programs eliminated that are very valuable to my State of Oklahoma.

I have discussed with my constituents over the last few years about the seriousness of the Federal deficit. They do not like many of these cuts either. But, these citizens are willing to once

again sacrifice in order to reduce our deficit.

But, Mr. Speaker, I can tell you, they will not support these cuts if the savings goes for anything other than deficit reduction.

Mr. Speaker, I urge my colleagues to send this Pandora's Box back to the conferees, and let us come back with the lockbox that will make these cuts count.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes and 20 seconds to the gentleman from Georgia [Mr. BARR].

Mr. BARR. Mr. Speaker, I would like to engage in a colloquy with the chairman.

Mr. Speaker, I noticed in the fiscal year 1995 supplemental appropriations or rescissions bill conference report there is $100.5 million provided for so-called enhanced counterterrorism. Included in this figure is over $20 million for the Bureau of Alcohol, Tobacco and Firearms and $77 million for the Federal Bureau of Investigation. These have caused me some concern.

As the chairman knows, just two weeks ago the administration presented to the Subcommittee on Crime of the Committee on the Judiciary incomplete draft counterterrorism legislation that contained proposals for new federal authority, redefinitions of current authority and new jurisdiction, in addition to a request for consideration of a new counterterrorism center within the FBI.

Needless to say, the Committee on the Judiciary is conducting a careful examination of the testimony presented and is studying that which has thus far been proposed. Unfortunately, the administration has yet to finalize its proposals to the Congress and necessarily its arguments in behalf of its position are still unfinished.

Therefore, I was surprised to see that the administration has somehow organized itself to make appropriations requests of the conference. It would be most disturbing were the administration presenting differing sets of proposals to the House, one incomplete and unfinished, and still another to the conferees if an effort to sidestep its responsibility to argue for its views before the authorizing committee of jurisdiction, in this case the House Committee on the Judiciary.

Mr. Speaker, in view of these concerns and understanding our mutual desire to see important emergency funding to help the people of Oklahoma City, I want to ask, is it the gentleman's understanding that none of the funds in this rescissions package provide for new or expanded authority for any federal law enforcement and including but not limited to ATF and the FBI.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. BARR. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, the gentleman should be pleased to know that except for one provision that permits the Attorney General to offer up to a $2 million reward to capture the people responsible for the Oklahoma City tragedy, there are no new or expanded authorities contained in this conference report. What we do in this bill is to provide the immediate resources necessary to respond to the tragedy in Oklahoma City.

Mr. BARR. I thank the gentleman.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, let me first congratulate the chairman of the committee, the new chairman of the committee, the gentleman from Louisiana [Mr. LIVINGSTON], as well as the minority spokesman on the committee, the gentleman from Wisconsin [Mr. OBEY], for their hard work on this. But let me say at the outset, I sincerely hope that this rescission bill is defeated today on the House floor and, if it is not, I hope the President keeps his word and vetoes it. I want to tell you why.

For the past several months we have heard like Banquo's ghost rattling through the halls. The Republican tax break program rears its ugly head every time Congress tries to tackle a serious issue. We want to sit down and talk about a balanced budget, which our nation wants and both parties profess to want, and yet the Republicans insist on a tax break package which gives tax breaks to the wealthiest Americans and absolves the most profitable corporations from paying their fair share of Federal taxes.

We want to talk about a bill like this, a rescission bill to cut spending so we can come up with money to pay for disasters in California and Oklahoma City and other places. The Republicans, again, want to make sure that some of the money that we are going to save will be around to fund the tax break package for the wealthiest privileged few in America.

It just boggles my mind, and I have been around politics so long. What is in this tax break package that is so important to them that they will literally taint every debate on this floor by making certain there is money in there for their tax break? I tell you what it is, my friends. It is because for some big businesses and for some special interests, that tax break means more than every other issue on this floor.

They are sticking with it, even if it means cutting 80,000 people off of the WIC program. Women and children who would get prenatal care will not because of this spending cut bill. They are sticking with it even if it means eliminating the Food and Drug Administration reorganization plan, to make that agency more efficient so it can safeguard our families.

No, they will make these cuts, and they will have to answer, and their answers are not any good because the Republican tax break program is not what we are here to talk about. We are here to get this public's House in order, to get our budget in order, and that tax break package is not the way to do it.

Mr. LIVINGSTON. Mr. Speaker, I yield 2½ minutes to the gentleman from Iowa [Mr. LIGHTFOOT], the distinguished chairman of the Subcommittee on Treasury, Postal Service, and General Government.

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

Mr. LIGHTFOOT. Mr. Speaker, I thank the gentleman for yielding time to me.

In response to the previous speaker and all the rhetoric we have heard around here today about tax breaks and tax cuts, if BS was a dollar a pound, we would have paid off the deficit at about noon. This thing has nothing to do with tax breaks or tax cuts. What part of zero do we not understand here?

What I really came down here to talk about was the president's veto on the rescission package. It is like he is trying to Monday morning quarterback a ball game that he did not even watch. The chairman of our committee, the gentleman from Louisiana [Mr. LIVINGSTON], not only invited him to watch the game, he invited him to participate, clear back in the month of February.

They declined to do so at the White House. Yesterday we got the message they are going to veto the rescission package.

We asked the GSA to give us a list of the so-called pork that is in our portion of the bill. That was yesterday. Today we finally get a response. OMB has ordered GSA not to give us a list of any kind. Mr. President, where is the pork? If you say it is there, identify it so we can work on it, because we think that we took every bit of pork out of this package that was there. The unauthorized programs are gone.

So I would only say in closing that, as we look at this rescission package, we also should be cognizant that the president's approval ratings went up for the way that he handled Oklahoma City. And he is to be commended for that. But now the rubber meets the road. The money for Oklahoma City is in this bill. The investigative agencies who hopefully will put together a successful investigation that will convict and send to prison the people who perpetrated the crime in Oklahoma City are running out of money. The money for that investigation is in this bill. The President says he wants to veto it. I think when we learn someday that you can go to hell for lying the same as stealing, this will be a lot better town to live in.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Speaker, I want to also commend the chairman of the committee on his first conference report and the ranking member

on our side, the gentleman from Wisconsin [Mr. OBEY], for working together. But regrettably, I fail to understand why we are here today. I wish we could have gone back to conference, worked out the finetuning that would have been required to bring this bill to the floor and pass it with little, if any, opposition.

The President does have a role to play and he has played it. I believe that the President's priorities are important and we need to talk about them. We look at those programs that have been cut, the safe and drug-free schools program which will have $200 million less to fight these problems on campuses across the country.

We look at the Goals 200 program, which will increase academic standards for students throughout our country, something we have worked closely on with employers and school administrators and teachers and parents and students, something that has been advocated by the Governors of our States.

□ 1800

We have cut $90 million out of their program this year. The school-to-work program, which was designed to help move children from the school system that is not always succeeding in educating them to jobs, something that has been essential to try to make our young people more effective in the job market, and to make our country more competitive in the international market we are part of, that program is reduced in this bill.

The President has good reason, therefore, to ask us to go back and take up the task again. The reason that we, I think, find it difficult to do that, the reason we seem to be so dug in that we need to be here today, is for one very good reason. That is that after we pay for the much needed disaster relief, from California to Oklahoma City and around this country, once we have paid that bill, that $7 billion bill, we wanted to take $9 billion more out of this current fiscal year, not to balance the budget, but to provide tax cuts for the wealthiest in our society. That is terrible and it is regrettable. I am hoping we can fix it.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. REGULA], the distinguished chairman of the Subcommittee on Interior of the Committee on Appropriations.

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

Mr. REGULA. Mr. Speaker, President Kennedy said that a journey of a thousand miles begins with the first step. Today we took, earlier, a giant step toward a balanced budget for the year 2002. That is the passage of the budget resolution.

Now we have an opportunity to take another step. That is to support this rescission bill. I say that because many of the programs, many of the construction projects that were rescinded, would have great outyear costs. By stopping these programs, slowing them down, rescinding buildings, rescinding other expensive projects, it will save money as we go down the road. Therefore, this bill becomes very important if we are to reach the goal of a legacy of a balanced budget and a strong economy for future generations in the next century.

Mr. Speaker, I would also just add that we do deal with a forest problem that enables us, in the Forest Service, to take diseased, dead trees, trees that have been scarred by fire, and use that lumber for the benefit of the young people of this Nation that want to build homes at a reasonable cost.

I was out in California and spent 2 days looking at the program. I think it will work very well. It will not in any way harm the forests, and it will provide for their health by removing trees that could be a potential fire hazard for the future. Therefore, I think this bill has a lot of good features.

Mr. Speaker, I would strongly urge my colleagues to support this second, very important step towards a balanced budget.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I rise in opposition to this rescission bill. This rescission bill, to some degree, came out of the air. If it did not come out of the tax cut that we keep talking about, I am not sure where it came from.

The gentleman who now chairs the Subcommittee on Treasury, Postal Service, and General Government of the Committee on Appropriations did not come to me at the end of last year and say ''We ought to get this out of bill. This is wrong. It should not be in the bill.'' I did not hear any other ranking member say that in committee, as I recall, and certainly not the $16.4 or $17 billion. If that did not come simply because we needed to get money for a tax cut, I do not know where it came from. Nobody has told me where that magic figure came from.

The fact of the matter is we passed a bill which balances the budget by 2002. That is fine. I voted for one of the amendments that did exactly that; not for the one that had the tax cut in it, but for the other one, because I thought the priorities were better, and the priorities in this rescission bill stink. That is what the President said, and he was telling the truth. He was not lying.

The fact of the matter is the priorities in this bill are not for the children pictured in the last debate. Summer jobs go down the drain in this bill, for young people that need that experience and need that future. That is not a policy that is looking to have people fly, I suggest.

This rescission bill is ill-considered, in that it does not address what are really the priorities of this country. There is no priority to cut the taxes for the wealthiest 10 percent in America. I would like to cut their taxes. Very frankly, most of us fall within that category, and we will personally benefit from that tax reduction. However, the fact of the matter is there are a lot of people in this country who need the opportunity to succeed, and this bill takes it away from them.

Mr. LIVINGSTON. Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. SKEEN].

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

Mr. SKEEN. Mr. Speaker, we continue to hear over and over again how we are taking the food out of the mouths of babes. Well, as chairman of the subcommittee that funds the WIC program, let me clear the air once and for all.

Since fiscal year 1990, annual increases to the program have ranged between $200 million and $350 million. During this same time period, the unspent recovery balance has increased from $28 million to $125 million. The program couldn't absorb the large increases we were giving it every year.

The bill we have before us rescinds $20 million from the $125 million unspent fiscal year 1994 carryover balance. We have heard the Democrats say that this $20 million rescission would result in 480,000 fewer food packages. I'm not sure what this means. In the history of program, no one has ever measured the program by the number of food packages. The measurement has always been the number of women, infants, and children served.

The truth of the matter is, even with this $20 million rescission, the Department does not expect to change its estimates on how many additional women, infants, and children will be served this year. Why? Because the President is projecting an unspent recovery balance of $100 million at the end of this fiscal year, fiscal year 1995. What does this mean? It means that the average monthly participation will still increase by 500,000 this fiscal year. This rescission will have absolutely no effect on the 1995 level of participation.

Mr. LIVINGSTON. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. WOLF], the chairman of the Subcommittee on Transportation of the Committee on Appropriations.

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

Mr. WOLF. Mr. Speaker, I rise in strong support of the bill, and want to commend the gentleman from Louisiana [Mr. LIVINGSTON] and members of the committee on both sides of the aisle, and the staff, for the work they have done. I want to change what I was going to say. I keep hearing about a tax cut. If this is for the tax cut, I say good. The American family is under more pressure today than any other time in the history of the country. Every indicator that you look at for the well-being of the family is going the wrong way. Child abuse is at an all time high, spouse abuse is at an all time high, teen suicide is at an all time high, teen pregnancy an all time high, teen violence an all time high.

I say if this is to give a mom and a dad the opportunity to keep a little

more money so they can take care of the family, I want to vote twice for it, not once, but twice, if I could. That would not be bad.

However, what we have done, I think, has been good. Additionally, I will put my statement in the RECORD on the demo projects. We are not going to have any demo projects in the transportation bill that comes out. They are all gone. I do not support them. I will never support a bill on this floor that has demos coming out of my committee, so we do not have to worry about them.

Number two, the administration has never even called us. Our staff and Jim Tarnall asked the administration on the administrative costs. We cut $20 million out, the Senate cut $10, and we asked them over and over, ''Should it be 15? Should it be 12? What should it be?'' They would not even give it to us.

I know why this bill is going to be vetoed, if it is. It is because of the reason I heard on public radio, yesterday, when they said ''It is a political reason. It is an opportunity to make a statement.'' Demos are gone. They did not talk to us, but if this money is used to help the American family, I say God bless, and we ought to be proud of it.

Mr. Speaker, I rise in support of this conference report, which provides supplemental appropriations for emergency disaster assistance for the Northridge earthquake, west- and Gulf-coasts floods, and recovery assistance for Oklahoma City, by rescinding $16.4 billion in budget and obligational authority in fiscal year 1995.

Within the $16.4 billion, the conference report rescinds $2.728 billion from transportation programs. Rescissions in transportation programs are appropriate and necessary, particularly when the Congress is considering reductions in programs such as Headstart, hunger programs, immunizations, and breast cancer screening. Transportation programs should not be exempt. Furthermore, the transportation rescissions contained in this conference report are justified, reasonable and fair.

The conference report contains rescissions in unavailable contract authority including:

$2.1 billion for the airport improvement program; and

$250 million for the magnetic levitation [MAGLEV] prototype train development.

These balances of contract authority are moneys that cannot be spent in fiscal year 1995 due to other provisions of law, and therefore, these rescissions, when enacted, will have a negligible, if any, impact on transportation in this country.

In addition, the conference report rescinds:

$132 million in highway research and development programs, including $40 million in intelligent transportation systems;

$42 million in the coast guard; and

$40 million in transit research and discretionary grants, by reducing 50 percent of their obligated transit balances made available prior to fiscal year 1993.

The conference report does not include a reduction in highway demonstration projects, as proposed by the Senate—a proposal which I believe has a great deal of merit and for which I am sympathetic.

I am opposed to earmarking Federal moneys for highways demonstration projects, scarce transportation dollars must be carefully directed to programs addressing essential public safety needs rather than special projects. I have announced this to my colleagues, State transportation officials, industry representatives, and other interested parties.

I have written letters and outlined my position in statements and meetings, and am underscoring my position here today. Simply put, it has become a choice between paying for the truly essential public safety needs or continuing to spend for these highway demonstration projects. To me, the choice is clear. Without regard to partisan politics, and without reference to the merits of any particular projects, the fiscal year 1996 transportation appropriations bill will contain no highway demonstration projects.

With respect again to the conference report. It should be noted that since the Congress began to consider rescissions in January, and subsequent to the Senate's action in March, unobligated balance in the highway demonstration program accounts dating back to 1982 and 1987 have been reduced by nearly half. Unobligated balances have fallen from $252 million to $149 million today. And it is still dropping.

The mere threat of this Congress rescinding these balances over the past 90 days has accomplished what the Federal Highway Administration and 52 State Departments of Transportation could not do over the past 13 years—that is to get these funds out on the streets for which they were appropriated. To that end, we have been successful.

None of the transportation rescissions have been raised by the administration as egregious or needing to be restored.

I urge my colleages to support this conference report.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN. Mr. Speaker, I would, at the outset, only say to my colleagues on this side of the aisle in the majority that if they are worried about the disaster assistance for Oklahoma City, efforts that we have made, that we put into the supplemental bill, and it is not just the rescission bill, it is a supplemental, they were able to do some things within 100 days. I am proud of them. I think they could do the same things with those matters. Just pass the legislation, we will put it on the President's desk. We can deal with this issue. We can find some places to cut.

My chairman of the Committee on Transportation and Infrastructure has been very forthright and very candid and very honest about his position with respect to highway demonstration projects. I only question whether or not the same thing will be true for aviation projects, as well as transit projects. I think we need some clarification on that, so there is no confusion.

Let me say that, really and truly, the way this thing works, I know my colleague, the gentleman from California [Mr. DREIER] was concerned about the fact that we were having a veto. I was looking at the Constitution the other day. Article 1, section 7, is still in here. Read it.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. TAYLOR], a member of the committee.

Mr. TAYLOR of North Carolina. Mr. Speaker, I have had contacts from people all over the Southwest, the Southeast, and the eastern United States asking that the rescission bill be passed, primarily for the timber consideration. We have labor unions in that area that are without jobs. We have tens of thousands of people that are waiting for the President to fulfill his commitment on option 9, which would put timber in the pipeline that would allow those people to go back to work. We have forest health being damaged because of insects, because of fire, because of the damage to the forest that could be obliterated if we could get the salvage wood out of the forest, and this bill provides a mechanism for that. It also gives the taxpayer $135 million for doing it, which would go toward the deficit. It gives us an opportunity to keep our commitment.

Reading some of the opposition, one of the folks who urged the President to veto this bill stated that it would stop clearcutting in the West. The depth of dumb cannot be fathomed in this area. These are dead and dying trees, not live trees to be clearcut.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio, [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I rise in opposition to this conference report. For the last 2 days we engaged in debate over balancing the budget. That fight to cut spending, reduce the deficit, and balance our budget must be won. A budget balanced fairly, with no tax giveaways to the privileged few, is not beyond our abilities, though that is not the budget that passed here earlier today.

Now before us is another bill that cuts spending, but again, does not dedicate its savings to deficit reduction. In the original bill, we all supported the Brewster amendment, which overwhelmingly passed this Chamber by over 400 votes. However, what we have here is a bill that imposes draconian cuts: no summer jobs after this year, a cut this year in thousands of jobs across this country, no heating assistance for our seniors, and then it directs those precious dollars to give tax benefits to the most privileged among us. This bill deserves to be vetoed. We will have another bill here that is just and fair.

Mr. LIVINGSTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa [Mr. NUSSLE].

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

Mr. NUSSLE. Mr. Speaker, I thank the gentleman for yielding time to me.

What a difference 2 years makes, Mr. Speaker. We are paying our bills even during an emergency. I commend the gentleman.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. ISTOOK].

Mr. ISTOOK. Mr. Speaker, I support this bill. I am insulted by the way the President of the United States is handling it. He came to Oklahoma, we wanted him to come, we were glad to have him to mourn with us. However, the money in here in response to Oklahoma is not for Oklahoma, it is for the whole country, for heightened security around the country, to defend against the possibility of something happening to the rest of you as happened to us.

The President pretending that he is wanting to veto it because of pork, it is a lie. What he is complaining about is what was put in bills last year by the Democrat leadership that he signed and put into law, and he is trying to say ''It is your fault because you are not taking out what I did.''

What a lie, Mr. President. We are sick of the rhetoric that you are using on this. Do not do it. Look at it on the merits. If you have some things you want to take out, you should have sent a list up when there is time to do it, but I am insulted by the way the President is behaving.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WALKER). Members are reminded that the President of the United States is to be treated in debate in the same manner as Members of the House.

PARLIAMENTARY INQUIRIES

Mr. OBEY. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman is recognized for a parliamentary inquiry.

Mr. OBEY. Mr. Speaker, do the rules of the House allow a Member to impugn the motives or activities of the President of the United States without being subjected to having the words taken down, as they would if he made that charge about another Member of the House?

The SPEAKER pro tempore. The rules require that no Member may be personally abusive to the President of the United States, and the words may be taken down, as with Members, if such conduct takes place.

The words to be taken down, though, would be requested from the floor.

Mr. OBEY. I think the Chair is absolutely right on his ruling. I want to say that out of courtesy, I did not make that motion, even though he was obviously out of order.

The SPEAKER pro tempore. The Chair noted for all Members the situation with regard to the President of the United States.

Mr. HOYER. Mr. Speaker, I rise to make a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman is recognized for a parliamentary inquiry.

Mr. HOYER. The Speaker indicated that the words could have been taken down if a Member had risen.

Does the Speaker have the authority to raise that point?

The SPEAKER pro tempore. The Chair or any Members can raise the point.

Mr. HOYER. I thank the Chair for his response.

□ 1815

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas [Mr. EDWARDS], the ranking member of the Subcommittee on Hospitals and Health Care of the Committee on Veterans' Affairs.

Mr. EDWARDS. Mr. Speaker, today is a sad day for America's veterans. Before there was a Contract With America, America had a solemn contract with its veterans. Today House Republicans have broken that contract with our veterans.

One week before Memorial Day, on the eve of our celebration of the end of World War II, Republicans have cut $24 billion in veterans' health care. According to the VA, that means by 2002 the closure perhaps of 41 VA hospitals. It means a cut of 60,000 VA employees. It means 4 million veterans may not get health care, veterans who fulfilled their contract with America in World War II, in Korea, and Vietnam.

Now Republicans are saying $24 billion in veterans' cuts is not enough in one day. They are asking for another $50 million in cuts in critical veterans' health care and hospital equipment, equipment that our veterans desperately need and deserve. That is not fair, Mr. Speaker. It is not right. It is a breach of contract with America's veterans.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Utah [Mr. ORTON].

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

Mr. ORTON. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I would like to respond to my friend, the gentleman from Virginia, who indicated that if these cuts were used to fund the tax cut, then God bless.

Unfortunately, that is not what that Member or 417 other Members of this body voted to do 2 months ago when the Brewster amendment was passed. That amendment would ensure that spending cuts in this bill reduced the deficit over the next 5 years.

However, that was stripped out of the conference report as Chairman KASICH and Majority Leader ARMEY indicated it would be immediately after the bill. The only conceivable reason for stripping this provision is to maintain flexibility to use these spending cuts to fund the tax cut.

If leadership planned on keeping their promise to cut spending, balance the budget and fund the tax cuts, the lock box provision would be irrelevant. So why strip it out?

I support spending cuts to balance the budget. However, this bill amounts to spending cuts for the sole purpose of paying for tax cuts. That is not the way to balance the budget.

Mr. Speaker, I include my statement in opposition to the conference report for the RECORD as follows:

I rise in opposition to the conference report on H.R. 1158, the omnibus rescissions and supplemental appropriations for fiscal year 1995.

Mr. Speaker, actions speak louder than words. House leadership has claimed that it intends to balance the budget at the same time or before cutting taxes.

Yet, twice today, we have voted on leadership proposals which amount to a clear statement that they plan on passing massive tax cuts before making the tough spending decisions. Earlier today, the House budget resolution irresponsibly set up a two-step reconciliation process. Under this process, massive tax cuts will be enacted 2 months prior to enacting over 40 percent of the spending cuts needed to balance the budget.

By stripping the lockbox provision, the rescissions conference bill that leadership is bringing up for a vote now is a second clear and unambiguous sign that leadership makes spending cuts a secondary priority.

Two months ago the House voted 418-to-5 for the Brewster lockbox amendment. The lockbox amendment would ensure that the spending cuts in this bill over the next 5 years are completely dedicated to deficit reduction.

However, in conference, this provision was stripped, as Chairman KASICH and Majority Leader ARMEY said it would be immediately after the overwhelming vote in the House. They never intended to allow these spending cuts to reduce the deficit. I cannot support this irresponsible fiscal behavior. The only conceivable reason for stripping this provision is to maintain flexibility to use these spending reductions to finance tax cuts, without making the spending cuts necessary to balance the budget. The simple fact is that if leadership follows through on their promise to pass spending cuts sufficient to balance the budget and pay for the tax cuts, the lockbox provision would not matter. So why strip it out?

I support sensible spending cuts to balance the budget. However, this bill amounts to spending cuts for the sole purpose of paying for tax cuts. This is not the way to balance the budget.

I urge a ''no'' vote. Let's send this back to the conferees to reinstate the Brewster lockbox provision.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Washington [Mr. NETHERCUTT], a member of the committee.

Mr. NETHERCUTT. Mr. Speaker, I thank the chairman of the committee for yielding me the time.

Mr. Speaker, I rise today in support of H.R. 1158, the emergency supplemental appropriations bill. This conference report provides important emergency funds for Federal disasters, and for the second time this session, Republicans have fully paid for emergency appropriations through corresponding offsets.

As has already been mentioned today, included in H.R. 1158 is a provision that will prevent future national disasters. The emergency timber salvage amendment directs the Forest

Service to remove dead, dying and diseased timber from our national forests to the maximum extent feasible.

We, in the West, know that the health of our forests has declined drastically because of prohibitions against salvage logging, thinning and controlled burns. In the summer of 1994, more than 67,000 wildfires burned almost 4 million acres of forest and rangeland. 26 firefighters lost their lives fighting these fires. In the month of August alone, a partial list of Federal expenses came to $7.8 million per day. The emergency salvage amendment is a provision that will go a long way toward preventing future forest fires by improving the health of our forests today, and being sensitive to environmental concerns. Most importantly, it will help small timber companies and rural communities.

I urge all Members to support this supplemental appropriations bill.

Mr. OBEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I take this time simply to respond to comments made by 3 gentleman on the other side of the aisle.

First of all, with respect to the comments made by my good friend, the gentleman from California [Mr. LEWIS], he threatened retaliation against the President and his favorite program in this bill, AmericCorps, if the President vetoes this bill. I think that is an example of what is wrong with the mindset on that side of the aisle these days.

I recognize the Republican Party is new to power in this House, but it seems to me that if the country is to be well-served in the Republican Party's exercise of that power, that in divided government persons with responsibility on that side of the aisle need to learn how to share power, not to threaten its abuse.

Second, with respect to the gentleman from Illinois [Mr. PORTER] who complained that the President was not involved and that he did not know that the President was going to veto the bill, I would simply say he should not be surprised.

I pointed out in the conference that when meetings were held between the Senate and the House conferees on the labor-health-education programs in this conference, that the Republican subcommittee staff made it quite clear to Democrats on that subcommittee that we were not welcome to even attend the meetings. So if the gentleman from Illinois is surprised that the President vetoed the bill, he should not be surprised because he put himself in the isolation room.

I have a stack of letters from the President to the committee at various times during the process laying out exactly what they wanted done. We have a letter on April 28 spelling out that if the President were presented with a bill containing objectionable provisions contained in the House version of the bill as outlined below, he would veto the bill, and he proceeded to list 29 specific problems. I do not know why the sudden surprise.

With respect to the suggestion by the gentleman from Iowa that implied that the investigation of the Oklahoma bombing would somehow be delayed by the President's veto, I will simply say that is outrageously false. The Department of Justice has indicated to the committee that the Oklahoma investigation is the top priority of the department and that the extraordinary expenses related to the bombing for the FBI, U.S. Attorneys, U.S. Marshal's Service and the DEA are already being incurred and funded using available 1995 funds.

With respect to the outrageous words just directed by the gentleman from Oklahoma [Mr. ISTOOK] against the President of the United States, I would simply say that those words have damaged the gentleman from Oklahoma far more than they have damaged the President of the United States. I think I will simply let them go at that.

I urge a vote against this bill in the interest of fairness and deficit reduction.

The letters referred to follow:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, April 28, 1995.

Hon. BOB LIVINGSTON,

Chairman, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to provide the Administration's views on H.R. 1158, the Emergency Supplemental Appropriations for Additional Disaster Assistance and Rescissions Bill, FY 1995, as passed by the House and by the Senate.

The Administration is strongly opposed to the House version of the bill and believes that it would unnecessarily cut valuable, proven programs that educate our children, aid the disadvantaged, and protect our health and safety. If the President were presented a bill containing the objectionable provisions contained in the House version of the bill, as outlined below, he would veto the bill.

While the Senate version of the bill is acceptable, there are a number of provisions that could be improved. We urge the conferees to consider the concerns discussed below.

As the President stated at the April 26th Bipartisan Leadership meeting, he will shortly be sending to Congress a supplemental request for the costs of the Federal response to the Oklahoma City bombing. We urge the conferees to include such funding in H.R. 1158 and to present the President with a bill that he can sign so as not to delay providing these urgently needed funds.

DEFICIT REDUCTION

This Administration remains firmly committed to deficit reduction. In 1993, we worked with the Congress to enact the largest deficit reduction package in history. The Administration's economic plan helped bring the deficit down from $290 billion in FY 1992—to $203 billion in FY 1994, to a projected $193 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President.

We believe that we can address the issue of deficit reduction and provide for the Middle Class Bill of Rights without putting low-income families at risk. In the FY 1996 Budget, the President has proposed significant rescissions for FY 1995 and additional program terminations in FY 1996 for numerous low-priority programs. The Administration does not believe that sound programs, especially those aimed at helping the disadvantaged, should be cut, particularly if such cuts were made to finance a tax cut for higher-income taxpayers.

CUTTING PROGRAMS FOR CHILDREN, EDUCATION, AND THE DISADVANTAGED

The House-passed bill would impose severe reductions on a number of high-priority programs. These reductions would have a particularly harmful effect our Nation's children and disadvantaged by cutting funding for National Service; the Summer Jobs program; Goals 2000; the Education for the Disadvantaged program; the Safe and Drug Free School Program; the Community Development Financial Institutions (CDFI) Fund; and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

While the Senate version of the bill represents a significant improvement over the House-passed bill with respect to funding for these programs, the Administration has concerns over any reductions to programs that assist our Nation's children and the disadvantaged. The conferees are urged to restore full funding for these programs, or, at a minimum, accept the Senate levels.

JORDANIAN DEBT RELIEF

The President has made clear that the provision of debt relief to Jordan can contribute to further progress toward a Middle East peace settlement. We strongly support the Senate language of H.R. 1158, which would appropriate the full $275 million requested for forgiveness of Jordan's debt to the United States. Every Administration since the creation of the State of Israel has determined that the promotion of peace in the Middle East is a vital U.S. National interest. Jordan has taken important steps for peace at great risk. Jordan and other countries in the region need concrete evidence that the United States supports those steps and that we stand by our commitments. For this reason, full debt relief is of paramount importance. We support providing as much of the $275 million of obligational authority in FY 1995 as possible.

SCIENCE AND TECHNOLOGY

This Administration remains firmly committed to increasing the Nation's productivity and raising living standards by investing in science and technology. These investments will lead to a healthy, educated public; job creation and economic growth; world leadership in science, mathematics, and engineering; and harnessed information technology. The rescissions proposed by the House and the Senate for many science and technology programs would severely threaten the United States' standing with respect to technology advancements and competitiveness. These include programs in the Department of Commerce, such as the Manufacturing Extension Partnership, the National Information Infrastructure Grants Program, and the laboratories of the National Institute of Standards and Technology; and in the Department of Education, such as grants for the development and adoption of education technology. The Senate is to be commended for restoring funding for several of these programs. The conferees are urged to restore full funding for these programs or to accept the lower of the House or Senate rescission level so as not to imperil our Nation's standing on the technology frontier.

STRIKER REPLACEMENT

The Administration strongly opposes a provision in the House version of the bill that would prohibit the Executive Branch from using FY 1995 funds to issue, implement, administer, or enforce any Executive

Order or other rule or order that prohibits Federal contracts with companies that hire permanent replacements for striking employees. This provision would impinge upon the Executive Branch's ability to ensure a stable supply of quality goods and services for the government's programs. The use of, or the threat to use, permanent replacement workers destroys opportunities for cooperative and stable labor-management relations.

Additional Administration concerns with the House and Senate versions of the bill are contained in the enclosure.

Sincerely,

ALICE M. RIVLIN,
Director.

ADDITIONAL CONCERNS—H.R. 1158—EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR ADDITIONAL DISASTER ASSISTANCE AND RESCISSIONS BILL, FY 1995 (AS PASSED BY THE HOUSE AND THE SENATE)

NATIONAL SERVICE PROGRAM

The $416 million rescission proposed by the House for the Corporation for National and Community Service would virtually terminate the program. Remaining funds would provide only 4,000 of the proposed 33,000 opportunities for young adults to serve their communities as AmeriCorps members and earn an education award. The proposed rescission would eliminate funding for the Learn and Serve America program, which provides support for thousands of school children to learn responsibility to their community.

The Administration strongly believes that national service is a key to solving problems inside America's communities. This program has a proven track record. For example, AmeriCorps members have already reclaimed recreation areas in inner cities from gangs, and thousands of low-income and migrant children have received proper immunizations to protect their health. AmeriCorps members also have helped raise the spelling scores and reading levels of rural disadvantaged children, built homes for ''working-poor'' families, and provided disaster relief assistance to victims throughout the western part of the country.

The conferees are urged to restore full funding for this important program, or, at a minimum, to provide for a rescission of not more than $105 million, the amount recommended by the Senate.

SUMMER JOBS

The Summer Jobs program provides meaningful work experience for hundreds of thousands of economically disadvantaged youth. These young people might otherwise not have any opportunity to learn necessary job skills and workplace behaviors during crucial formative years. The Administration is pleased that the Senate version of the bill would not reduce funding for this program for the summer of 1995, as proposed by the House. However, the Senate, like the House, would eliminate funding for the Summer Youth Employment program in the summer of 1996, thereby eliminating job opportunities for about 615,000 disadvantaged youth. The Administration strongly believes that improving the job prospects of at-risk youth is an important element of a broader strategy to ensure employment opportunities for all American and a vibrant, productive workforce for U.S. business. At a minimum, the conferees are urged to accept the Senate's position on this program. If funding for the summer of 1996 is not restored in this bill, then the Administration will press for restoration in the FY 1996 budget process.

EDUCATION PROGRAMS

The House version of the bill would reduce funding for Goals 2000 by over one-third ($174 million), thereby greatly diminishing support to States and communities for raising academic standards and improving their local schools. The House also proposes to cut the Education for the Disadvantaged program by $148 million, which would reduce services to educationally disadvantaged children. The House version of the bill contains a sharp reduction—$65 million—in funding for education technology programs, which would enable fewer local communities to put state-of-the-art tools of learning in classrooms where they are most needed to prepare our students for the future.

The Senate version of the bill would reduce Goals 2000 by $8 million, cut the Education for the Disadvantaged program by $8 million, and cut the Federal direct student loan program by $95 million. The conferees are urged to restore full finding for Goals 2000, Education for the Disadvantaged, and education technology programs, or, at a minimum, approve the Senate levels.

SAFE AND DRUG FREE SCHOOLS

The Administration opposes the House action that would rescind nearly $472 million in funding for the Safe and Drug Free School Program at the same time that every pool shows that crime and school safety are major concerns of Americans. This program is an important element of the Administration's fight against the use of drugs and stimulates by an alarmingly increasing number of our youth. The Administration is pleased that the Senate has restored funding for this important program and urges the conferees to adopt the Senate position.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) FUND

The proposed rescission of $124 million contained in the House version of the bill would terminate the CDFI program. The Senate restored $36 million of this amount. The conferees are urged to restore full funding for the CDFI program. The conferees are urged to ensure that the program remains balanced between existing and new community development financial institutions, as provided in the current authorization law.

Without full funding, in FYs 1995 and 1996 the CDFI Fund would be unable to provide: $10 million in direct loan subsidies to support over $23 million of direct loans to CDFIs; $70.5 million in grants, technical assistance, and other financial assistance to CDFIs; and $39 million in community development incentives for depository institutions. The Fund's investments in CDFIs, banks, and thrifts would leverage an estimated $500 million in investments, loans, and financial services in the country's most distressed communities.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The House version of the bill would reduce funds available for the WIC program by $25 million. The WIC program provides nutritious supplemental foods to low-income pregnant, post-partum, and breastfeeding women, and to infants and children up to their fifth birthday. The House's action would result in 600,000 fewer food packages for women, infants, and children. Jeopardizing the heath and welfare of these mothers and children cannot be justified. The Administration commends the Senate for restoring funding for this important program and strongly urges the conferees to accept the Senate proposal.

SCHOOL-TO-WORK

This innovative partnership, financed equally in the Departments of Education and Labor, provides seed money to States to create state-wide School-to-Work Opportunities systems. These systems will help youth acquire the knowledge, skills, abilities, and labor market information they need to make a smooth and effective transition from school to career-oriented work or further education or training. The House proposes a $12.5 million rescission for each department—a 10-percent reduction to the FY 1995 appropriation in each agency. The Senate rescission is $2.5 million for each department. The Administration prefers the Senate level and urges the conferees to support this important program, which will help youth obtain jobs and employers gain a responsible and skilled workforce.

CUTTING PROGRAMS FOR THE ENVIRONMENT

While an improvement over the House version of the bill, the proposed Senate rescission of $0.8 billion in funds to help municipalities comply with Safe Drinking Water Act requirements would still seriously exacerbate local financing problems. Municipalities need significant resources to comply with existing regulations and additional billions to comply with future rules needed to prevent problems such as the cryptosporidium outbreak in Milwaukee in 1993 that killed 100 people and caused illness in another 400,000

Most affected by this rescission would be the 27 million people who get their water from a system that has violated drinking water standards. If Congress were to fail to authorize the drinking water state revolving fund program, these funds could be used without further Congressional action to address the $137 billion in wastewater construction needs.

Reductions are also proposed by the House and the Senate for the Department of Energy's (DOE's) solar, renewable energy, and conservation research programs. Such reductions would threaten our national effort to implement fully, the Energy Policy Act of 1992 and the Climate Change Action Plan. Reduction to the DOE science budget also would adversely impact climate change, human genome, and neutron research. The additional reductions to the Environmental Management program would impede progress at several of the Department's cleanup sites.

FEMA DISASTER RELIEF

The Administration continues to estimate a supplemental requirement of $6.7 billion for FEMA disaster relief. Absent approval of this supplemental, FEMA estimates that under current operations, it will need to redirect funds already allocated to other disasters to meet more immediate requirements beginning in early summer.

JOBS CORPS

The House version of the bill would rescind $10 million from the Job Corps program; the Senate version, $46 million. The Senate's action would halt expansion of a youth training program with a track record of improving the employment and earnings of poor youth. It would also eliminate funds to continue work on eight new Job Corps centers that were launched with previous years' appropriations. Work is underway on these eight centers, which would create 3,200 new training slots for about 4,700 severely disadvantaged youth each year. In addition, the Senate would eliminate funds to initiate four new Job Corps centers in FY 1995, which would boost capacity by another 1,600 slots. The Administration prefers the House level.

JOB TRAINING PARTNERSHIP ACT (JTPA) YOUTH TRAINING GRANTS

The JTPA Title II–C program provides grants to States for training, education, and employment services designed to provide low-income youth with marketable skills leading to productive, unsubsidized employment. The Congress already has rescinded $200 million from this program in P.L. 104–6—approximately one-third of the resources available for the 1995 program year, which

begins in July. This would mean about 105,000 youth would not perceive services. Both the House and Senate have proposed rescinding more than is contained in P.L. 104–6. Adequate funding for this program is essential to provide the Department of Labor the flexibility to work with States to re-examine the program's design and test new strategies to help youth succeed in the labor market. The Administration prefers the House level, which would reduce this program by an additional $110 million, as opposed to the $272 million reduction proposed by the Senate.

ONE-STOP CAREER SHOPPING

This initiative provides competitive grants to States to improve employment and training services by providing a common point of access to career and labor market information, occupational skill requirements, and other information about jobs and training. The House proposes rescinding $12 million, or 10 percent of the 1995 appropriation; the Senate, $20 million. These career centers are key to successful implementation of a new consolidated and integrated workforce development system serving the needs of job seekers and employers. The Administration prefers the house level.

HOUSING ASSISTANCE

Both the House and the Senate versions of the bill would threaten the well-being of our Nation's most needy and vulnerable citizens and would threaten the stability of our Nation's most distressed communities. In particular, the draconian cuts targeted by the House towards programs of the Department of Housing and Urban Development would deny help to 63,000 needy, low-income households, including many homeless families. The House version of the bill could also prevent another 24,000 homeless families from moving to transitional or permanent housing during this fiscal year. Hundreds of communities would lose money that they have counted on for critical community needs such as housing rehabilitation and social services for the elderly. In addition, the House's rescission of all FY 1995 funding for the Federal Government's primary rural multi-family rental housing direct loan program (section 515) would put thousands of rural residents living in existing Federal multi-family projects at risk and jeopardize the Government's investment in these projects. Many of the Department of Agriculture's projects need to be rehabilitated and, without the FY 1995 funding, would be in danger of being closed.

HOUSING OPPORTUNITIES FOR PEOPLE WITH AIDS (HOPWA)

The HOPWA program provides housing and other services for people with AIDS. Without such assistance, some of the most vulnerable people in our society would become homeless. The Administration is opposed to the House action that would rescind $186 million from the HOPWA program, thus eliminating the entire amount appropriated for this program in FY 1995. We commend the Senate for restoring funding for this important program and urge the conferees to adopt the Senate position.

VIOLENT CRIME AND DRUG ABUSE CONTROL

The Administration opposes both the House and the Senate's recommendation to rescind $65 and $29 million, respectively, for violent crime prevention and drug control initiatives. Within this overall reduction, the House would reduce by $28 million and the Senate by $17 million funding for Drug courts, which will provide drug treatment and real opportunities for rehabilitation for non-violent, first-time drug offenders. The Administration also opposes the House action that would cut $32 million from the Drug Elimination grants at the Department of Housing and Urban Development. The Administration prefers the overall Senate level of funding for these programs.

The Administration objects to a provision in the Senate version of the bill that would delete all grant funding for the Ounce of Prevention program. This program is vital to the Administration's efforts to coordinate crime prevention programs nation-wide. The Administration prefers the House level of funding for this program.

VETERANS MEDICAL CARE AND CONSTRUCTION

The Senate version of the bill would rescind $100 million from the Department of Veterans Affairs for veterans medical care and construction. These cuts would eliminate $20 million in new medical equipment for veterans health care, $30 million for veterans health services, and $50 million for expanding or improving veterans medical facilities. The Administration believes these cuts are unwise and unnecessary, and would harm the veterans who need their nation's help the most. The Administration prefers the House position.

TIMBER SALES

The Administration is opposed to a provision contained in both the House and Senate versions of the bill that would too broadly define ''salvage timber sales'' to include sales of primarily healthy trees, supersede the otherwise applicable environmental and land management statutes, and restrict citizens' access to the courts. The Departments of the Interior, Agriculture, and Commerce last month announced a comprehensive plan to accelerate timber salvage sales. In addition to the measures already underway at these agencies to accelerate timber salvage sales, the Administration stands ready to work with the Congress to find appropriate, productive solutions to this pressing national problem that would not result in a return to gridlock, as may well result from the bill's provisions.

In addition, the Administration is opposed to a provision contained in the Senate version of the bill that would overturn the existing environment and land management framework of the President's Forest Plan for the Pacific Northwest (''Option 9''). The carefully crafted balance in the Forest Plan allows for a sustainable timber harvest as well as environmental protection. This Plan was key to the release of a court injunction on logging in the territory of the Northern Spotted Owl and represents a finely crafted compromise that took two years to achieve. The Administration believes that it can expedite Option 9 sales without setting aside the existing land management framework.

CORPORATION FOR PUBLIC BROADCASTING

The Administration believes that the House's action to reduce funding for the Corporation for Public Broadcasting (CPB) by a total of 23 percent from FY 1995 to FY 1997 is excessive and shortsighted. The Administration is committed to providing equal access to educational opportunities, particularly for young children, regardless of income or geographic location. While the Administration does not support the Senate rescission, which freezes the program at the FY 1995 level, the Administration prefers it to the House action.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA)

The House version of the bill would rescind $19.6 million from the Occupational Safety and Health Administration. This is a 6.3 percent reduction in OSHA funding although, effectively, a 12.6 percent reduction since it comes so late in the fiscal year. The rescission would have a dramatic impact on OSHA's ability to fulfill its mission to protect workers and on the Administration's efforts to make the agency more effective. This rescission would hinder OSHA's compliance assistance programs and education and training initiatives, as well as enforcement, resulting in an estimated 6,300 additional preventable injuries. The Administration is pleased that the Senate version of the bill does not include this cut and prefers the Senate funding level.

SCIENCE AND TECHNOLOGY

Our Nation's future economic health depends on strong public and private support for science and technology. The proposed rescission to many of the Administration's investments would jeopardize our ability to achieve sustained economic growth and competitiveness.

The Administration prefers the Senate version of the bill with respect to the funding level for the Manufacturing Extension Partnership Program at the National Institute of Standards and Technology (NIST) over the House version, which would reduce the number of new centers established from 36 to 10. This would result in reduced access to state-of-the-art manufacturing technology and techniques by U.S. manufacturers—a key component of the U.S. economy.

The Administration objects to the House's proposed rescission of $30 million for the Commerce Department's National Information Infrastructure Grants program. The Administration believes that this program provides substantial benefits by facilitating access to information products and services by all Americans. P.L. 104–6 rescinded $15 million from this program. If the rescissions contained in the House version of the bill were adopted, the program would be cut by a total of 70 percent.

The Administration also opposes the $16.5 million and $19.5 million rescission of funds proposed by the House and Senate, respectively, for laboratory research at NIST. These rescissions would have a real impact on industry's ability to compete in both emerging and mature markets and would result in the diminished competitive posture of U.S. industry. NIST laboratories develop and deliver measurement techniques and services that provide a common language needed by industry in all stages of commerce.

The House's proposed rescission of $16.7 million and the Senate's proposed rescission of $12.5 million for the National Biological Service in the Department of the Interior would severely hamper the Service's ability to provide basic scientific information to the land managing bureaus within the Department, including programs in the Pacific Northwest. This rescission would force the Service to consider closing one or more of four major laboratory centers, and joint State projects underway in more than 30 States would be reduced.

The Senate has proposed rescinding $42 million in funding for upgrades to the national transonic wind tunnel. These upgrades have been planned for many years and are critical to maintaining the performance of these tunnels. The wind tunnel complex has contributed to the development of almost every U.S.-developed military and civil aircraft. Failure to modernize this facility will increase the delay in critical test data. These upgrades are needed now and are unrelated to the development of a new wind tunnel facility.

SOCIAL SECURITY ADMINISTRATION (SSA) AUTOMATION INVESTMENT

The Senate version of the bill would reduce funding for SSA computer systems by $88 million, thus elimination all second-year funding for SSA's multi-year automation investment. This reduction would lead to deterioration in service by not allowing for the

purchase of new computer equipment as existing equipment wears out and customer demands increase. The funds proposed for rescission are already programmed to support contract awards for quantities of computers supported by the Senate and the General Accounting Office.

The Administration notes the Senate's concern about the total number of computers SSA plans to acquire over a five-year period. Under the current SSA plan, the level of funding provided in FYs 1994 and 1995 would fund the installation of less than one-third of the total number of workstations planned. The Administration believes that the Senate's concern with out-year plans would be more appropriately addressed in relation to out-year funding.

FEDERAL BUILDINGS FUND

The Administration does not support the rescission of the full $1.9 billion proposed by the Senate. Most of the projects proposed for rescission by the Senate were proposed in previous budgets. The Administration continues to support the requested funding levels for these construction and repairs and alterations projects. Rescission of funding for new construction projects may result in higher costs, if long-term needs must be met in leased space. In other cases, where leasing is not an option (i.e., courthouses and border stations), it may not be possible to meet Federal agency needs in the near term. Rescission of funds for modernization projects and other repairs and alterations could lead to the gradual deterioration of government-owned assets.

DEPARTMENT OF TRANSPORTATION

The Administration believes that the House proposal to eliminate all emergency relief funds is irresponsible, given the recent flooding in California and other requirements likely to arise this year. The Senate proposes to rescind only $50 million of emergency funds. The Administration also objects to the Senate proposal to eliminate $50 million in contract authority for the congestion pricing pilot program. This may restrict the Department's ability to pursue important projects in FY 1996 and FY 1997 currently being developed. While opposing the rescission of Coast Guard Operating Expenses because it undermines the recent supplemental, the Administration notes that the Senate bill cuts a smaller amount. Finally, both the House and Senate versions of the bill include across-the-board reductions in operating costs for transportation programs. These reductions are in addition to the government-wide reductions in the Senate bill. It is unfair for the Department to be hit twice by such reductions. The transportation-specific provisions should be dropped.

BASE REALIGNMENT AND CLOSURE

The Senate version of the bill would rescind $104 million from the Base Realignment and Closure accounts. This action would slow local communities' productive reuse of base closure property by limiting funding for environmental restoration. It would also slow funding for construction of facilities at receiving bases, which could delay the move of some military units from closing bases to their new locations. Making property available for economic redevelopment is a key part of the Administration's Five Point Plan for assisting base closure communities. The Administration prefers the House level of funding.

NATO INFRASTRUCTURE

The Senate version of the bill would rescind $69 million from the NATO Infrastructure account. This action could undermine existing NATO Infrastructure agreements and treaty commitments and frustrate U.S. efforts to increase the burdensharing contributions of our allies. All of the FY 1995 appropriations for NATO Infrastructure have been obligated or committed for specific NATO construction projects, which would have to be terminated—with potential termination penalties—if the rescissions were enacted. Furthermore, such a rescission would set a precedent for other NATO nations to withdraw their support from the NATO Infrastructure budget. The Administration prefers the House level of funding.

INTERNATIONAL PROGRAMS

With regard to P.L. 480 food programs, the Administration strongly supports the Senate action rescinding the $142.5 million that the Administration proposed for rescission. This rescission is preferable to other rescissions in international affairs programs in the bill.

The Administration prefers the Senate position regarding the funding level for foreign operations programs. The Senate's unallocated reduction of $125 million would give the Administration greater flexibility, and would do less damage to foreign policy priorities than the House's targeted rescission totaling $192 million. For international programs under the jurisdiction of the Commerce, Justice, State, and the Judiciary Subcommittee, the Administration prefers the overall House position.

The Administration opposes the Senate proposal to rescind $27.7 million for international broadcasting activities. In accordance with the Administration's international broadcasting consolidation plan and the International Broadcasting Act of 1994, Radio Free Europe/Radio Liberty (RFE/RL) and USIA's Voice of America are in the process of significant downsizing. To accomplish the reductions and relocation of RFE/RL to Prague from Munich, over $100 million was provided in FY 1995 specifically for the one-time costs of downsizing and the move. The proposed rescission, along with the Senate's failure to provide $7.3 million that is needed to offset exchange rate losses, would seriously hamper implementation of the consolidation plan passed by Congress, which is estimated to save over $400 million by the end of FY 1997. The Administration prefers the House's position.

Both the House and the Senate propose to rescind $14.6 million from the State Department's Contributions to International Peacekeeping Activities, which support peacekeeping activities around the world. This action runs counter to U.S. national security and foreign policy interests. The U.S. strives to lead the international community in promoting peaceful resolution of regional conflicts. This rescission would undermine these efforts, weaken U.S. leadership, and exacerbate the arrearage problem. In FY 1995, the U.S. is in arrears (expected to total over $650 million) on its UN treaty obligations to pay its share of peacekeeping activities. The conferees are urged to restore these funds.

S 617—SECOND SUPPLEMENTAL AND RESCISSION BILL, FISCAL YEAR 1995

This Statement of Administration Policy provides the Administration's views on S. 617, the Second Supplemental and Rescissions Bill, FY 1995, as reported by the Senate Appropriations Committee.

While the Senate Committee bill would delete or reduce several of the most objectionable rescissions contained in the House-passed bill, the Administration must strongly oppose many provisions of the Committee bill, and, therefore, finds the bill unacceptable. We believe that it unnecessarily cuts valuable, proven programs that educate our children and aid the disadvantaged, including the National Service program. The Administration also opposes reductions in programs that were established to ensure our Nation's role in the advancement of technology.

DEFICIT REDUCTION

The Administration remains firmly committed to deficit reduction. In 1993, the Administration worked with the Congress to enact 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 businesses eligible for tax relief, while increasing income tax rates only on the wealthiest 1.2 percent of Americans. As we placed a tight ''freeze'' on overall discretionary spending at the FY 1993 levels, we shifted spending toward investments in human and physical capital that will help secure our future.

This Administration's economic plan helped bring the deficit down from $290 billion in FY 1992—to $203 billion in FY 1994, to a projected $193 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President.

We believe that we can address the issue of deficit reduction and provide for the Middle Class Bill of Rights without putting low-income families at risk. The Administration does not believe that sound programs, particularly those aimed at the disadvantaged and those that will ensure our Nation's preeminent standing in science and technology, should be cut. The Administration would be particularly troubled if such cuts were made to finance a tax cut for higher-income taxpayers. It is noted that the Senate Committee bill does not include language that would direct that savings generated by the bill be set aside for deficit reduction.

In the FY 1996 Budget, the President has proposed significant rescissions for FY 1995 and additional program terminations in FY 1996 for numerous low-priority programs. In contrast, the Senate-reported bill would impose severe reductions on a number of high-priority programs. These cuts would have a particularly harmful effect on our Nation's children by cutting funding for National Service, Summer Jobs, WIC, Goals 2000, Head Start, Job Corps, Education for the Disadvantaged, direct student loans, and housing for families. Many of the cuts are short-sighted—reducing funding for education, for advanced technology programs that are critical to our Nation's future, and eliminating funding for the Community Development Financial Institutions (CDFI) Fund, which would be instrumental in leveraging investments in our country's most distressed communities. Other cuts would adversely affect the health of Americans by cutting funding for safe drinking water and violent crime prevention and anti-drug programs. In its consideration of the bill, we urge the Senate to restore these cuts.

FEMA EMERGENCY SUPPLEMENTAL

The Administration is disappointed that the Committee was chosen to include in this controversial bill the urgently needed FEMA supplemental, which is appropriately designed as an emergency for which offsets are not required under the Budget Enforcement Act of 1990. This could cause an unnecessary delay in assistance to victims of natural disasters in 40 states, including victims of the Northridge earthquake. If action on the Administration's request is delayed, FEMA will, beginning in May, be unable to allocate funds to meet any new disaster requirements, unless money reserved for the 40 states currently receiving disaster assistance is cut.

Additional Administration concerns with the Committee-reported bill are contained in the attachment.

ADDITIONAL CONCERNS AS REPORTED BY THE SENATE APPROPRIATIONS COMMITTEE

NATIONAL SERVICE PROGRAM

The proposed $210 million rescission for the Corporation for National And Community, Service would reduce significantly the President's National Service program, depriving more than 15,000 young adults of the opportunity to serve their communities as an AmeriCorps member and earn an education benefit. The proposed rescission would eliminate funding for the opportunity for thousands of school children to learn about responsibility to their community for the first time.

This program has a proven track record. For example, AmeriCorps members have already reclaimed recreation areas in inner cities from gangs, and thousands of low-income and migrant children have received proper immunizations to protect their health. AmeriCorps members also have helped raise the spelling scores and reading levels of rural disadvantaged children, built homes for ''working-poor'' families, and provided disaster relief assistance to victims throughout the western part of the country. The Administration strongly believes that national service is a key to solving problems inside America's communities. The Senate is urged to restore full funding for this important program.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) FUND

The proposed rescission of $124 million contained in the Committee-reported bill would terminate this program. Without this funding, in FYs 1995 and 1996 the CDFI Fund would not be able to provide: $10 million in direct loan subsidies to support over $23 million of direct loans to CDFIs; $70.5 million in grants, technical, assistance, and other financial assistance to CDFIs; and $39 million in community development incentives for depository institutions. The Fund's investments in CDFIs, banks, and thrifts would leverage an estimated $500 million in investments, loans, and financial services in the country's most distressed communities. The Senate is urged to restore this funding.

WOMEN, INFANTS, AND CHILDREN (WIC)

The Committee-reported bill would reduce funds available for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) by $35 million. The WIC program provides nutritious supplemental foods to low-income pregnant, post-partum, and breastfeeding women, and to infants and children up to their fifth birthday. The Committee's action would result in 840,000 fewer food packages for women, infants, and children. Jeopardizing the health and welfare of these mothers and children cannot be justified.

HEAD START

The Administration objects to the Senate action that would reduce funding for Head Start by $42 million. At the FY 1995 estimated per-child cost of $4,530, $42 million would be sufficient to provide Head Start services to approximately 9,300 children. HHS would make every effort to minimize the number of children and families who could potentially be affected by a mid-year funding reduction. However, at a minimum, the statutorily-mandated effort to serve children under age three would be sharply reduced, with more than 3,000 children not receiving Head Start services. The rescission could also eliminate all new funding for the statutorily-mandated initiative to enhance the transition of Head Start children into the public schools.

EDUCATION PROGRAMS

The Committee-reported bill would reduce the funding for Goals 2000 by $68 million, which would greatly diminish support to States and communities for raising academic standards and improving their local schools. The Committee-reported bill also proposes to cut the Education for the Disadvantaged program by $80 million, which would reduce services to educationally disadvantaged children. The Administration is also opposed to the $95 million reduction proposed for the direct student loan program.

SUMMER JOBS

The Summer Jobs Program provides meaningful work experience for hundreds of thousands of economically disadvantaged youth who might otherwise not have any opportunity to learn necessary job skills and workplace behaviors during crucial formative years. The Administration is pleased that the Committee has not reduced funding for this program for the summer of 1995. However, the Administration remains concerned that the rescission contained in the Committee-reported bill would eliminate funding for the Summer Youth Employment program in the summer of 1996, thereby eliminating job opportunities for about 615,000 disadvantaged youth. The Administration strongly believes that improving the job prospects of at-risk youth is an important element in a broader strategy to ensure employment opportunities for all Americans and a vibrant, productive workforce for U.S. business.

JOB CORPS

The Administration objects to the Senate Committee action that would rescind $46 million for Job Corps. This action would halt expansion of a youth training program with a track record of improving the employment and earnings of poor youth. The Committee action would eliminate funds to continue work on the eight new Job Corps centers that were launched with previous years' appropriations. Work is underway on these eight centers, which would create 3,200 new training slots for about 4,700 severely disadvantaged youth each year. In addition, the Senate Committee action would eliminate funds to initiate four new Job Corps centers in 1995, which would boost capacity by another 1,600 slots.

VIOLENT CRIME AND DRUG ABUSE CONTROL

The Administration is concerned that the Committee has chosen to rescind nearly $100 million in funding for the Safe and Drug Free School Program at the same time that every poll shows that crime and school safety are a major concern of Americans. This program is the centerpiece of the Administration's fight against the use of drugs and stimulants by an alarming increasing number of our youth.

The Administration opposes the Committee's recommendation to rescind $53 million for violent crime prevention and drug control initiatives—$39 million of which is funded through the Violent Crime Reduction Trust Fund (VCRTF). Of the total amount rescinded, nearly $27 million would come from the Drug Courts program, which will provide drug treatment and real first-time drug offenders. Another $11 million would come from the Family and Community Endeavor Schools (FACES) program, which seeks to provide healthy alternatives to the streets for youth. All grant funding for the Ounce of Prevention Council would be rescinded. Another $13 million (non-VCRTF funding) would come from Substance Abuse and Mental Health Services Administration (SAMHSA) block grants, which would reduce States' abilities to offer drug abuse treatment.

FEMA DISASTER RELIEF

P.L. 102–229, the Dire Emergency Supplemental Appropriations Act of 1992, contained a special provision on emergency designations under the Budget Enforcement Act (BEA) for FEMA Stafford Act activities. That provision specifies that all appropriations for disaster assistance in excess of the then historical annual average obligation of $320 million (or the amount of the President's budget request, whichever is lower) ''shall be considered as 'emergency requirements' pursuant to'' the BEA, and ''such amounts shall hereafter be so designated.'' This provision is permanent law applying in FY 1993 and ''thereafter,'' and expressly applies ''notwithstanding any other provision of law.'' In FY 1995, the President requested and the Congress did in fact appropriate $320 million for FEMA disaster activities.

The Administration is disappointed that the Committee has decided to disregard this provision of law and to include this emergency funding in a controversial rescission bill, which will inevitably lead to delay.

HOUSING ASSISTANCE

The Committee-reported bill would threaten the well-being of our Nation's most needy and vulnerable citizens and would wreak havoc upon the stability of our Nation's most distressed communities. The draconian cuts targeted towards programs of the Department of Housing and Urban Development would deny help to thousands of needy, low-income households, including many homeless families. Hundreds of communities would lose money that they have counted on for critical community needs such as housing rehabilitation.

TIMBER SALES

The Administration is opposed to a provision of the Committee-reported bill that would too broadly define ''salvage timber sales'' to include sales of primarily healthy trees, supersede the otherwise applicable environmental and land management statutes, and restrict citizens' access to the courts. The Administration remains steadfastly committed to the Northwest Forest Plan, which establishes a careful balance between sustainable timber harvest and sound ecosystem management.

The Departments of the Interior, Agriculture, and Commerce last month announced a comprehensive plan to accelerate timber salvage sales. Nevertheless, the Administration is concerned that the current timber salvage program does not meet expectations. In addition to the measures already underway at these agencies to accelerate timber salvage sales, we stand ready to work with the Congress to find appropriate, productive solutions to this pressing national problem that would not result in a return to gridlock.

DAVIS-BACON PROVISION

The Administration opposes a provision in the bill that would exempt any contract associated with the construction of facilities for the National Museum of the American Indian from the Davis-Bacon Act. The Act requires that all Federally-funded or Federally-assisted construction be covered by the Davis-Bacon Act. An exception in this case would be counter the goals of the Act.

SCIENCE AND TECHNOLOGY

This Administration remains firmly committed to increasing the Nation's productivity and raising living standards by investing in science and technology. These investment will lead to a healthy, educated public; job creation and economic growth; world leadership in science, mathematics, and engineering; and harnessed information technology. The rescissions proposed by the Committee for many of the programs in the Department of Commerce would severely threaten the United States' standing with respect to technology advancements and competitiveness.

The proposed rescission of funds for the Manufacturing Extension Partnership Program at the National Institute of Standards and Technology (NIST) contained in the Committee-reported bill would reduce the number of new centers established from 36 to 10. This would result in reduced access top state-of-the-art manufacturing technology and techniques by U.S. manufacturers—a key component of the U.S. economy.

The proposed $19.5 million rescission of funds for laboratory research at NIST would have a real impact on industry's ability to compete in both emerging and mature markets. NIST laboratories develop and deliver measurement techniques and services that provide a common language needed by industry in all stages of commerce. The rescissions would result in the elimination of new starts in the areas of Advanced Manufacturing, Biotechnology, Semiconductor Metrology, and Information Infrastructure standards development resulting in the diminished competitive posture of U.S. industry.

Reductions are also proposed by the Committee for the Department of Energy's (DOE's) solar, renewable energy, and conservation research programs. Such reductions would threaten our national effort to implement fully the Energy Policy Act of 1992 and the Climate Change Action Plan. Reduction to the DOE science budget also would adversely impact climate change, human genome, and neutron research. The additional reductions to the Environmental Management program would impede progress at several of the Department's cleanup sites.

The Committee's proposed rescission of $12.5 million for the National Biological Service in the Department of the Interior would severely hamper the Service's ability to provide basic scientific information to the land managing bureaus within the Department, including programs in the Pacific Northwest. This rescission would force the Service to consider closing the Great Lakes Science Center in Ann Arbor, Michigan. Also, certain laboratory facilities would be considered for closure, and joint State projects underway in more than 30 States would be reduced.

The Committee has proposed rescinding $42 million of upgrades to the national transonic wind tunnel. These upgrades have been planned for many years and are critical to maintaining the performance of these tunnels. The wind tunnel complex has contributed to the development of almost every U.S-developed military and civil aircraft. Failure to modernize this facility will increase the delay in critical test data. These upgrades are needed now and are unrelated to the development of a new wind tunnel facility.

The Senate is urged not to imperil our Nation's standing on the technology frontier.

INTERNATIONAL PROGRAMS

The Committee-reported bill does not appropriate the requested $672 million emergency supplemental for assessed U.N. peacekeeping costs that will accrue during FY 1995. The United States is bound by treaty to pay these costs. Failure to pay them by the end of the fiscal year will imperil the continuity of U.N. missions in regions of great importance to the U.S. national security and foreign policy interests. Rather than approve the requested supplemental, the Committee has proposed to rescind peacekeeping funds.

DRINKING WATER STATE REVOLVING FUNDS

While an improvement over the House-passed bill, the rescission of $0.8 billion in funds to help municipalities comply with Safe Drinking Water Act requirements contained in the Committee-reported bill would still seriously exacerbate local financing problems. Municipalities need almost $9 billion in capital costs to comply with existing regulations and additional billions to comply with future rules needed to prevent problems such as the cryptosporidium outbreak in Milwaukee in 1993 that killed 100 people and caused illness in another 400,000.

Most affected by this rescission would be the 27 million people who get their water from a system that has violated drinking water standards. If Congress fails to authorize the drinking water state revolving fund program, these funds can be used without further Congressional action to address the $137 billion in wastewater construction needs.

SOCIAL SECURITY ADMINISTRATION (SSA) AUTOMATION INVESTMENT

The Committee bill reduces funding for SSA computer systems by $88 million, thus eliminating all second-year funding for SSA's multi-year automation investment. This reduction would lead to deterioration in service by not allowing for the purchase of new computer equipment as existing equipment wears out and customer demands increase. The funds proposed for rescission are already programmed to support contract awards for quantities of computers supported by the Committee and the General Accounting Office.

The Administration notes the Committee's concern about the total number of computers SSA plans to acquire over a five-year period. Under the current SSA plan, the level of funding provided in FYs 1994 and 1995 funds the installation of less than one-third of the total number of workstations planned. The Administration believes that the Committee's concern with out-year plans would be more appropriately addressed in relation to out-year funding.

COAST GUARD

The Administration opposes the Committee's action to reduce Coast Guard operating expenses while supplementing funding for expenses related to operations in Haiti and Cuba. Offsets to pay for those activities deemed an emergency by the Administration are counterproductive. Additional cuts would negate the effects of the supplemental, thereby rendering the Coast Guard less able to provide the level of service the public expects.

BASE REALIGNMENT AND CLOSURE

The Committee bill would rescind $140 million from the Base Realignment and Closure accounts. This action would slow local communities' productive reuse of base closure property by delaying the departure of military units and by limiting funding for environmental restoration. Making property available for economic redevelopment is a key part of the Administration's Five Point Plan for assisting base closure communities.

NATO INFRASTRUCTURE

The Committee bill would rescind $69 million from the NATO Infrastructure account. This action could undermine existing NATO Infrastructure agreements and treaty commitments and frustrate our efforts to increase the burdensharing contributions of our allies. All of the FY 1995 appropriations for NATO Infrastructure have been obligated or committed for specific NATO construction projects, which would have to be terminated—with potential termination penalties—if the rescission were enacted. Furthermore, such a rescission would set a precedent for other NATO nations to withdraw their support form the NATO Infrastructure budget.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, March 21, 1995.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, Washington, DC

DEAR MR. CHAIRMAN: The purpose of this letter is to provide the Administration's views on H.R. 1158, the supplemental appropriations and rescissions bill, as passed by the House. As the Senate develops its version of the bill, your consideration of the Administration's views would be appreciated.

The Administration strongly opposes the House-passed bill. We believe that it unnecessarily cuts valuable, proven programs that educate our children and aid the disadvantaged, including the National Service program. The Administration also opposes reductions in programs that were established to ensure our Nation's role in the advancement of technology. Further, we strongly oppose a provision in the bill that would prohibit implementation of the Executive Order on striker replacements. Based on all of these considerations, if the President were presented a bill containing these provisions, he would veto the bill.

BUDGET ENFORCEMENT ACT EMERGENCY DESIGNATION

As the President stated in his February 14, 1995, letter to the Speaker, the Administration is proud of its record for reducing the deficit while providing prompt assistance to the victims of natural disasters. The Budget Enforcement Act, signed by President Bush, established the authority for the President and Congress to exempt certain spending from the statutory caps, specifically for the purpose of meeting unanticipated emergency requirements. This joint designation by the President and the Congress has been used over the last four years to provide critical assistance in response to earthquakes, hurricanes, floods, extreme cold and agricultural disasters, and for other purposes.

DEFICIT REDUCTION

The Administration remains firmly committed to deficit reduction. In 1993, the Administration worked with the Congress to enact 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 businesses eligible for tax relief, while increasing income tax rates only on the wealthiest 1.2 percent of Americans. As we placed a tight ''freeze'' on overall discretionary spending at the FY 1993 levels, we shifted spending toward investments in human and physical capital that will help secure our future.

This Administration's economic plan helped bring the deficit down from $290 billion in FY 1992—to $203 billion in FY 1994, to a projected $191 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President.

We believe that we can address the issue of deficit reduction and provide for the Middle Class Bill of Rights without putting low-income families at risk. The Administration does not believe that sound programs, particularly those aimed at the disadvantaged and those that will ensure our Nation's preeminent standing in science and technology, should be cut. The Administration would be particularly troubled if such cuts were made to finance a tax cut for higher-income taxpayers. In light of the House Budget Committee action last week, it is clear that savings generated by the House version of H.R. 1158 are intended to be used for a tax cut for higher-income taxpayers.

In the FY 1996 Budget, the President has proposed significant rescissions for FY 1995 and additional program terminations in FY

1996 for numerous low-priority programs. In contrast, the House-passed bill would impose severe reductions on a number of high-priority programs. These cuts would have a particularly harmful effect on our Nation's children by cutting funding for National Service, Summer Jobs, WIC, and housing for families. Many of the cuts are shortsighted—reducing funding for education, for advanced technology programs that are critical to our Nation's future, and eliminating funding for the Community Development Financial Institutions (CDFI) Fund, which would be instrumental in leveraging investments in our country's most distressed communities. Other cuts would adversely affect the health of Americans by cutting funding for safe drinking water and violent crime prevention and anti-drug programs. In its consideration of the bill, we urge the Senate to restore these cuts.

NATIONAL SERVICE PROGRAM

The proposed $416 million rescission for the Corporation for National and Community Service would virtually terminate the President's National Service program. Remaining funds would provide only 4,000 of the proposed 33,000 opportunities for young adults to serve their communities as AmeriCorps members and earn an education award. The proposed rescission would eliminate funding for thousands of school children to learn responsibility to their community for the first time. In addition, over 1,000 young persons currently serving in communities hard hit by defense downsizing would be sent home immediately, and their camps—established on downsized military bases—would be closed.

This program has a proven track record. For example, AmeriCorps members have already reclaimed recreation areas in inner cities from gangs, and thousands of low-income and migrant children have received proper immunizations to protect their health. AmeriCorps members also have helped raise the spelling scores and reading levels of rural disadvantaged children, built homes for ''working-poor'' families, and provide disaster relief assistance to victims throughout the western part of the country. The Administration strongly believes that national service is a key to solving problems inside America's communities. The Senate is urged to restore full funding for this important program.

STRIKER REPLACEMENT

The Administration opposes a provision in the House-passed bill that would prohibit the Executive Branch from using FY 1995 funds to issue, implement, administer, or enforce any Executive Order or other rule or order that prohibits Federal contracts with companies that hire permanent replacements for striking employees. This provision would impinge upon the Executive Branch's ability to ensure a stable supply of quality goods and services for the government's programs. The use or the threat to use permanent replacement workers destroys opportunities for cooperative and stable labor-management relations.

TIMBER SALVAGE SALES

The Administration objects to a provision that would mandate a minimum level of timber salvage sales from Forest Service and Bureau of Land Management lands. The Department of Justice has advised that enactment of this amendment would likely result in renewed judicial review of the President's Forest Plan and could reduce timber, grazing, and mining activities in the West. The Administration is already taking steps to restore and sustain significant levels of timber harvest in the immediate future. In addition, the Administration will shortly announce changes in the consultation process designed to expedite review of timber salvage sales as well as other actions to increase timber harvest, in full compliance with environmental laws.

FEMA EMERGENCY SUPPLEMENTAL

The Administration is disappointed that the House has chosen to include urgently needed FEMA emergency supplemental funds in this controversial bill. This could cause an unnecessary delay in assistance to victims of natural disasters. If action on the Administration's request is delayed, FEMA will, beginning in May, be unable to allocate funds to meet any new disaster requirements, unless money reserved for the 40 states currently receiving disaster assistance is cut.

Additional Administration concerns with the House-passed bill are contained in the enclosure. We look forward to working with the Senate to address our mutual concerns.

Sincerely,

ALICE M. RIVLIN,
Director.

ADDITIONAL CONCERNS—H.R. 1158—MAKING EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR ADDITIONAL DISASTER ASSISTANCE AND MAKING RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1995, AND FOR OTHER PURPOSES (AS PASSED BY THE HOUSE)

FEMA DISASTER RELIEF

P.L. 102–229, the Dire Emergency Supplemental Appropriations Act of 1992, contained a special provision on emergency designations under the Budget Enforcement Act (BEA) for FEMA Stafford Act activities. That provision specifies that all appropriations for disaster assistance in excess of the then historical annual average obligation of $320 million (or the amount of the President's budget request, whichever is lower) ''shall be considered as 'emergency requirements' pursuant to'' the BEA, and ''such amounts shall hereafter be so designated.'' This provision is permanent law applying in FY 1993 and ''thereafter,'' and expressly applies ''notwithstanding any other provision of law.'' In FY 1995, the President requested and the Congress did in fact appropriate $320 million for FEMA disaster activities.

The Administration is disappointed that the House has decided to disregard this provision of law and to include this emergency funding in a controversial rescission bill, which will inevitably lead to delay.

SUMMER JOBS

The Summer Jobs Program provides meaningful work experience for hundreds of thousands of economically disadvantaged youth who might otherwise not have any opportunity to learn necessary job skills and workplace behaviors during crucial formative years. The rescission contained in the House-passed bill would eliminate funding for the Summer Youth Employment program in each of the summers of 1995 and 1996, thereby eliminating job opportunities for about 615,000 disadvantaged youth in each of these summers. The Administration strongly believes that improving the job prospects of at-risk youth is an important element in a broader strategy to ensure employment opportunities for all Americans and a vibrant, productive workforce for U.S. business.

WOMEN, INFANTS, AND CHILDREN (WIC)

The House-passed bill would reduce funds available for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) by $25 million. The WIC program provides nutritious supplemental foods to low-income pregnant, post-partum, and breastfeeding women, and to infants and children up to their fifth birthday. The House's action would result in 600,000 fewer food packages for women, infants, and children. Jeopardizing the health and welfare of these mothers and children cannot be justified.

EDUCATION PROGRAMS

The House-passed bill would reduce by over one-third ($174 million) the funding for Goals 2000, which would greatly diminish support to States and communities for raising academic standards and improving their local schools. The House-passed bill also proposes to cut the Education for the Disadvantaged program by $140 million, which would reduce services to educationally disadvantaged children. The House-passed bill's sharp reduction in funding for education technology programs ($65 million) would enable fewer local communities to put state-of-the-art tools of learning in classrooms where they are most needed to prepare our students for the future.

VIOLENT CRIME AND DRUG ABUSE CONTROL

The Administration is concerned that the House has chosen to rescind nearly $472 million in funding for the Safe and Drug Free School Program at the same time that every poll shows that crime and school safety are a major concern of Americans. This program is the centerpiece of the Administration's fight against the use of drugs and stimulants by an alarmingly increasing number of our youth.

The Administration opposes the House's recommendation to rescind $65 million for violent crime prevention and drug control initiatives funded through the Violent Crime Reduction Trust Fund. Of this amount, nearly $28 million would come from the Drug Courts program, which will provide drug treatment and real opportunities for rehabilitation for non-violent, first-time drug offenders. Another $37 million would come from the Family and Community Endeavor Schools (FACES) program, which seeks to provide healthy alternatives to the streets for youth.

SCIENCE AND TECHNOLOGY

This Administration remains firmly committed to increasing the Nation's productivity and raising living standards by investing in science and technology. These investments will lead to a healthy, educated public; job creation and economic growth; world leadership in science, mathematics, and engineering; and harnessed information technology. The rescissions proposed by the House for many of the programs in the Department of Commerce would severely threaten the United States' standing with respect to technology advancements and competitiveness.

The proposed rescission of funds for the Manufacturing Extension Partnership Program at the National Institute of Standards and Technology (NIST) contained in the House-passed bill would reduce the number of new centers established from 36 to 10. This would result in reduced access to state-of-the-art manufacturing technology and techniques by U.S. manufacturers—a key component of the U.S. economy.

The $30 million rescission included in the House-passed bill for the National Information Infrastructure Grants program would eliminate grants to about 70–90 schools, hospitals, non-profits, and State and local governments. An additional rescission of $34 million is contained in the Senate version of H.R. 889. These two rescissions would eliminate all funding for this program. This action would decrease the credibility of the program as a funding source and thus discourage private sector matching grants to program applicants. The Senate is urged to rescind funds from lower-priority projects as set forth in the President's budget.

Reductions are also proposed by the House for the Department of Energy's (DOE's) solar, renewable energy, and conservation research programs. Such reductions would threaten our national effort to implement fully the Energy Policy Act of 1992 and the Climate Change Action Plan. Reduction to the DOE science budget also would adversely impact climate change, human genome, and neutron research. In addition, the $45 million reduction to the Environmental Management program would impede progress at several of the Department's cleanup sites.

Coming this late in the fiscal year, the House's proposed rescission of $16.8 million for the National Biological Service in the Department of the Interior (10 percent of the operating budget) will force the Service to consider closing one or more of the four major Centers located in Lafayette, Louisiana; Seattle, Washington; Ann Arbor, Michigan; and Anchorage, Alaska; as well as several other laboratories. This would severely hamper the Service's ability to provide basic scientific information to the land managing bureaus within the Department, including programs in the Pacific Northwest, and would eliminate joint State projects underway in more than 30 States.

The Senate is urged not to imperil our Nation's standing on the technology frontier.

HOUSING ASSISTANCE

The House-passed bill would threaten the well-being of our Nation's most needy and vulnerable citizens and would wreak havoc upon the stability of our Nation's most distressed communities. The draconian cuts targeted towards programs of the Department of Housing and Urban Development would deny help to 63,000 needy, low-income households, including many homeless families. The bill could also prevent another 24,000 homeless families from moving to transitional or permanent housing during this fiscal year. Hundreds of communities would lose money that they have counted on for critical community needs such as housing rehabilitation and social services for the elderly.

In addition, the House's rescission of all FY 1995 funding for the Federal Government's primary rural multi-family rental housing direct loan program (section 515) would put thousands of rural residents living in existing Federal multi-family projects at risk and jeopardize the Government's investment in these projects. Many of the Department of Agriculture's projects need to be rehabilitated and, without the FY 1995 funding, would be in danger of being closed.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) FUND

The proposed rescission of $124 million contained in the House-passed bill would terminate this program. Without this funding, in FYs 1995 and 1996 the CDFI Fund would not be able to provide: $10 million in direct loan subsidies to support over $23 million of direct loans to CDFIs; $70.5 million in grants, technical assistance, and other financial assistance to CDFIs; and $39 million in community development incentives for depository institutions. The Fund's investments in CDFIs, banks, and thrifts would leverage an estimated $500 million in investments, loans, and financial services in the country's most distressed communities. The Senate is urged to restore this funding.

INTERNATIONAL PROGRAMS

The House-passed bill does not appropriate the requested $672 million emergency supplemental for assessed U.N. peacekeeping costs that will accrue during FY 1995. The United States is bound by treaty to pay these costs. Failure to pay them by the end of the fiscal year will imperil the continuity of U.N. missions in regions of great importance to the U.S. national security and foreign policy interests. Rather than approve the requested supplemental, the House has proposed to rescind peacekeeping funds.

The House-passed bill provides only $50 million of the $275 million requested for Jordan debt forgiveness. This debt forgiveness is linked to the historic steps taken by King Hussein to conclude a peace agreement with Israel, an act that markedly improved prospects for overall peace in the region and that involved considerable risk for King Hussein. We urge the Congress to provide for Jordan debt forgiveness in H.R. 889 as it passed the Senate in support of the hopeful developments in this region.

HIGHWAYS—EMERGENCY RELIEF

The House-passed bill would eliminate $351 million in funding previously appropriated in response to the Northridge earthquake and other disasters. Over $50 million of this amount is expected to be needed just to meet claims for flood damage in California and Washington. In addition to leaving the Department of Transportation unable to meet the funding needs of existing disasters, this rescission would eliminate the Department's ability to respond promptly to future disasters. Instead of recommending rescission of these needed funds, the Administration urges the Senate to cancel unobligated balances of highway demonstration projects, as proposed in the President's FY 1996 Budget.

DRINKING WATER STATE REVOLVING FUNDS

The rescission of $1.3 billion in funds to help municipalities comply with Safe Drinking Water Act requirements contained in the House-passed bill would seriously exacerbate local financing problems. Municipalities need almost $9 billion in capital costs to comply with existing regulations and additional billions to comply with future rules needed to prevent problems such as the cryptosporidium outbreak in Milwaukee in 1993 that killed 100 people and caused illness in another 400,000.

Most affected by this rescission would be the 27 million people who get their water from a system that has violated drinking water standards. If Congress fails to authorize the drinking water state revolving fund program, these funds can be used without further Congressional action to address the $137 billion in wastewater construction needs.

COAST GUARD

The Administration opposes the House action to reduce Coast Guard operating expenses while supplementing funding for expenses related to operations in Haiti and Cuba. Offsets to pay for those activities deemed an emergency by the Administration are counterproductive. Additional cuts would negate the effects of the supplemental, thereby rendering the Coast Guard less able to provide the level of service the public expects.

CORPORATION FOR PUBLIC BROADCASTING

The Administration believes that the House's action to reduce funding for the Corporation for Public Broadcasting (CPB) by a total of 23 percent from FY 1995 to FY 1997 is excessive and shortsighted. The Administration is committed to providing equal access to educational opportunities, particularly for young children, regardless of income or geographic location.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA)

The House-passed bill would rescind $19.6 million from the Occupational Safety and Health Administration. This is a 6.3 percent reduction in OSHA funding and effectively a 12.6 percent reduction since it comes so late in the fiscal year. The rescission would have a dramatic impact on OSHA's ability to fulfill its mission to protect workers and on the Administration's efforts to make the agency more effective. This rescission would hinder OSHA's compliance assistance programs and education and training initiatives, as well as enforcement, resulting in an estimated 6,300 additional preventable injuries.

H.R. 1158 MAKING EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR ADDITIONAL DISASTER ASSISTANCE AND MAKING RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1995, AND FOR OTHER PURPOSES

This Statement of Administration Policy provides the Administration's views on the supplemental appropriations and rescissions bill as reported by the House Appropriations Committee.

The Administration strongly opposes this bill in its present form. We believe that it unnecessarily cuts valuable, proven programs that educate our children and aid the disadvantaged. The Administration also opposes cuts for programs that were established to ensure our Nation's role in the advancement of technology. We also strongly oppose a provision in the bill that would upset the balance contained in current law concerning Federal funding of abortions for the victims of rape and incest and a provision that would prohibit implementation of the Executive Order on striker replacements. Based on all of these considerations, if the President were presented a bill containing these provisions, the Director of the Office of Management and Budget would recommend that he veto the bill.

As the President said in his February 14, 1995, letter, the Administration is proud of its record for reducing the deficit while providing prompt assistance to the victims of natural disasters. The Budget Enforcement Act, signed by President Bush, established the authority for the President and Congress to exempt certain spending from statutory caps, specifically for the purpose of meeting emergency, unanticipated requirements. This joint designation by the President and the Congress has been used over the last four years to provide critical assistance in response to earthquakes, hurricanes, floods, extreme cold and agricultural disasters, and for other purposes.

The Administration remains firmly committed to deficit reduction. In 1993, the Administration worked with the Congress to enact the largest deficit reduction package in history. We cut Federal spending $255 billion over five years, cut taxes for 40 million low- and moderate-income Americans, and made 90 percent of small businesses eligible for tax relief, while increasing income tax rates only on the wealthiest 1.2 percent of Americans. As we placed a tight ''freeze' on overall discretionary spending at the FY 1993 levels, we shifted spending toward investment in human and physical capital that will help secure our future.

This Administration's economic plan helped bring the deficit down from $290 billion in FY 1992, to $203 billion in FY 1994, to a projected $193 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President.

We believe that we can address the issue of deficit reduction and provide for the Middle Class Bill of Rights without putting low-income families at risk. The Administration does not believe that sound programs, particularly those aimed at the disadvantaged and those that will ensure our Nation's standing in areas of science and technology, should be cut. It would be particularly unwise to make such cuts to finance a tax cut for higher-income taxpayers.

In the FY 1996 Budget, the President has proposed significant rescissions for FY 1995 and additional program terminations in FY 1996 for numerous low-priority programs. In contrast, this bill would impose severe reductions on a number of high-priority programs. These cuts would have a particularly harmful effect on our Nation's children by cutting funding for National Service, Summer Jobs, and WIC. Many of the cuts are shortsighted, reducing funding for education, for advanced technology programs that are critical to our Nation's future, and eliminating funding for the Community Development Financial Institutions (CDFI) Fund, which would be instrumental in leveraging investments in our country's most distressed communities. Other cuts would adversely affect the health of Americans by cutting safe drinking water funding and violent crime prevention programs.

The Administration is opposed to an amendment that was added by the Committee that would allow states to decide to stop using public funds to pay for abortions in cases of rape and incest. The President believes that abortion should be safe, legal, and rare. The Administration is committed to ensuring that women who are victims of rape and incest have the right to choose abortion as an option. A woman should not be precluded from choosing this option if she is poor.

The Administration opposes a provision in the bill that would prohibit the Executive Branch from using FY 1995 funds to issue, implement, administer, or enforce any Executive Order or other rule or order that prohibits Federal contracts with companies that hire permanent replacements for striking employees. This provision would impinge upon the Executive Branch's ability to ensure a stable supply of quality goods and services for the government's programs.

The Administration objects to an amendment that was added by the Committee that would mandate a minimum level of timber salvage sales from Forest Service and Bureau of Land Management lands. The Department of Justice has advised that enactment of this amendment would likely result in renewed judicial review of the President's Forest Plan and could reduce timber, grazing, and mining activities in the West. The Administration is already taking steps to restore and sustain significant levels of timber harvest in the immediate future. In addition, the Administration will shortly announce changes in the consultation process designed to expedite review of timber salvage sales as well as other actions to increase timber harvest, in full compliance with environmental laws.

The Administration is disappointed that the Committee has chosen to include urgently needed FEMA emergency supplemental funds in this controversial bill. This could cause an unnecessary delay in assistance to victims of natural disasters. If action on the Administration's request is delayed, FEMA will, beginning in May, be unable to allocate funds to meet any new disaster requirements, unless money reserved for the 40 states currently receiving disaster assistance is cut.

Additional Administration concerns with the Committee-reported bill are contained in the attachment.

ADDITIONAL CONCERNS AS REPORTED BY THE HOUSE FULL COMMITTEE

FEMA DISASTER RELIEF

P.L. 102–229, the Dire Emergency Supplemental Appropriations Act of 1992, contained a special provision on emergency designations under the Budget Enforcement Act (BEA) for FEMA Stafford Act activities. That provision specifies that all appropriations for disaster assistance in excess of the then historical annual average obligation of $320 million (or the amount of the President's budget request, whichever is lower) ''shall be considered as 'emergency requirements' pursuant to'' the BEA, and ''such amounts shall hereafter be so designated.'' This provision is permanent law applying in FY 1993 and ''thereafter,'' and expressly applies ''notwithstanding any other provision of law.'' In FY 1995, the President requested and the Congress did in fact appropriate $320 million for FEMA disaster activities.

The Administration is disappointed that the Committee has decided to disregard this provision of law and to include this emergency funding in a controversial rescission bill, which will inevitably lead to delay.

SUMMER JOBS

The Summer Jobs Program provides meaningful work experience for hundreds of thousands of economically disadvantaged youth who might otherwise not have any opportunity to learn necessary job skills and workplace behaviors during crucial formative years. The proposed rescission would eliminate funding for the Summer Youth Employment program in each of the summers of 1995 and 1996, thereby eliminating job opportunities for about 615,000 disadvantaged youth in each of these summers. The Administration strongly believes that improving the job prospects of at-risk youth is an important element in a broader strategy to ensure employment opportunities for all Americans and a vibrant, productive workforce for U.S. business. The House is urged to restore funding for this important initiative.

NATIONAL SERVICE

The proposed $210 million rescission for the Corporation for National and Community Service would reduce significantly the President's National Service program, depriving more than 15,000 young adults of the opportunity to serve their communities as an AmeriCorps member and earn an education benefit. The proposed rescission would eliminate funding for the opportunity for thousands of school children to learn about responsibility to their community for the first time.

This program has a proven track record. For example, AmeriCorps members have already reclaimed recreation areas in inner cities from gangs, and thousands of low-income and migrant children have received proper immunizations to protect their health.

The Administration strongly believes that national service is a key to solving problems inside America's communities. The House is urged to restore funding for this important program.

WOMEN, INFANTS, AND CHILDREN (WIC)

The bill would reduce funds available for the Special Supplemental nutrition Program for Women, Infants, and Children (WIC) by $25 million. The WIC program provides nutritious supplemental foods to low-income pregnant, post-partum, and breastfeeding women, and to infants and children up to their fifth birthday. The Committee's action would result in 600,000 fewer food packages for women, infants, and children. Jeopardizing the health and welfare of these mothers and children cannot be justified.

EDUCATION PROGRAMS

The bill would reduce by over one-third ($174 million) the funding for Goals 2000, which would greatly diminish support to States and communities for raising academic standards and improving their local schools. The bill also proposes to cut the Education for the Disadvantaged program by $105 million, which would reduce services to educationally disadvantaged children. The bill's sharp reduction in funding for education technology program ($65 million) would enable fewer local communities to put state-of-the-art tools of learning in classrooms where they are most needed to prepare our students for the future.

SCIENCE AND TECHNOLOGY

This Administration remains firmly committed to increasing the Nation's productivity and raising living standards by investing in science and technology. These investments will lead to a healthy, educated public; job creation and economic growth; world leadership in science, mathematics, and engineering; and harnessed information technology. The rescissions proposed in this bill for many of the programs in the Department of Commerce would severely threaten the United States' standing with respect to technology advancements and competitiveness.

The proposed rescission of funds for the Manufacturing Extension Partnership Program at the National Institute of Standards and Technology (NIST) would reduce the number of new centers established from 36 to 10. This would result in reduced access to state-of-the-art manufacturing technology and techniques by U.S. manufacturers—a key component of the U.S. economy.

The $30 million rescission proposed for the National Information Infrastructure Grants program would eliminate grants to about 70–90 schools, hospitals, non-profits, and state and local governments. This action would decrease the credibility of the program as a funding source and thus discourage private sector matching grants to program applicants.

Reductions are also proposed for the Department of Energy's (DOE) solar, renewable energy, and conservation research programs. Such reductions would threaten our national effort to implement fully the Energy Policy Act of 1992 and the Climate Change Action Plan. Reduction to the DOE science budget also would adversely impact climate change, human genome, and neutron research. In addition, the $45 million reduction to the Environmental Management program would impede progress at several of the Department's cleanup sites.

The proposed rescission of $16.8 million, or 10 percent of the operating budget of the National Biological Service in the Department of the Interior, this late in the fiscal year, will force the Service to consider closing one or more of the four major Centers located in Lafayette, Louisiana; Seattle, Washington; Ann Arbor, Michigan; and Anchorage, Alaska; as well as several other laboratories. This would severely hamper the Service's ability to provide basic scientific information the land managing bureaus within the Department, including programs in the Pacific Northwest, and would eliminate joint State projects underway in more than 30 States.

The House is urged not to imperil our Nation's standing on the technology frontier.

VIOLENT CRIME AND DRUG ABUSE CONTROL

The Administration is concerned that the Committee has chosen to rescind nearly $482 million in funding for the Safe and Drug Free School Program at the same time that every poll shows that crime and school safety are a major concern of Americans. This program is the centerpiece of the Administration's fight against the use of drugs and stimulants by an alarmingly increasing number of our youth.

The Administration opposes the Committee's recommendation to rescind $65 million for violent crime prevention and drug control initiatives funded through the Violent Crime Reduction Trust Fund. Of this amount, nearly $28 million would come from

the Drug Courts program, which will provide drug treatment and real opportunities for rehabilitation for non-violent, first-time drug offenders. Another $37 million would come from the Family and Community Endeavor Schools (FACES) program, which seeks to provide healthy alternatives to the streets for youth.

HOUSING ASSISTANCE

As currently drafted, this bill would threaten the well-being of our Nation's most needy and vulnerable citizens and would wreak havoc upon the stability of our Nation's most distressed communities. The draconian cuts targeted towards programs of the Department of Housing and Urban Development would deny help to 63,000 needy, low-income households, including many homeless families. The bill would also prevent another 24,000 homeless families from moving to transitional or permanent housing during this fiscal year. Hundreds of communities would lose money that they have counted on for critical community needs such as housing rehabilitation and social services for the elderly. The House is urged to restore funding to these vital areas.

In addition, the rescission of all FY 1995 funding for the Federal Government's primary rural multi-family rental housing direct loan program (section 515) would put thousands of rural residents living in existing Federal multi-family projects at risk and jeopardize the Government's investment in these projects. Many of the Department of Agriculture's projects need to be rehabilitated and, without the FY 1995 funding, would be in danger of being closed.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) FUND

The proposed rescission of $124 million would terminate this program. Without this funding, the CDFI Fund would not be able to provide: $10 million in direct loan subsidies to support over $23 million of direct loans to CDFIs; $50 million in grants, technical assistance, and other financial assistance to CDFIs; and $20 million in community development incentives for depository institutions. The Fund's investments in CDFIs, banks, and thrifts would leverage an estimated $500 million in investments, loans, and financial services in the country's most distressed communities. The House is urged to restore this funding.

INTERNATIONAL PROGRAMS

The bill does not appropriate the requested $672 million emergency supplemental for assessed U.N. peacekeeping costs that will accrue during FY 1995. The United States is bound by treaty to pay these costs. Failure to pay them by the end of the fiscal year will imperil the continuity of U.N. missions in regions of great importance to the U.S. national security and foreign policy interests. Rather than approve the requested supplemental, the Committee has rescinded peacekeeping funds.

This bill provides only $50 million of the $275 million requested for Jordan debt forgiveness. This debt forgiveness is linked to the historic steps taken by King Hussein to conclude a peace agreement with Israel, an act that markedly improved prospects for overall peace in the region and that involved considerable risk for King Hussein. We urge the House to provide the requested funds for Jordan debt forgiveness in support of the hopeful developments in this region.

HIGHWAYS—EMERGENCY RELIEF

This bill would eliminate $351 million in funding previously appropriated in response to the Northridge earthquake and other disasters. Over $50 million of this amount is expected to be needed just to meet claims for flood damage in California and Washington. In addition to leaving the Department of Transportation unable to meet the funding needs of existing disasters, this rescission would eliminate the Department's ability to respond promptly to future disasters.

Instead of recommending rescission of these needed funds, the Administration urges the House to cancel unobligated balances of highway demonstration projects, as proposed in the President's FY 1996 Budget.

DRINKING WATER STATE REVOLVING FUNDS

The rescission of $1.3 billion in funds to help municipalities comply with Safe Drinking Water Act requirements would seriously exacerbate local financing problems. Municipalities need almost $9 billion in capital costs to comply with existing regulations and additional billions to comply with future rules needed to prevent problems such as the cryptosporidium outbreak in Milwaukee in 1993 that killed 100 people and caused illness in another 400,000.

Most affected by this rescission would be the 27 million people who get their water from a system that has violated drinking water standards. If Congress fails to authorize the drinking water state revolving fund program, these funds can be used without further Congressional action to address the $137 billion in wastewater construction needs.

COAST GUARD

The Administration opposes action to reduce Coast Guard operating expenses while supplementing funding for expenses related to operations in Haiti and Cuba. Offsets to pay for those activities deemed an emergency by the Administration are counterproductive. Additional cuts would negate the effects of the supplemental, thereby rendering the Coast Guard less able to provide the level of service the public expects.

CORPORATION FOR PUBLIC BROADCASTING

The Administration believes that the Committee's action to reduce funding for the Corporation for Public Broadcasting (CPB) by a total of 23 percent from FY 1995 to FY 1997 is excessive and shortsighted. The Administration is committed to providing equal access to educational opportunities, particularly for young children, regardless of income or geographic location.

H.R. 1158—MAKING EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR ADDITIONAL DISASTER ASSISTANCE AND MAKING RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1995, AND FOR OTHER PURPOSES

H.R. 1159—MAKING SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1995 AND FOR OTHER PURPOSES

This Statement of Administration Policy provides the Administration's views on the two supplemental appropriations and rescissions bills, H.R. 1158 and H.R. 1159, as reported by the House Appropriations Committee.

The Administration strongly opposes both of these bills in their present form. We believe that they unnecessarily cut valuable, proven programs that educate our children and aid the disadvantaged. The Administration also opposes cuts for programs that were established to ensure our Nation's role in the advancement of technology. We also strongly oppose a provision in the bill which would upset the balance contained in current law concerning Federal funding of abortions for the victims of rape and incest and a provision that would prohibit implementation of the Executive Order on striker replacements. Based on all of these considerations, if the President were presented a bill containing the provisions of these two bills, the Director of the Office of Management and Budget would recommend that he veto the bill.

As the President said in his February 14, 1995, letter, the Administration is proud of its record for reducing the deficit while providing prompt assistance to the victims of natural disasters. The Budget Enforcement Act, signed by President Bush, established the authority for the President and Congress to exempt certain spending from the statutory caps, specifically for the purpose of meeting emergency, unanticipated requirements. This joint designation by the President and the Congress has been used over the last four years to provide critical assistance in response to earthquakes, hurricanes, floods, extreme cold and agricultural disasters, and for other purposes.

The Administration remains firmly committed to deficit reduction. In 1993, the Administration worked with the Congress to enact 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 businesses eligible for tax relief, while increasing income tax rates only on the wealthiest 1.2 percent of Americans. As we placed a tight ''freeze'' on overall discretionary spending at the FY 1993 levels, we shifted spending toward investments in human and physical capital that will help secure our future.

This Administration's economic plan helped bring the deficit down from $290 billion in FY 1992, to $203 billion in FY 1994, to a projected $193 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President.

We believe that we can address the issue of deficit reduction and provide for the Middle Class Bill of Rights without putting low-income families at risk. The Administration does not believe that sound programs, particularly those aimed at the disadvantaged and those that will ensure our Nation's standing in areas of science and technology, should be cut. It would be particularly unwise to make such cuts to finance a tax cut for higher-income taxpayers.

In the FY 1996 Budget, the President has proposed significant rescissions for FY 1995 and additional program terminations in FY 1996 for numerous low priority programs. In contrast, the two House bills, H.R. 1158 and H.R. 1159, would impose severe reductions on a number of high-priority programs. These cuts would have a particularly harmful effect on our Nation's children by cutting funding for National Service, Summer Jobs, and WIC. Many of the cuts are shortsighted, reducing funding for education, for advanced technology programs that are critical to our Nation's future, and eliminating funding for the Community Development Financial Institutions (CDFI) Fund, which would be instrumental in leveraging investments in our country's most distressed communities. Other cuts would adversely affect the health of Americans by cutting safe drinking water funding and violent crime prevention programs.

The Administration is opposed to an amendment that was added by the Committee to H.R. 1159 that would allow states to decide to stop using public funds to pay for abortions in cases of rape and incest. The President believes that abortion should be safe, legal, and rare. The Administration is committed to ensuring that women who are victims of rape and incest have the right to choose abortion as an option. A woman should not be precluded from choosing this option if she is poor.

The Administration opposes a provision in the bill that would prohibit the Executive Branch from using FY 1995 funds to issue,

implement, administer, or enforce any Executive Order or other rule or order that prohibits Federal contracts with companies that hire permanent replacements for striking employees. This provision would impinge upon the Executive Branch's ability to ensure a stable supply of quality goods and services for the government's programs.

The Administration objects to an amendment that was added by the Committee that would mandate a minimum level of timber salvage sales from Forest Service and Bureau of Land Management lands. The Department of Justice has advised that enactment of this amendment would likely result in renewed judicial review of the President's Forest Plan and could reduce timber, grazing, and mining activities in the West. The Administration is already taking steps to restore and sustain significant levels of timber harvest in the immediate future. In addition, the Administration will shortly announce changes in the consultation process in order to expedite review of timber salvage sales as well as other actions to increase timber harvest, in full compliance with environmental laws.

The Administration is disappointed that the Committee has chosen to include urgently needed FEMA emergency supplemental funds in a controversial bill such as H.R. 1158. This could cause an unnecessary delay in assistance to victims of natural disasters. If action on the Administration's request is delayed, FEMA will, beginning in May, be unable to allocate funds to meet any new disaster requirements, unless money reserved for the 40 states currently receiving disaster assistance is cut.

Additional Administration concerns with the Committee-reported bill are contained in the attachment.

ADDITIONAL CONCERNS H.R. 1158—EMERGENCY SUPPLEMENTAL/RESCISSION BILL

FEMA DISASTER RELIEF

P.L. 102–229, the Dire Emergency Supplemental Appropriations Act of 1992, contained a special provision on emergency designations under the Budget Enforcement Act (BEA) for FEMA Stafford Act activities. That provision specifies that all appropriations for disaster assistance in excess of the then historical annual average obligation of $320 million (or the amount of the President's budget request, whichever is lower) ''shall be considered as 'emergency requirements' pursuant to'' the BEA, and ''such amounts shall hereafter be so designated.'' This provision is permanent law applying in FY 1993 and ''thereafter,'' and expressly applies ''notwithstanding any other provision of law.'' In FY 1995, the President requested and the Congress did in fact appropriate $320 million for FEMA disaster activities.

The Administration is disappointed that the Committee has decided to disregard this provision of law and to include this emergency funding in a controversial rescission bill, which will inevitably lead to delay.

SUMMER JOBS

The Summer Jobs Program provides meaningful work experience for hundreds of thousands of economically disadvantaged youth who might otherwise not have any opportunity to learn necessary job skills and workplace behaviors during crucial formative years. The proposed rescission would eliminate funding for the Summer Youth Employment program in each of the summers of 1995 and 1996, thereby eliminating job opportunities for about 615,000 disadvantaged youth in each of these summers.

The Administration strongly believes that improving the job prospects of at-risk youth is an important element in a broader strategy to ensure employment opportunities for all Americans and a vibrant, productive workforce for U.S. business. The House is urged to restore funding for this important initiative.

NATIONAL SERVICE

The proposed $210 million rescission for the Corporation for National and Community Service would reduce significantly the President's National Service program, depriving more than 15,000 young adults of the opportunity to serve their communities as an AmeriCorps member and earn an education benefit. The proposed rescission would eliminate funding for the opportunity for thousands of school children to learn about responsibility to their community for the first time.

This program has a proven track record. For example, AmeriCorps members have already reclaimed recreation areas in inner cities from gangs, and thousands of low-income and migrant children have received proper immunizations to protect their health.

The Administration strongly believes that national service is a key to solving problems inside America's communities. The House is urged to restore funding for this important program.

WOMEN, INFANTS, AND CHILDREN (WIC)

The bill would reduce funds available for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) by $25 million. The WIC program provides nutritious supplemental foods to low-income pregnant, post-partum, and breastfeeding women, and to infants and children up to their fifth birthday. The Committee's action would result in 600,000 fewer food packages for women, infants, and children. Jeopardizing the health and welfare of these mothers and children cannot be justified.

EDUCATION PROGRAMS

The bill would reduce by over one-third ($174 million) the funding for Goals 2000, which would greatly diminish support to States and communities for raising academic standards and improving their local schools. The bill also proposes to cut the Education for the Disadvantaged program by $105 million, which would reduce services to educationally disadvantaged children. The bill's sharp reduction in funding for education technology programs ($65 million) would enable fewer local communities to put state-of-the-art tools of learning in classrooms where they are most needed to prepare our students for the future.

SCIENCE AND TECHNOLOGY

This Administration remains firmly committed to increasing the Nation's productivity and raising living standards by investing in science and technology. These investments will lead to a healthy, educated public; job creation and economic growth; world leadership in science, mathematics, and engineering; and harnessed information technology. The rescissions proposed in this bill for many of the programs in the Department of Commerce would severely threaten the United States' standing with respect to technology advancements and competitiveness.

The proposed rescission of funds for the Manufacturing Extension Partnership Program at the National Institute of Standards and Technology (NIST) would reduce the number of new centers established from 36 to 10. This would result in reduced access to state-of-the-art manufacturing technology and techniques by U.S. manufacturers—a key component of the U.S. economy.

The $30 million rescission proposed for the National Information Infrastructure Grants program would eliminate grants to about 70–90 schools, hospitals, non-profits, and state and local governments. This action would decrease the credibility of the program as a funding source and thus discourage private sector matching grants to program applicants.

Reductions are also proposed for the Department of Energy's (DOE) solar, renewable energy, and conservation research programs. Such reductions would threaten our national effort to implement fully the Energy Policy Act of 1992 and the Climate Change Action Plan. Reduction to the DOE science budget also would adversely impact climate change, human genome, and neutron research. In addition, the $45 million reduction to the Environmental Management program would impede progress at several of the Department's cleanup sites.

The proposed rescission of $16.8 million, or 10 percent of the operating budget of the National Biological Service in the Department of the Interior, this late in the fiscal year, will force the Service to consider closing one or more of the four major Centers located in Lafayette, Louisiana; Seattle, Washington; Ann Arbor, Michigan; and Anchorage, Alaska; as well as several other laboratories. This would severely hamper the Service's ability to provide basic scientific information to the land managing bureaus within the Department, including programs in the Pacific Northwest, and would eliminate joint State projects underway in more than 30 States.

The House is urged not to imperil our Nation's standing on the technology frontier.

VIOLENT CRIME AND DRUG ABUSE CONTROL

The Administration is concerned that the Committee has chosen to rescind nearly $482 million in funding for the Safe and Drug Free School Program at the same time that every poll shows that crime and school safety are a major concern of Americans. This program is the centerpiece of the Administration's fight against the use of drugs and stimulants by an alarmingly increasing number of our youth.

The Administration opposes the Committee's recommendation to rescind $65 million for violent crime prevention and drug control initiatives funded through the Violent Crime Reduction Trust Fund. Of this amount, nearly $28 million would come from the Drug Courts program, which will provide drug treatment and real opportunities for rehabilitation for non-violent, first-time drug offenders. Another $37 million would come from the Family and Community Endeavor Schools (FACES) program, which seeks to provide healthy alternatives to the streets for youth.

HOUSING ASSISTANCE

As currently drafted, this bill would threaten the well-being of our Nation's most needy and vulnerable citizens and would wreak havoc upon the stability of our Nation's most distressed communities. The draconian cuts targeted towards programs of the Department of Housing and Urban Development would deny help to 63,000 needy, low-income households, including many homeless families. The bill would also prevent another 24,000 homeless families from moving to transitional or permanent housing during this fiscal year. Hundreds of communities would lose money that they have counted on for critical community needs such as housing rehabilitation and social services for the elderly. The House is urged to restore funding to these vital areas.

In addition, the rescission of all FY 1995 funding for the Federal Government's primary rural multi-family rental housing direct loan program (section 515) would put thousands of rural residents living in existing Federal multi-family projects at risk and jeopardize the Government's investment in these projects. Many of the Department of

Agriculture's projects need to be rehabilitated and, without the FY 1995 funding, would be in danger of being closed.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) FUND

The proposed rescission of $124 million would terminate this program. Without this funding, the CDFI Fund would not be able to provide: $10 million in direct loan subsidies to support over $23 million of direct loans to CDFIs; $50 million in grants, technical assistance, and other financial assistance to CDFIs; and $20 million in community development incentives for depository institutions. The Fund's investments in CDFIs, banks, and thrifts would leverage an estimated $500 million in investments, loans, and financial services in the country's most distressed communities. The House is urged to restore this funding.

INTERNATIONAL PROGRAMS

The bill does not appropriate the requested $672 million emergency supplemental for assessed U.N. peacekeeping costs that will accrue during FY 1995. The United States is bound by treaty to pay these costs. Failure to pay them by the end of the fiscal year will imperil the continuity of U.N. missions in regions of great importance to the U.S. national security and foreign policy interests. Rather than approve the requested supplemental, the Committee has in H.R. 1159 rescinded peacekeeping funds.

HIGHWAYS—EMERGENCY RELIEF

This bill would eliminate $351 million in funding previously appropriated in response to the Northridge earthquake and other disasters. Over $50 million of this amount is expected to be needed just to meet claims for flood damage in California and Washington. In addition to leaving the Department of Transportation unable to meet the funding needs of existing disasters, this rescission would eliminate the Department's ability to respond promptly to future disasters. Instead of recommending rescission of these needed funds, the Administration urges the House to cancel unobligated balances of highway demonstration projects, as proposed in the President's FY 1996 Budget.

DRINKING WATER STATE REVOLVING FUNDS

The rescission of $1.3 billion in funds to help municipalities comply with Safe Drinking Water Act requirements would seriously exacerbate local financing problems. Municipalities need almost $9 billion in capital costs to comply with existing regulations and additional billions to comply with future rules needed to prevent problems such as the cryptosporidium outbreak in Milwaukee in 1993 that killed 100 people and caused illness in another 400,000.

Most affected by this rescission would be the 27 million people who get their water from a system that has violated drinking water standards. If Congress fails to authorize the drinking water state revolving fund program, these funds can be used without further Congressional action to address the $137 billion in wastewater construction needs.

COAST GUARD

The Administration opposes action to reduce Coast Guard operating expenses while supplementing funding for expenses related to operations in Haiti and Cuba. Offsets to pay for those activities deemed an emergency by the Administration are counterproductive. Additional cuts would negate the effects of the supplemental, thereby rendering the Coast Guard less able to provide the level of service the public expects.

CORPORATION FOR PUBLIC BROADCASTING

The Administration believes that the Committee's action to reduce funding for the Corporation for Public Broadcasting (CPB) by a total of 23 percent from FY 1995 to FY 1997 is excessive and shortsighted. The Administration is committed to providing equal access to educational opportunities, particularly for young children, regardless of income or geographic location.

H.R. 1159—NON-EMERGENCY SUPPLEMENTAL/RESCISSION BILL

INTERNATIONAL PROGRAMS

This bill provides only $50 million of the $275 million requested for Jordan debt forgiveness. This debt forgiveness is linked to the historic steps taken by King Hussein to conclude a peace agreement with Israel, an act that markedly improved prospects for overall peace in the region and that involved considerable risk for King Hussein. We urge the House to provide the requested funds for Jordan debt forgiveness in support of the hopeful developments in this region.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, Mar. 1, 1995.

Hon. BOB LIVINGSTON,
Chairman, Committee on Appropriations, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to provide the Administration's views on the two supplemental appropriations and rescission bills that are being considered by the House Appropriations Committee. The Administration strongly opposes these bills in their present form. We believe that they unnecessarily cut valuable, proven programs that aid the disadvantaged in our society and programs that were established to ensure our Nation's role in the advancement of technology.

The Administration remains firmly committed to deficit reduction. In 1993, the Administration worked with the Congress to enact 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 businesses eligible for tax relief, while increasing income tax rates only on the wealthiest 1.2 percent of Americans. While placing a tight ''freeze'' on overall discretionary spending at the FY 1993 levels, we shifted spending toward investments in human and physical capital that will help secure our future.

This Administration's economic plan helped bring the deficit down from $290 billion in FY 1992, to $203 billion in FY 1994, to a projected $193 billion this year—providing three straight years of deficit reduction for the first time since Harry Truman was President.

We believe that we can address the issue of deficit reduction and provide for the Middle Class Bill of Rights without putting low-income families at risk. The Administration does not believe that sound programs, particularly those aimed at the disadvantaged and those that will ensure our Nation's standing in areas of science and technology should be cut. It would be particularly unwise to make such cuts to finance a tax cut for higher income taxpayers.

In the FY 1996 Budget, the President has proposed significant rescissions for FY 1995 and additional program terminations in FY 1996 for numerous low-priority programs. In contrast, the draft House bills would impose severe reductions on a number of high-priority programs. These cuts would have a particularly harmful effect on our Nation's children by cutting funding for National Service, Summer Jobs, and WIC. Many of the cuts are shortsighted, reducing funding for education and for advanced technology programs which are critical to our Nation's future. Other cuts would adversely affect the health of Americans by cutting Ryan White and safe drinking water funding. Examples of the Administration's concerns on specific items are discussed in more detail in the enclosure.

The Administration is disappointed that the Committee has chosen to include urgently needed FEMA emergency supplemental funds in this controversial bill. This could cause an unnecessary delay in assistance to victims of natural disasters. If action on the Administration's request is delayed, FEMA will, beginning in May, be unable to allocate funds to meet any new disaster requirements, unless money reserved for the 40 states currently receiving disaster assistance is cut. We strongly urge the Committee to consider funding for this emergency program in a separate bill.

The Administration believes that the emergency spending provided by the pending legislation is not required to be offset. The Budget Enforcement Act emergency authority was established specifically to provide for the funding of such unanticipated requirements.

As the President said in his February 14, 1995, letter, the Administration is proud of its record for reducing the deficit while providing prompt assistance to the victims of natural disasters. The Budget Enforcement Act, signed by President Bush, established the authority for the President and Congress to exempt certain spending from the statutory caps, specifically for the purpose of meeting emergency, unanticipated requirements. This joint designation by the President and the Congress has been used over the last four years to provide critical assistance in response to earthquakes, hurricanes, floods, extreme cold and agricultural disasters, and for other purposes.

We would encourage the Committee to review its recommendations and adopt a rescission package that is more consistent with the one submitted by the President in his FY 1996 Budget. We look forward to working with the Committee to address our mutual concerns.

Sincerely,

ALICE M. RIVLIN,
Director.

Enclosure.

EXAMPLES OF CONCERNS

MAKING EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR ADDITIONAL DISASTER ASSISTANCE AND MAKING RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1995, AND FOR OTHER PURPOSES

MAKING SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1995, AND FOR OTHER PURPOSES

EMERGENCY SUPPLEMENTAL/RESCISSION BILL

FEMA Disaster Relief

P.L. 102–229, the Dire Emergency Supplemental Appropriations Act of 1992, contained a special provision on emergency designations under the Budget Enforcement Act (BEA) for FEMA Stafford Act activities. That provision specifies that all appropriations for disaster assistance in excess of the historical average obligation of $320 million (or the amount of the President's budget request, whichever is lower) ''shall be considered as 'emergency requirements' pursuant to'' the BEA, and ''such amounts shall hereafter be so designated.'' This provision is permanent law applying in 1993 and ''thereafter,'' and expressly applies ''notwithstanding any other provision of law.'' In FY 1995, Congress did in fact appropriate $320 million for FEMA disaster activities.

The Administration is disappointed that the Committee has decided to disregard this provision of law and include this emergency funding in a controversial rescission bill, which will inevitably lead to delay.

Housing Assistance

As currently drafted, this bill would threaten the well-being of our Nation's most needy and vulnerable citizens and would wreak havoc upon the stability of our Nation's most distressed communities. The draconian cuts targeted towards programs of the Department of Housing and Urban Development would eliminate subsidized housing assistance to 63,000 needy, low-income households, and would prevent 24,000 homeless families from moving to transitional or permanent housing this fiscal year. Hundreds of communities would lose money that they have counted on for critical community needs such as housing rehabilitation and social services for the elderly. The Committee is urged to restore funding to these vital areas.

In addition, the rescission of all FY 1995 funding for the Federal Government's primary rural multi-family rental housing direct loan program (section 515) would put thousands of rural residents living in existing Federal multi-family projects at risk and jeopardizes the Government's investment in these projects. Many of the Department of Agriculture's projects need to be rehabilitated and without the FY 1995 funding are in danger of being closed.

Summer Jobs

The Summer Jobs Program provides meaningful work experience for hundreds of thousands of economically disadvantaged youth who might otherwise not have any opportunity to learn necessary job skills and workplace behaviors during crucial formative years. The proposed rescission would eliminate funding for the Summer Youth Employment program in each of the summers of 1995 and 1996, thereby eliminating job opportunities for about 615,000 disadvantaged youth in each of these summers. The Administration strongly believes that improving the job prospects of at-risk youth is an important element in a broader strategy to ensure employment opportunities for all Americans and a vibrant productive workforce for U.S. business. The Committee is urged to restore funding for this important initiative.

National Service

The proposed $210 million rescission for the Corporation for National and Community Service would reduce significantly the President's national service program, depriving more than 15,000 young adults of the opportunity to serve their communities through AmeriCorps and earn an education benefit. The proposed rescission would eliminate funding for thousands of school children learning about responsibility to their community for the first time.

This program has a proven track record. For example, AmeriCorps has already reclaimed recreation areas in inner cities from gangs, and thousands of low-income and migrant children have received proper immunizations to protect their health.

The Administration strongly believes that national and community service is a key to solving problems inside America's communities. The Committee is urged to restore funding for this important program.

Women, Infants, and Children (WIC)

The bill would reduce funds available for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) by $25 million. The WIC program provides nutritious supplemental foods to low-income pregnant, post-partum, and breastfeeding women, and to infants and children up to their fifth birthday. The Subcommittee's action would result in 600,000 fewer food packages for women, infants, and children. Jeopardizing the health and welfare of these mothers and children cannot be justified.

Education Programs

The bill would reduce by over one-third ($174 million) the funding for Goals 2000, which would greatly reduce support to States and communities to raise academic standards and improve their local schools. The bill also proposes to cut the Education for the Disadvantaged program by $105 million, which would reduce services to educationally disadvantaged children. The bill's sharp reduction in funding for education technology programs ($65 million) would enable fewer local communities to put state-of-the-art tools of learning in classrooms where they are most needed to prepare our students for the future.

Science and Technology

This Administration remains firmly committed to increasing the Nation's productivity and raising living standards by investing in science and technology. These investments will lead to a healthy, educated public; job creation and economic growth; world leadership in science, mathematics, and engineering; and harnessed information technology. The rescissions proposed in this bill for many of the programs in the Department of Commerce would severely threaten the United States' standing with respect to technology advancements and competitiveness.

The proposed rescission of funds for the Manufacturing Extension Partnership Program at the National Institute of Standards and Technology (NIST) would reduce the number of new centers established from 36 to 10. This would result in reduced access to state-of-the-art manufacturing technology and techniques by U.S. manufacturers—a key component of the U.S. economy.

The $30 million rescission proposed for the National Information Infrastructure Grants program would eliminate grants to about 70–90 schools, hospitals, non-profits, and state and local governments. This action would decrease the credibility of the program as a funding source and thus discourage private sector matching grants to program applicants.

Reductions are also proposed for the Department of Energy's (DOE) solar, renewable energy, and conservation research programs. Such reductions would threaten our national effort to fully implement the Energy Policy Act of 1992 and the Climate Change Action Plan. Reduction to the DOE science budget also would adversely impact climate change, human genome, and neutron research. In addition, the $45 million reduction to the Environmental Management program would impede progress at several of the Department's cleanup sites.

The Committee is urged not to imperil our Nation's standing on the technology frontier.

Violent Crime and Drug Abuse Control

The Administration opposes the decision to rescind $67 million for violent crime prevention and drug control initiatives funded through the Violent Crime Reduction Trust Fund. Of this amount, nearly $28 million would come from the Drug Courts program, which will provide drug treatment and real opportunities for rehabilitation for non-violent, first-time drug offenders. All funding for the Ounce of Prevention Council would be rescinded. Over $36 million would come from the Family and Community Endeavor Schools (FACES) program, which seeks to provide healthy alternatives to the streets for youth.

The Administration is concerned that the Subcommittees have chosen to rescind nearly $482 million in funding for the Safe and Drug Free School Program at the same time that every poll shows that crime and school safety are a major concern of Americans. This program is the centerpiece of the Administration's fight against the use of drugs and stimulate by an alarmingly increasing number of our youth.

Highways

This bill would eliminate $351 million in funding previously appropriated in response to the Northridge earthquake and other disasters. Over $50 million of this amount is expected to be needed just to meet claims for flood damage in California and Washington. In addition to leaving the Department Transportation unable to meet the funding needs of existing disasters, this rescission would eliminate the Department's ability to respond promptly to future disasters. Instead of recommending rescission of these needed funds, the Administration urges the Committee to cancel unobligated balances of highway demonstration to projects, as proposed in the President's FY 1996 Budget.

Drinking Water State Revolving Funds

The rescission of $1.3 billion in funds to help municipalities comply with Safe Drinking Water Act requirements would seriously exacerbate local financing problems. Municipalities need most $9 billion in capital costs to comply with existing regulations and additional billions to comply with future rules needed to prevent problems such as the crytosporidium outbreak in Milwaukee that killed 100 people and caused illness and another 400,000.

Most affected by this rescission would be the 27 million people who get their water from a system that has violated drinking water standards. If Congress fails to authorize this program, these funds can be used without further Congressional action to address the $137 billion in wastewater construction needs.

Coast Guard

The Administration opposes action to reduce Coast Guard operating expenses while supplementing funding for expenses related to operations in Haiti and Cuba. Offsets to pay for those activities deemed an emergency by the Administration are counterproductive. Additional cuts would negate the effects of the supplemental, thereby rendering the Coast Guard less able to provide the level of service the public expects.

Non-Emergency Supplemental/Rescission Bill

Striker Replacements

The Administration opposes a provision in the bill that would prohibit the Executive Branch from using FY 1995 funds to issue, implement, administer, or enforce any Executive Order or other rule or order that prohibits Federal contracts with companies that hire permanent replacement for striking employees. This provision would impinge upon the Executive Branch's ability to ensure a stable supply for quality goods and services for the government's programs. We urge the Committee to strike this provision.

International Programs

Neither of the bills under consideration appropriates the requested $672 million emergency supplemental for assessed U.N. peacekeeping costs that will accrue during FY 1995. The United States is bound by treaty to pay these costs. Failure to pay them by the end of the year will imperil the continuity of U.N. missions in regions of great importance to the U.S. national security and foreign policy interests.

The non-emergency supplemental/rescission bill provides only $50 million of the $275 million requested for Jordan debt forgiveness. This debt forgiveness is linked to the historic steps taken by King Hussein to conclude a peace agreement with Israel, and act that markedly improved prospects for overall peace in the region and that involved considerable risk for King Hussein. We urge the

Committee to provide the requested funds for Jordan debt forgiveness in support of the hopeful developments in this region.

Agricultural Stabilization and Conservation Service (ASCS)

The Administration objects to the $10 million in unrequested supplemental appropriations for salaries and expenses for the former Agricultural Stabilization and Conservation Service (ASCS), now part of the Department of Agricultural's Consolidated Farm Service Agency (AFSA). The additional funds are not needed, particularly since FY 1995 appropriations for the ASCS were already $13 million greater than requested by the Administration. At a time when Federal employees are being reduced government-wide, it is inappropriate to provide additional funds to more county office personnel managed by a Federal agency. The presence of surplus funds in CFSA would not facilitate a timely transition to the streamlined CFSA organization of the future.

Mr. LIVINGSTON. Mr. Speaker, I yield such time as she may consume to the distinguished gentlewoman from Nevada [Mrs. VUCANOVICH], the chairman of the Subcommittee on Military Construction.

(Mrs. VUCANOVICH asked and was given permission to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, I thank the chairman for yielding me the time.

Mr. Speaker, today is a historic day, finally a balanced budget. I rise in support of the conference report.

Mr. LIVINGSTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. HERGER],

Mr. HERGER. Mr. Speaker, I rise today on behalf of the Americans who are concerned about the proposed veto threat by their President.

Mr. Speaker, last summer fire storms roared through Northern California, threatening to destroy entire communities. Last spring this same area was ravaged by devastating floods which left thousands homeless. During these calamities families and communities cried out to the President for help.

Today we will give the President the means to help these people, but he is turning his back on them. We offer relief to thousands of flood victims, but the President is turning his back. We offer a timber salvage plan to protect forest communities from incinerating fires, but the President is again turning his back.

Mr. Speaker, the President is turning his back, but we are not. Today we will show these Americans who has the real compassion. I urge my colleagues to vote ''yes'' on the conference report.

Mr. LIVINGSTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. DELAY].

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

Mr. Speaker, I would like to take this time to bring Members' attention to language in this bill that I believe represents the opening salvo in the fight to win freedom for our States and our constituents from entrenched EPA bureaucrats and the regulatory tyranny imposed by the Clean Air Act.

There are Members of both bodies that better wake up and recognize that there's rebellion in the streets over the heavy handed, misguided, EPA directed inspection and maintenance program.

I fought hard to get strong language in this bill that would force EPA to correct their flawed program and bring immediate relief to States. The best we could get was language sending an explicit warning to EPA that if they fail to demonstrate clear flexibility in allowing States to design programs that fit their particular air situations, that we would come back and put that strong language on the next available vehicle.

Those of us who understand the arrogance and intransigence EPA has exhibited in dealing with the concerns of States will be watching EPA's actions very closely looking for the first misstep. I submit to my colleagues that EPA cannot be trusted to make the reasonable changes necessary.

Because the EPA has refused to be flexible to date, 15 States will be subject to sanctions in the next 3 months. Their I&M programs have either been delayed or suspended or the State has refused to comply with the requirement altogether. Some States have grass roots efforts pushing for total repeal.

Mr. Speaker, make no mistake, this is just round one. If EPA has any sense at all, they will take a good look at the language in this bill and think long and hard before they reject a State plan, like the one Texas has proposed, that addresses the unique air problems of that State.

Mr. DELAY. Mr. Speaker, I rise in support of this rescission bill.

Mr. LIVINGSTON. Mr. Speaker, I reserve the right to close.

The SPEAKER pro tempore (Mr. WALKER). The gentleman from Louisiana [Mr. LIVINGTON] has 3 minutes remaining, and the gentleman from Wisconsin [Mr. OBEY] has 5 minutes remaining.

Mr. OBEY. Mr. Speaker, I yield the remainder of our time to the gentleman from Missouri [Mr. GEPHARDT], the distinguished minority leader.

The SPEAKER pro tempore. The gentleman from Missouri is recognized for 5 minutes.

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

Mr. GEPHARDT. Mr. Speaker, I rise to first answer the charge that has been made that this President is not concerned about victims of natural disasters.

In my view this President and this Federal Emergency Administration has done more faster to help people who are in need in natural disasters than any administration I can remember. We will get a piece of legislation to his desk that will handle those problems.

But I rise today to make one fundamental point. Shame on those who vote for tax cuts for the wealthy and budget cuts for children from struggling families. Make no mistake about it, that is what this bill does. It cuts food and nutrition for pregnant women and babies, a program that saves nearly 4 times what it costs.

It eliminates the summer jobs program, which has enabled so many young people to lift themselves out of poverty and off of welfare.

It even cuts medical equipment that is desperately needed to care for our veterans. And heat for the low-income elderly, a program that literally saves people from freezing to death.

These cuts would be reckless and unfair no matter what purpose they served. But to make these deep and dangerous cuts to pay for a tax cut for the wealthiest people in the country, to give a $20,000-a-year windfall to the people who do not need it, those earning more than $350,000 a year, is simply unconscionable.

Mr. Speaker, when this bill was originally passed in the House, we at least had a guarantee because we had voted for the guarantee that not a dime of these cuts would be used for tax breaks for the privileged few. Now that guarantee has been stripped out of this bill. The money saved by these cuts goes right from the hardworking middle class to the wealthiest people in the country, the most outrageous redistribution of income since the days of the robber barons. That is why we have to vote against this bill in the name of the deficit but also in the name of common decency.

I urge Members of defeat this wrongheaded rescission bill. We do not need more tax perks for the privileged at a devastating cost to the people of this country.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER pro tempore. The gentleman from Louisiana has 3 minutes remaining.

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

Mr. LIVINGSTON. Mr. Speaker, a few housekeeping matters. There is no rescission in this conference agreement for any VA construction projects or equipment purchases. There are no tax cuts in this bill. And for the benefit of anyone in the White House, this committee has no jurisdiction over tax cuts.

This bill does not pay for tax cuts. What it does do is provide billions of dollars for many deserving Americans who need help to rebuild their lives after the Oklahoma City tragedy, after the California earthquake and floods, after the Texas and Louisiana floods and all those other disasters across the land.

□ 1830

This bill, Mr. Speaker, provides $250 million for Oklahoma City, just as the President asked. It provides $275 million for the Jordan debt relief that he asked for. It provides $6.7 billion for FEMA emergency assistance that he asked for.

Unfortunately, it struck the striker-replacement language that I favored, but he asked us to strike it; and in

order to get a compromise with the other body it was struck.

It includes emergency salvage timber sales language that will allow tens of thousands of people in the Northwest to go back to work, and the bill also cuts the deficit by $16.4 billion, the largest single rescission of existing appropriations in the history of the Nation. It gives us a net savings to the American taxpayer in fiscal year 1995 of $9.1 billion, the largest savings to the American taxpayer in the history of the country.

What this bill says to the American people is that we can meet our emergencies, that we can pay for them, and that we can move toward a balanced budget for the first time since 1969. We can protect the future of our children and our grandchildren.

Mr. Speaker, this bill is a good deal. A good deal for present and current Americans and their children and their grandchildren, and a no vote against this bill would be irresponsible and a veto by the President of the United States would be irresponsible.

I urge the Members of this body to adopt this conference report.

Mrs. COLLINS of Illinois. Mr. Speaker, earlier the majority in this body passed their budget resolution to effectively restructure future Federal tax and spending policies to benefit the most well-to-do individuals and largest corporations in the United States at the expense of hardworking Americans and their families. We now have before us a piece of legislation which reaches back into last year's appropriations and cruelly snatches away already allocated Federal funding for numerous initiatives vital to our local communities and constituents. Like the Energizer Bunny, the ''Contract on America'' just keeps going and going and going.

The GOP leadership likes to give lip service to the issue of empowerment, to helping people help themselves. However, this rescissions package flies in the face of such a philosophy. What the Republicans are really saying with this conference report, with the budget resolution which just passed, is ''We just don't care.''

However, residents of the Seventh Congressional District in Illinois, my constituents, care deeply about the reckless nature of the GOP budget axe and its disastrous impact on them, their families, and their communities.

Of great concern is the status of the Low-Income Home Energy Assistance Program [LIHEAP], which helps 2 million struggling senior citizens meet the high costs of their winter heating bills without having to make a choice between those bills and their daily meals and medicine. Yet the GOP indiscriminately guts LIHEAP by 25 percent. As a result, tens of thousands of Chicago households that were served in fiscal year 1995 will be threatened, not to mention those who have been on waiting lists.

Mr. Chairman, in a city such as mine, where on an average winter day the temperature hovers around 10 degrees, with the wind chill in the negative double digits, you tell me this is a sound policy decision. Tell the family of 60-year-old Earline Hooker, who froze to death in January in Chicago because she wasn't able to get LIHEAP assistance, that this program is wasteful or unnecessary. I challenge you.

In keeping with the GOP assault on our children and our future as a nation, this bill steals all hope and opportunity away from 600,000 of our disadvantaged youngsters through the eradication of the summer jobs program in 1996—a proven program that provides basic skills, income, and work experience. Across the Chicago metropolitan area next summer, kids who had looked forward to being entrusted with responsibility and leadership will now be faced with hanging on the streetcorner with nothing to do but get into trouble. So much for promoting positive alternatives for our youth. But again, the Republican leadership just doesn't care.

The GOP also doesn't care that this legislation punishes low-income babies and their moms with a $20 million cut from the Women, Infants, and Children Nutrition Program, an $85 million cut in the lead-based paint abatement program. They're poor, who cares?

Yet one of the most disturbing portions of this bill is its complete lack of regard for the plight of public housing residents in this Nation and the neighborhoods in which they live and work. Although the Department of Housing and Urban Development has already begun a serious effort to restructure and make Federal housing and development programs more efficient and responsive to local needs, the Republicans don't want to hear it. They just want to slash, cut, and burn without regard to the necessity or productivity of the program or who gets hurt.

HUD has estimated that the $6.3 billion in housing cuts in this bill will result in the elimination of thousands of low-income housing units in my city of Chicago. Assistance will be lost for public housing modernization and operating subsidies, seriously disrupting already weakened maintenance and security for residents. In addition, needed funds to help the homeless and individuals with AIDS find suitable shelter is out the window. Explain to me how in the world this helps meet the goal of ''a kinder, gentler nation,'' for which former President Bush and his Republican friends reportedly advocated. I don't think so.

With respect to the issue of disaster relief for the California earthquakes and the tragedy in Oklahoma, no one in Congress wishes to hold up that aid and charges that opposition to this conference report will do that are unfounded. The Republican majority knows full well that they could craft a bill today for these important purposes, pass it, and send it to the President's desk for signature without delay.

Mr. Chairman, I urge my colleagues to vote no on the Republican rescissions conference report and put a quick halt to the GOP's careless, reckless beginning to this second 100 days. Take a stand—the President has.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise in support of the conference report to H.R. 1158.

Mr. Speaker, as a new Member of the House, I voted for a balanced budget amendment knowing full well that such a measure would require tough choices. While some contend that we don't need such an amendment, personally I felt that our Nation's future depended on it.

Our national debt is staggering, our annual deficit continues to grow, and our actions today on this conference report mark the first real step to protect future generations. We are here for our children and grandchildren, pure and simple. If we act today we give them a greater measure of security. Most important, this first tough vote may give them a chance to have the opportunities we enjoy: a great education, the prospect of a real job and an opportunity for a better future. Our vote today is a downpayment on a balanced budget.

Let's be clear this package is a $16.4 billion reduction out of a total of a $1.5 trillion budget. It is less than a 1 percent reduction.

The bottom line is that we need to start the process. What better steps than to consolidate a horde of programs, some highly duplicative, some unauthorized by Congress itself, some with unjustified increases, and others paralyzed in the money pipeline with little likelihood of being spent.

I am astonished that President Clinton is considering using his first veto on this bill that would reduce Federal spending by $16.4 billion and provide emergency funding for the California floods and the Oklahoma City bombing recovery effort.

The President and the Democrats have made their position clear—which is that they intend to sit on the sidelines while the Republicans balance the Federal budget. As I said early, this reduction represents less than 1 percent of the Federal budget, and yet the President thinks that is too much. It is ironic and saddening that the very day the House will vote on the first real balanced budget plan in 25 years, the President would rather keep spending money we don't have and stick our children and grandchildren with the tab. This is living proof that Washington will not stop spending without a balanced budget amendment.

With this bill we are making it clear that we will set priorities, we will limit the size of government, and we will do what we said we would—reduce the deficit, balance the budget, and restore the future to our children.

I urge the passage of this important conference report.

Mr. LIVINGSTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. WALKER). All time has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7 of rule XV the years and nays are ordered.

The vote was taken by electronic device, and there were—yeas 235, nays 189, not voting 11, as follows:

[Roll No 346]

YEAS—235

Allard	Bonilla	Coble
Archer	Bono	Coburn
Armey	Brownback	Collins (GA)
Bachus	Bryant (TN)	Combest
Baker (CA)	Bunn	Condit
Baker (LA)	Bunning	Cooley
Ballenger	Burr	Cox
Barr	Burton	Crane
Barrett (NE)	Buyer	Crapo
Bartlett	Callahan	Cremeans
Barton	Calvert	Cubin
Bass	Camp	Cunningham
Bateman	Canady	Davis
Bereuter	Castle	Deal
Bilbray	Chabot	DeLay
Bilirakis	Chambliss	Diaz-Balart
Bliley	Chenoweth	Dickey
Blute	Christensen	Dooley
Boehlert	Chrysler	Doolittle
Boehner	Clinger	Dornan

Dreier
Duncan
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
Gingrich
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—189

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bevill
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson-Lee
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Klink
LaFalce
Lantos
LaTourette
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Reynolds
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Scarborough
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Souder
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NOT VOTING—11

Berman
Jacobs
King
Kleczka
McNulty
Payne (NJ)
Peterson (FL)
Quillen
Stenholm
Tucker
Weldon (FL)

□ 1852

The Clerk announced the following pair:

On this vote:

Mr. Weldon of Florida for, with Mr. McNulty against.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO PROLIFERATION OF NUCLEAR, BIOLOGICAL AND CHEMICAL WEAPONS AND THEIR MEANS OF DELIVERY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—(H. DOC. NO. 104–76)

The SPEAKER pro tempore [Mr. WALKER] laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

On November 14, 1994, in light of the dangers of the proliferation of nuclear, biological, and chemical weapons and their means of delivery (''weapons of mass destruction''), I issued Executive Order No. 12938 and declared a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*).

As I described in the report transmitting Executive Order No. 12938, the new Executive order consolidated the functions of and revoked Executive Order No. 12735 of November 16, 1990, which declared a national emergency with respect to the proliferation of chemical and biological weapons, and Executive Order No. 12930 of September 29, 1994, which declared a national emergency with respect to nuclear, biological, and chemical weapons, and their means of delivery. The new Executive order also expanded certain existing authorities in order to strengthen the U.S. ability to respond to proliferation problems.

The following report is made pursuant to section 204 of the International Emergency Economic Powers Act and section 401(c) of the National Emergencies Act regarding activities taken and money spent pursuant to the emergency declaration. Additional information on nuclear, missile, and/or chemical and biological weapons (CBW) nonproliferation efforts is contained in the annual report on the proliferation of missiles and essential components of nuclear, biological, and chemical weapons, provided to the Congress pursuant to section 1097 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190), also known as the ''Nonproliferation Report,'' and the annual report provided to the Congress pursuant to section 308 of the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (Public Law 102–182).

The three export control regulations issued under the Enhanced Proliferation Control Initiative (EPCI) are fully in force and continue to be used to control the export of items with potential use in chemical or biological weapons or unmanned delivery systems for weapons of mass destruction.

In the 6 months since I issued Executive Order No. 12938, the number of countries that have ratified the Chemical Weapons Convention (CWC) has reached 27 (out of 159 signatory countries). I am urging the Senate to give its advice and consent to ratification as soon as possible. The CWC is a critical element of U.S. nonproliferation policy that will significantly enhance our security and that of our friends and allies. I believe that U.S. ratification will help to encourage the ratification process in other countries and, ultimately, the CWC's entry into force.

The United States actively participates in the CWC Preparatory Commission in The Hague, the deliberative body drafting administrative and implementing procedures for the CWC. Last month, this body accepted the U.S. offer of an information management system for the future Organization for the Prohibition of Chemical Weapons that will implement the CWC. The United States also is playing a leading role in developing a training program for international inspectors.

The United States strongly supports international efforts to strengthen the 1972 Biological and Toxin Weapons Convention (BWC). In January 1995, the Ad Hoc Group mandated by the September 1994 BWC Special Conference to draft a legally binding instrument to strengthen the effectiveness and improve the implementation of the BWC held its first meeting. The Group agreed on a program of work and schedule of substantive meetings, the first of which will occur in July 1995. The United States is pressing for completion of the Ad Hoc Group's work and consideration of the legally binding instrument by

the next BWC Review Conference in 1996.

The United States maintained its active participation in the 29-member Australia Group (AG), which now includes the Czech Republic, Poland, Slovakia, and Romania. The AG reaffirmed in December the members' collective belief that full adherence to the CWC and the BWC provides the only means to achieve a permanent global ban on CBW, and that all states adhering to these Conventions have an obligation to ensure that their national activities support these goals.

The AG also reiterated its conviction that harmonized AG export licensing measures are consistent with, and indeed actively support, the requirement under Article I of the CWC that States Parties never assist, in any way, the manufacture of chemical weapons. These measures also are consistent with the undertaking in Article XI of the CWC to facilitate the fullest possible exchange of chemical materials and related information for purposes not prohibited by the Convention, as they focus solely on preventing assistance to activities banned under the CWC. Similarly, such efforts also support existing nonproliferation obligations under the BWC.

The United States Government determined that three foreign nationals (Luciano Moscatelli, Manfred Felber, and Gerhard Merz) had engaged in chemical weapons proliferation activities that required the imposition of sanctions against them, effective on November 19, 1994. Similar determinations were made against three foreign companies (Asian Ways Limited, Mainway International, and Worldco) effective on February 18, 1995, and imposed sanctions against them. Additional information on these determinations is contained in a classified report to the Congress, provided pursuant to the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991. The United States Government continues to monitor closely activities that may be subject to CBW sanctions provisions.

The United States continued to control vigilantly U.S. exports that could make a contribution to unmanned delivery systems for weapons of mass destruction, exercising restraint in considering all such transfers consistent with the Guidelines of the Missile Technology Control Regime (MTCR). The MTCR Partners shared information not only with each other but with other possible supplier, consumer, and transshipment states about proliferation problems and also stressed the importance of implementing effective export control systems.

The United States initiated unilateral efforts and coordinated with MTCR Partners in multilateral efforts, aimed at combatting missile proliferation by nonmembers and at encouraging nonmembers to adopt responsible export behavior and to adhere to the MTCR Guidelines. On October 4, 1994, the United States and China signed a Joint Statement on Missile Nonproliferation in which China reiterated its 1992 commitment to the MTCR Guidelines and agreed to ban the export of ground-to-ground MTCR-class missiles. In 1995, the United States met bilaterally with Ukraine in January, and with Russia in April, to discuss missile nonproliferation and the implementation of the MTCR Guidelines. In May 1995, the United States will participate with other MTCR Partners in a regime approach to Ukraine to discuss missile nonproliferation and to share information about the MTCR.

The United States actively encouraged its MTCR Partners and fellow AG participants to adopt ''catch-all'' provisions, similar to that of the United States and EPCI, for items not subject to specific export controls. Austria, Germany, Norway, and the United Kingdom actually have such provisions in place. The European Union (EU) issued a directive in 1994 calling on member countries to adopt ''catch-all'' controls. These controls will be implemented July 1, 1995. In line with this harmonization move, several countries, including European States that are not actually members of the EU, have adopted or are considering putting similar provisions in place.

The United States has continued to pursue this Administration's nuclear nonproliferation goals. More than 170 nations joined in the indefinite, unconditional extension of the Nuclear Non-Proliferation Treaty (NPT) on May 11, 1995. This historic decision strengthens the security of all countries, nuclear weapons states and nonweapons states alike.

South Africa joined the Nuclear Suppliers Group (NSG), increasing NSG membership to 31 countries. The NSG held a plenary in Helsinki, April 5–7, 1995, which focused on membership issues and the NSG's relationship to the NPT Conference. A separate, dual-use consultation meeting agreed upon 32 changes to the dual-use list.

Pursuant to section 401(c) of the National Emergencies Act, I report that there were no expenses directly attributable to the exercise of authorities conferred by the declaration of the national emergency in Executive Order No. 12938 during the period from November 14, 1994, through May 14, 1995.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 18, 1995.*

PERSONAL EXPLANATION

Mrs. COLLINS of Illinois. Mr. Speaker, I was unavoidably absent for votes on May 10, 12, 16, and 17, and regretfully was not present for rollcall numbers 311, the rule under which H.R. 961, the Clean Water Amendments of 1995 was considered; 312, the Saxton amendment in the nature of a substitute to H.R. 961; 313, the Mineta amendment striking various provisions in the bill which allow waivers, exemptions, or modifications of current Clean Water Act requirements; 314, the Boehlert amendment regarding the Coastal Zone Management Program; 327, the Bateman substitute to the Lipinski amendment to change the formula for allocating sewage treatment plant construction funds; 328, the Lipinski amendment changing the formula for allocating Federal funds for sewage treatment plant construction among States; 330, to suspend the rules and pass the bill H.R. 1590 to require the Trustees of the Medicare trust funds to report recommendations on resolving projected financial imbalance in Medicare trust funds; 331, the Armey motion to permit standing committees and subcommittees to sit during proceeding of the House under the 5-minute rule; 332, the Boehlert amendment to define ''wetland'' more broadly under the Clean Water Act; 333, the Gilchrest amendment to strike language establishing a new definition of what constitutes a wetland as well as its detailed wetlands classification system; the Frelinghuysen amendment to allow States that are administering their own federally approved wetlands permit programs as of the date of enactment to continue administering their own programs rather than the new program established in the bill; 335, the Wyden amendment to provide that the Federal Government would not have to pay compensation for losses in property value caused by wetlands regulation in certain cases; 336, the Bonior motion to recommit the bill H.R. 961 to the Committee on Transportation and Infrastructure with instructions; 337, final passage of the bill H.R. 961, the Clean Water Act Amendments of 1995; and 338 to approve the Journal of Tuesday, May 16, 1995.

Had I been present I would have voted ''aye'' on rollcall votes 311, 312, 313, and 314; ''no'' on 327; ''aye'' on 328; ''no'' on 330 and 331; ''aye'' on 332, 333, 334, 335, and 336; ''no'' on 337; and ''yea'' on 338.

LEGISLATIVE PROGRAM

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

Mr. GEPHARDT. Mr. Speaker, I ask for this time for the purpose of inquiring of the distinguished majority leader the schedule for next week.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. GEPHARDT. I yield to the distinguished majority leader.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the House will meet in pro forma session on Monday, May 22. There will be no recorded votes.

On Tuesday, the House will meet at 10:30 a.m. for morning hour and 12 o'clock noon for legislative business to consider three bills under open rules previously adopted by the House. The bills are: H.R. 614, the New London Fish Hatchery Conveyance; H.R. 584,

the Fairport National Fish Hatchery Conveyance; and H.R., 535, the Corning National Fish Hatchery Conveyance.

We then plan to take up the rule and begin consideration of H.R. 1561, the American Overseas Interest Act.

On Wednesday and Thursday, the House will meet at 10 a.m. to continue consideration of H.R. 1561. We intend to finish H.R. 1561 on Thursday afternoon, and it is our hope to have Members on their way home to their families and their districts for the Memorial Day district work period by 3 p.m., Thursday.

The House will not be in session on Friday.

Mr. GEPHARDT. I would say to the gentleman I know of his interest in fish hatcheries and trying to improve fishing conditions all over the country. So I know of the importance of this legislation to the gentleman and to other people who are so interested around the country.

I would like to ask when the first vote would be expected on Tuesday, approximately what time?

Mr. ARMEY. I thank the gentleman. We are instructing people to be prepared for a vote as early as 12 o'clock on Tuesday next.

Mr. GEPHARDT. I would like to ask the gentleman if he could advise us when the last vote might be expected on Tuesday.

Mr. ARMEY. Tuesday evening we expect the last vote to be between 6 and 6:30.

Mr. GEPHARDT. I thank the gentleman. Could you also advise us what rule he would expect on the American Overseas Interest Act?

Mr. ARMEY. The Committee on Rules will meet on Monday. We anticipate a time-structured rule, but one that is as open as possible for the benefit of our Members.

Mr. GEPHARDT. And, finally, I would ask the majority leader, when we return from the Memorial Day recess, will we return for votes on Monday, June 5, or do you think it will be on Tuesday, June 6?

Mr. ARMEY. I appreciate the gentleman's interest. We have not yet resolved that, and the gentleman is correct to make the inquiry. We will try to get that resolved and announce it next week.

Mr. GEPHARDT. I thank the gentleman.

ADJOURNMENT OF THE HOUSE UNTIL MONDAY, MAY 22, 1995

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY, MAY 23, 1995

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, May 22, 1995, it adjourn to meet at 10:30 a.m. on Tuesday, May 23, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–77)

The SPEAKER pro tempore (Mr. WALKER) laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

I hereby report to the Congress on developments since the last Presidential report on November 18, 1994, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa–9(c). This report covers events through April 18, 1995. It discusses only matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 and matters relating to Executive Order No. 12613. Matters relating to the March 15, 1995, Executive Order regarding a ban on investment in the petroleum sector, and the May 6, 1995, Executive Order regarding new trade sanctions, will be covered in separate reports. My last report, dated November 18, 1994, covered events through October 18, 1994.

1. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560, or to the Iranian Assets Control Regulations, 31 CFR Part 535, since the last report.

2. The Office of Foreign Assets Control (''OFAC'') of the Department of the Treasury continues to process applications for import licenses under the Iranian Transactions Regulations. However, a substantial majority of such applications are determined to be ineligible for licensing and, consequently, are denied.

During the reporting period, the U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the Iranian Transactions Regulations. OFAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Additional forfeiture and civil penalty actions are under review.

3. The Iran-United States Claims Tribunal (the ''Tribunal''), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. However, since my last report, the Tribunal has not rendered any awards although payments were received by claimants in late November for awards rendered during the prior reporting period. Thus, the total number of awards remains at 557. Of this total, 373 have been awards in favor of American claimants. Two hundred twenty-five (225) of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 150 were decisions adjudicated on the merits. The Tribunal has issued 38 decisions dismissing claims on the merits and 85 decisions dismissing claims for jurisdictional reasons. Of the 59 remaining awards, three approved the withdrawal of cases and 56 were in favor of Iranian claimants. As of April 18, 1995, the Federal Reserve Bank of New York reported that the value of awards to successful American claimants for the Security Account held by the NV Settlement Bank stood at $2,365,160,410.39.

Iran has not replenished the Security Account since October 8, 1992, and the Account has remained continuously below the balance of $500 million required by the Algiers Accords since November 5, 1992. As of April 10, 1995, the total amount in the Security Account was $191,219,759.23, and the total amount in the Interest Account was $24,959,218.79.

The United States continues to pursue Case A/28, filed in September 1993, to require Iran to meet its obligations under the Algiers Accords to replenish the Security Account. Iran has yet to file its Statement of Defense in that case.

4. The Department of State continues to present United States Government claims against Iran, in coordination with concerned government agencies, and to respond to claims brought against the United States by Iran.

On April 18, 1995, the United States filed the first of two parts of its consolidated submission on the merits in Case B/61. Case B/61 involves a claim by Iran for compensation with respect to

primarily military equipment that Iran alleges it did not receive. The equipment was purchased pursuant to commercial contracts with more than 50 private American companies. Iran alleges that it suffered direct losses and consequential damages in excess of $2 billion in total because of the U.S. Government's refusal to allow the export of the equipment after January 19, 1981, in alleged contravention of the Algiers Accords. As directed by the Tribunal, the United States' submission addresses Iran's claims regarding both liability and compensation and damages.

5. The Foreign Claims Settlement Commission (''FSCS'') on February 24, 1995, successfully completed its case-by-case review of the more than 3,000 so-called ''small claims'' against Iran arising out of the 1979 Islamic revolution. These ''small claims'' (of $250,000 or less each) were originally filed before the Iran-United States Claims Tribunal, but were transferred to the FCSC pursuant to the May 13, 1990 Settlement Agreement between Iran and the United States.

The FCSC issued decisions on 3,066 claims for total awards of $86,555,795. Of that amount, $41,570,936 represented awards of principal and $44,984,859 represented awards of interest. Although originally only $50 million were available to pay these awards, the funds earned approximately $9 million in interest over time, for a total settlement fund of more than $59 million. Thus, all awardees will receive full payment on the principal amounts of their awards, with interest awards paid on a pro rata basis.

The FCSC's awards to individuals and corporations covered claims for both real and personal property seized by Iran. In addition, many claims arose out of commercial transactions, including contracts for the sale of goods and contracts for the supply of services such as teaching, medical treatment, data processing, and shipping. The FCSC is now working with the Department of the Treasury to facilitate final payment on all FCSC awards.

6. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combating international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 18, 1995.*

SPECIAL ORDERS

The SPEAKER pro tempore. (Mr. WALKER). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Mr. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR 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. HORN] is recognized for 5 minutes.

[Mr. HORN 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 gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

[Mr. OWENS 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 gentleman from New Jersey [Mr. MARTINI] is recognized for 5 minutes.

[Mr. MARTINI 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 gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

[Mr. DEFAZIO 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 gentleman from California [Mr. KIM] is recognized for 5 minutes.

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

HOW BUDGET AND RESCISSION BILL AFFECT PROGRAMS FOR OUR STUDENTS AT UNIVERSITIES AND COLLEGES

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

Mr. PALLONE. Mr. Speaker, much of the debate today and yesterday about the budget and also the rescissions bill focused on programs for seniors, particularly Medicare and also Medicaid to the extent that it also impacts senior citizens, and I had previously spoken on the floor and stated emphatically how part of my opposition to the budget was based on the fact that it does have significant cuts in Medicare and how that will negatively impact our senior citizens. What I wanted to speak about today very briefly though are the parts of the budget, as well as the rescissions bill that we voted on today, that affect programs for students at our universities and or colleges.

Mr. Speaker, I happened to have a forum during the April break at Rutgers University, which is in my district, and at the forum a number of students expressed concern with the cost of higher education, how tuition continues to rise, how difficult it is not only at private schools, but also at public schools such as Rutgers University, to continue to meet educational expenses and how many students increasingly have to simply drop out of school because they cannot afford to pay the cost of higher education.

I say to my colleagues, ''If you look at the two resolutions or bills that we passed today, in one case the budget and in the other case the rescissions bill, both of them in my opinion rely too heavily on cuts in programs for higher education, particularly as it affects students who are looking for scholarships, grants or student loans. The budget itself actually assumes a change in the current law to require college students to pay interest on student loans while they are still in school. Many students rely on Stafford loans or guaranteed student loans to pay for their colleges education or to pay for a significant portion of it.''

Mr. Speaker, part of the problem is that under this budget measure the assumption is that while the students are at school they will have to pay back the interest on the loans. It is variously estimated, depending on how long you stay in school, for example, for undergraduate education, if you were to take the maximum student loan over the course of the four years, that you would end up paying as much as 20 percent more for your student loan after you graduate. If you defer your higher education and go to graduate school or professional school, the cost of that interest could even be higher as a percentage of what you have to pay back.

The rescission bill today also makes some significant rescissions or cuts, if you will, in Pell grants, which are grants that students receive to go to college who tend to be lower income, and also rescinds other additional money that is available for Federal direct student loans.

Now some people have said to me, ''Well, what does it matter, Congressman PALLONE, that you know students have to pay more for their student loans or they don't get as much money for grants or scholarships? After all, they can always go out and work for a

few years and then come back to college later.'' But I think that is ignoring two realities. One is that increasingly the cost of higher education is such that it is not that easy to take time off, and make up the money, and then go back to school; and, secondly, that we are in a world where we are competing with other countries, and, if we have to set up the higher education system where many of our students have to defer going to college for a number of years before they can go because they have to work on the private sphere in order to pay for it, well, we are losing people, a lot of people, who would otherwise receive a higher education and be a productive member of the work force in the career that they have chosen and perhaps that they will be best at.

I also think it ignores the fact that in the last 29 or 30 years many of us were able to take advantage, including myself, of these student loan programs and grants programs, and now we are seeing those of future generations will not be able to take advantage of them. I think it is a mistake on our part to cut back on funding for higher education. You have to think about educating our students and educating our fellow Americans. If we do not provide that commitment that has been traditionally provided for the last generation or two to pay and provide Federal help for higher education the way we have, then it really says a lot about the value of education in our society. It says we do not value it very much.

So, even though both measures, both the budget and the rescission bill passed today; I did vote against both of them in part because of the impact on Medicare and Medicaid on senior citizens, but also in a major part because of the effect on higher education, and the student loans, and the student grants that so many of our students increasingly depend upon.

The SPEAKER pro tempore (Mrs. MYRICK). Under a previous order of the House, the gentleman from Georgia [Mr. NORWOOD] is recognized for 5 minutes.

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

THE REINCARNATION OF TV MARTI

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

Mr. SKAGGS. Madam Speaker, I am certainly not a fan of the Republican budget resolution. But there was one item in it that made a whole lot of sense—the idea of terminating TV Marti. It is long past time we stopped spending $12 million a year to beam to Cuba in the middle of the night TV programs that nobody sees.

I was pleased when Chairman KASICH took on the powerful Cuban-American lobby and proposed eliminating their pet project. And on this point, it sure looked like the committee intended to go along with that proposal.

At the markup on May 10th, the Budget Committee had before it both budget figures and a document with policy assumptions on how to meet those budget goals. The policy document listed a decision to ''terminate broadcasting to Cuba'' as one of the cuts needed to achieve the budget-cutting goals for the international assistance portion of the budget.

The draft committee report circulated on May 12, after the committee passed the budget resolution, stated:

> Overseas broadcasting played an important role during the cold war, but has become and expensive anachronism with the advent of global satellite television broadcasting. Likewise, the technology used by Voice of America and WorldNet limits their potential audiences and makes those systems inefficient and expensive. TV Marti has achieved little success broadcasting to Cuba.

Any reasonable person would interpret all this to mean that the Committee supported termination. Many observers of the budget process reached this conclusion. The Federal Page of the Washington Post on May 11 listed ''Terminate Voice of America and Radio Marti broadcasts to Cuba'' as one of the items in its ''House Republicans' Blueprint to Balance the Budget.'' (p.A21) The Miami Herald in a May 14 page one story called ''Cuban exiles losing clout in D.C.'' reported, ''To help balance the U.S. budget by 2002, the House budget committee called for eliminating funding for (Radio and TV Marti) next fiscal year.'' (p.1.)

Then a most amazing thing happened. The final version of the committee report that was filed on May 15 reversed the Committee's apparent policy decision to terminate TV Marti. The sentence ''TV Marti has achieved little success broadcasting to Cuba'' was deleted. All the rest of the paragraph declaring overseas broadcasting ''an expensive anachronism'' remained intact. But where first appeared the admission that TV Marti was a flop, there now magically appeared the wholly contradictory statement that ''Funding, however, is available for Radio and TV Marti.''

This is an interesting situation. The report now recommends getting rid of all USIA broadcasting programs—VOA, Radio Liberty, Radio Free Europe—but makes a specific exception for TV and Radio Marti.

What happened over the weekend that resulted in this complete reversal? Who pressured Chairman KASICH to turn around on this and rewrite the report language? And what else in this budget has been changed after the committee vote? This is yet another demonstration of how difficult it is to kill a program, even when the program does not work.

I want to give credit to Chairman KASICH for his effort to go beyond generalities, to details, in his budget resolution. This experience with TV Marti gives new meaning to that old saw, that the devil is in the details. It also, I am afraid, undermines the credibility of the entire exercise.

THE INTRODUCTION OF THE NATIONAL WILDLIFE REFUGE IMPROVEMENT ACT OF 1995

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

Mr. YOUNG of Alaska. Madam Speaker, I am very pleased to introduce today, along with a number of our colleagues, the National Wildlife Refuge Improvement Act of 1995.

This legislation, which is the product of many months of careful deliberation, would be the first comprehensive refuge reform bill since the enactment of the National Wildlife Refuge System Administration Act of 1966. While that landmark statute, which was authored by the distinguished gentleman from Michigan, JOHN DINGELL, nearly 30 years ago has served our Nation well, it is time that we update that law and, by so doing, improve the management of our Nation's wildlife refuge system.

At present, the system is comprised of 504 refuges, which are located in all 50 States and the 5 U.S. Territories, totaling about 91.7 million acres. These units range in size from the smallest, the 1-acre Mille Lacs National Wildlife Refuge in Minnesota, to the largest, the 19.3-million-acre Arctic National Wildlife Refuge. In the last decade, 81 refuges and approximately 3.6 million acres have been added to the system.

While millions of Americans engage in various recreational activities each year on public lands within the system, there have been several recent developments that have caused great concern.

For instance, in October of 1993, the U.S. Fish and Wildlife Service settled a lawsuit filed by the National Audubon Society by agreeing to undertake a comprehensive system-wide ''compatibility'' study, to expeditiously terminate certain secondary uses, and to redirect their funds away from recreational and wildlife-dependent activities.

In addition, the Clinton administration has recommended that refuge funding be sharply reduced by deferring maintenance projects and upkeep of public use facilities, including trails, observation towers, and information kiosks. This recommendation is worrisome because without proper maintenance, the service may prohibit certain uses on our refuge lands.

While it is appropriate to periodically review the compatibility of certain activities, there is no statutory list of purposes for the national wildlife refuge system and no statutory definition of what constitutes a compatible use of a refuge. Without this guidance, individual wildlife managers have broad discretion to prevent or disallow recreational activities which do not materially affect the purposes of the refuge or the refuge system.

In fact, earlier this week my committee held a hearing on a bill to transfer the management of the Tishomingo National Wildlife Refuge to the State of Oklahoma. The overriding reason for H.R. 1112 was a decision by the local refuge manager to prohibit boating, camping, fishing, and picnicking in portions of the

Tishomingo Refuge. These restrictions will prevent many people from enjoying activities that have occurred since the refuge was created nearly 50 years ago. It is time to manage the refuge system on a nationwide basis and to make compatibility determinations based on clear statutory language and not emotion or individual bias.

Another issue that has caused great concern for many Americans involves the Fish and Wildlife Service's refuge land acquisition policy. When a new refuge is created or additional acreage is added to an existing unit, all traditional activities, including fishing and hunting, are prohibited until a management plan is completed. This can take several years and, in the meantime, millions of Americans are denied the opportunity to enjoy the natural resources that exist on these lands.

Finally, while the number of refuges continues to increase, there is no requirement to complete a conservation plan for each refuge. In my judgment, these plans are essential because they would identify the purposes of the refuge; the fish, wildlife, and plant populations; their habitats; any archaeological values; opportunities for fish- and wildlife-dependent recreation; potential sites for administrative or visitors facilities; and ways to correct or mitigate any problems. The general public would be strongly encouraged to participate in the writing of these plans.

Our Nation's wildlife refuge system must be managed more effectively in the future. This system, which was first envisioned by President Theodore Roosevelt in 1903, needs to have a statutory list of purposes, uniform guidelines to determine what activities are permissible, comprehensive conservation plans, and the enthusiastic support of the American people who finance this system not only with the payment of their tax dollars, but also by purchasing duck stamps and paying excise taxes on fishing and hunting equipment.

These are the goals of the National Wildlife Refuge Improvement Act of 1995. This legislation will build upon and improve current law by: making wildlife-dependent recreation, including fishing and hunting, a purpose of the refuge system; defining the term ''compatible use''; allowing historical uses to continue on newly acquired lands unless those uses are determined to be incompatible; requiring conservation plans for each refuge within 15 years; providing that fishing and hunting are permitted unless a finding is made that these activities are inconsistent with either the purpose of the refuge or public safety; and emphasizing a cooperative relationship with the States who have primacy on the management of fish and wildlife.

Mr. Speaker, this legislation will restore the wildlife refuge system to the goals and intent of the National Wildlife Refuge System Administration Act of 1966. It will ensure that this system is alive and well for all our constituents in the 21st century.

This measure has been endorsed by the California Waterfowl Association, the Congressional Sportsmen's Foundation, the National Rifle Association, Safari Club International, and the Wildlife Legislative Fund of America. Furthermore, the views of the International Association of Fish and Wildlife Agencies and the Wildlife Management Institute have been sought and incorporated into this process.

I would urge my colleagues to join with me, JOHN DINGELL, JIM HANSEN, BILL BREWSTER, JOHN DOOLITTLE, BILLY TAUZIN, PETE GEREN, SOLOMON ORTIZ, ELTON GALLEGLY, JIMMY HAYES, KEN CALVERT, BLANCHE LAMBERT LINCOLN, J.D. HAYWORTH, FRANK CREMEANS, BARBARA CUBIN, WES COOLEY, JOHN SHADEGG, and J.C. WATTS in this important effort by cosponsoring the National Wildlife Refuge Improvement Act of 1995.

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

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

CONTINUATION OF REMARKS ON 50TH ANNIVERSARY OF WORLD WAR II

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

Mr. DORNAN. Madam Speaker, a pretty exciting and historical day today. What I wanted to do was to add to this history by keeping a promise I made last month that I would finish my remarks on what was happening 50 years ago this week. The war in Europe had ended, but the struggle for the small series of islands comprising Okinawa and a smaller group of subsidiary islands was one of the bloodiest fights of the Pacific campaign.

Before I move forward to 1945, let me point out the stories of two friends of mine. Today, 30, years ago, in 1965, my best friend in the Air Force, David Hrdlicka, was shot down over Laos. He was only TDY, down from the wing on that island of Okinawa that so many young men had died on just 20 years before, and during the 20th anniversary of that 1945 struggle there we were taking the first small steps back into combat in Asia. David was in what I thought at the time was the world's greatest aircraft. I was desperately asking the Air Force to recall me to active duty so that I could fly Mach II, the world's only Mach II, twice the speed of sound, aircraft, the F–105 Thunderchief, which was eventually nicknamed after Robert Strange, evil, McNamara's no-win war. It was the thud, semi-affectionately given that name because of the number shot down coming into the Red River Valley, into the target area over Hanoi and Haiphong, the sound of the big F–105 hitting the ground, the thuds. More Republic F–105 aircraft were lost in combat, prorated to the number of planes that flew in Southeast Asia, than any other plane in the war. It carried the major burden of bombing up north along with magnificent efforts on the part of the Navy's A–4's, F–8's, and F–4's, and then eventually A–6 Intruders.

□ 1915

But the l05 was a special airplane. I remember sitting with Dave Hrdlicka in the base theater at George Air Force base when some test pilots came over from Edwards Air Force Base, our Air Force test center, and threw up on the screen big pictures of the F–105. We had only seen pictures of the Mach–2 F–104 Starfighter a few months ago, but unlike the Starfighter, a tiny airplane, with small, 7-foot wings, the F–105 was the biggest fighter aircraft ever made, longer from the pitot boom and its nose to the tip of its vertical stabilizer than was the World War II four-engine B–17 Flying Fortress.

So there was Dave, having completed with his lovely wife Carol and their little babies, a great tour in England, flying another outstanding aircraft, the F–101 Voodoo. David flew at Bentwaters, which had the only fighter version of the F–101, all the rest were interceptors or reconnaissance versions. A unique situation to have only one Air Force wing of three squadrons in the whole world where they, a two-engine fighter, the predecessor to the four-generation, four-decade Phantom, David, I thought, was leading a charmed life from George Air Force Base in the beautiful Mojave Desert to England with all of its culture, defending Europe from the evil empire, and then home for a while and then to this great assignment at Okinawa. And suddenly here he is, flying over a country that only a few years ago became famous because of a young President's accent talking about chaos in Laos. And Dave gets hit from the ground.

Not a damaging hit to him personally, but hit the rear of the airplane, made a radio call calmly that he was going to have to eject. His wing man saw him come down into a clearing. As he was disengaging from his parachute, trying to come up on his radio, they saw men surround him, probably Communist Pathet Lao soldiers. And he was taken off into the woods at the edge of a clearing.

Years later, a photograph appears in Moscow, reprinted in the Long Beach, CA newspaper and sent to Carol where she had gone home to her family to be near a ranch which was her upbringing with young children. And somebody who knew the Hrdlickas from the Air Force said, I think this is David's picture in this Long Beach newspaper. And they sent it to Carol.

She looked. Sure enough. Dave was very distinctive, stocky, typical fighter pilot, handsome face. And Carol called the Air Force at the closest base, which was probably Lowry and said, ''Where is the briefing on my husband? Here is his picture.''

They were so embarrassed. I remember Carol telling me that they got the highest ranking officer in the entire area, a brigadier general, a man who knew absolutely nothing about the missing in action cause, and they sent him out to Carol Hrdlicka's house to say something, anything. It was embarrassing for her and for him.

Thirty years later to this very day, Carol is still finding out things from

records that are being released that were never told to her, including a rescue operation to free David who at one point in the late 1960's, he was a known prisoner for 5 or 6 years, was held in a cave with Charlie Shelton.

Charlie had been shot down in a reconnaissance aircraft, David being the first fighter aircraft downing in Laos. Charlie had gone down on his 33d birthday, on April 29, 1965.

I meant to come to the well and remember Charlie, too, although I did not know him. He was my vintage, a pilot training graduate. David was a year behind me. I got to know his wife Marian as well as I knew Carol over the years. Marian committed suicide during the 25th year of Charlie's imprisonment. He was kept on record as a POW, the last one, the one and only POW until a few months ago.

I went to his remembrance ceremony at Arlington with his five grown children, children that would have been Charlie's grandchildren. His oldest son is a Franciscan priest. The Hrdlicka family is also Catholic.

These two men were known to be held together in a cave, Charlie and Dave. For years reports coming out through intelligence sources of several escape attempts, a report once that Charlie had been wounded twice, recovered from his wounds, same kind of rumors about David. Then, as I said on Jefferson's birthday last month when I declared for the Presidency, they just sort of disappeared into the mist of Asian history. I will not accept that.

That is why next month, as chairman of the military personnel subcommittee, I am going to have hearings with a focus just on Laos, what happened to Col. Charlie Shelton and what happened to then a young major, now a colonel, when he was declared presumptive finding of death, what happened to David Hrdlicka?

What happened to the other 300 men that all went down somewhere around Laos?

It is interesting that the current Assistant Secretary for Asian Affairs, Winston Lord, a former Ambassador, wrote the memo to Kissinger that Henry Kissinger fed to Nixon that had Nixon go on national television when the fourth and final big C–141 Starlifter brought our men back on those freedom flights from Hanoi in the spring of 1973. The first flight landed appropriately on Lincoln's birthday, February 12.

Six weeks later the fourth and final freedom flight came out, and they all flew nonstop from Hanoi's main Mig base airfield, still shot up from Linebacker II operations. They flew nonstop to Manilla. For men like our own Sam Johnson, who served so brilliantly and loyally on this side of the aisle, who was part of this historic vote today of 238 to 193, Sam had not had a warm shower in 7 years until he hit Clark Air Force Base in the Philippines, let alone a decent, warm meal. Several of the men told me they consumed five hamburgers and then would go to waffles and bacon and eggs. And the flight surgeons were sitting right there and said, ''Go ahead, gorge yourselves.'' But it was amazing to see so much passage of time, twice as long as World War II at 3½ years, twice as long as World War II was Sam Johnson imprisoned. And there was one Green Beret, Floyd Thompson, who was in exactly a week shy of 9 years.

It brings back memories of mine, made me want to run for Congress, to see if I could change this Government. It was so insufferable that an evil man like McNamara could allow the best and the brightest of our military academies, the best and brightest of our aviation cadets and ROTC graduates to rot in prison for 9 years, 8 years for Ed Alvarez and 7 for men like Sam Johnson, in Laos. Nothing.

Then Winston Lord feeds this memo to Henry Kissinger, by then Secretary of State, and he feeds it to Nixon. And Nixon goes on television and says, all the men who were prisoners in Laos have been accounted for. Well, that absolutely was not true.

The North Vietnamese Communists, in an ugly little effort at the very end on that bright morning in Hanoi, end of March 1973, took 10 men who had been captured in Laos by North Vietnamese troops and all taken into the Hanoi prison system, except for one, a CIA Air America man named Ernie Brace, who had been in a small prison at Dien Bien Phu, where the French had lost their final battle in the spring of 1954. Ernie Brace was held at Dien Bien Phu for 3 weeks. And then he, like the other nine, was immediately moved into the Hanoi prison system. So these were North Vietnamese, Hanoi-held prisoners.

Nixon either deliberately or knowingly announced to the world, all the Laotian-held prisoners are home. And not a one was home. Not Charlie Shelton, not David Hrdlicka, not any of the other roughly 298.

I remember saying at the time, I have been saying it for the last two decades, where was the warning to our men that if your plane is shot up over the target areas over North Vietnam and you are smoking or you are losing power, or your pieces are coming off your airplane, do not try to get across Laos, back to your Thailand bases? Do not try to rendezvous with a helicopter, that rescue, Jolly Green Giant chopper in sight, bend it around, punch out, and parachute into North Vietnam, because there your odds are about 75, 80 percent that you will be coming home someday. But if you bail out over Laos and that chopper does not jerk you out, the penetrator cable does not come down and pull you out of a triple canopy jungle, you will never be heard from again by your fellow citizens. What an ugly shame.

So at the hearings next month, maybe I will have one of the grown Shelton sons or daughters come and tell us what these 30 years and 20 days have been like for them. I know Carol, Carol Hrdlicka has said she will come to tell us what her struggle has been like, trying to get justice out of her Government for 30 years.

And because Carol is watching on television, I wanted to tell another story involving another hero who passed away a few days ago on May 7. He was a family friend. I only met him once as a young boy. My mother had met him when he was assigned to Palm Springs Army Air Force Base. Basically a P–38 base, and a B–26 wing was coming through, the B–26 Martin Marauder, the 22d bomb wing was on its way to the South Pacific, the first medium bomb wing to go over, the first B–26 Marauders to go into combat.

Walter Krell was a young captain. My mother had on the dresser in her room a picture of herself, my aunt, who is still alive and vigorous, I hope she is watching, Flo Haley, the wife of the tin man in the Wizard of Oz, and some other friends. They were trying to buck up the spirits of these young P–38 and B–26 pilots on their way to the South Pacific.

They would sometimes pool their money and see if they could not get a plane ticket or very rare DC–3 flight to have the wives come and join them in Palm Springs. And my mother used to tell me about this picture. He was handsome, Walter Krell, looking a little bit older than the other young fighter pilots. There was one very young handsome pilot named Pepino. My mom would point to him and say, Pepe, as the men called him, said:

> Why are they making us get all of the various shots, going into a jungle area, inoculations, because none of us P–38 pilots are coming back; we are all going to get killed in combat; we are working out how to use this big heavy P–38 against these light superior Japanese zeros, and the young men that come after us, they will whip the Japanese zeros, but we are the guinea pigs.

And she said he pointed over to Walter Krell and said:

> Walt over here, he will probably come back because he has got bomber duty.

Well, for the bomber pilots, it is every bit, if not even more hazardous. But Walter Krell, in this photograph with four or five fighter pilots and himself, he was the only one who came back.

I remember meeting him on Waldron Drive in Beverly Hills when he came to see us. He was so old looking and mature. I was 12 years of age. He could not have been more than 26 or 27. And I remember him having dinner with my parents and spending the day with us and telling a few stories about the South Pacific. After I came to this Congress, on my second tour here in the mid-1980's, I got a letter from a Walter Krell, a veterinarian in Yreka, Northern California.

□ 1930

He said ''Are you BOB DORNAN, the son of Mickey Dornan,'' my mother, ''who gave me a small St. Christopher

to wear around my neck, which I wore through 120 combat missions in the South Pacific? Is that you? Because your mother wrote me in 1953 and asked for that small St. Christopher back, so that her son could wear it through pilot training.''

Madam Speaker, here is that St. Christopher medal, on the back of a larger medal with the face of Christ. This little St. Christopher took Walt Krell, who died Sunday, May 7, took him through 120 combat missions, including flying lead when President-to-be Lyndon Baynes Johnson was getting his one combat ride, for which Sam Rayburn engineered a Silver Star, amazingly. When Lyndon Johnson was in the back of another B–26 it was off Walt Krell's wing, then first lieutenant, soon to be Captain Krell, was leading—he was a captain by then—he was leading this flight when Japan's leading ace, who is still alive, I believe, Saboro Sakai, was rolling in trying to shoot down one of these B–26's, the one with Johnson on it, or the one that was leading the flight with Walter Krell.

When I got in touch with Walter and found out there was a painting out there of his beautiful B–26 in combat, from the point of view of Saboro Sakai rolling in on him, I sent it to Saboro Sakai. He autographed it and last year Walter sent it back to me with his autograph on it.

Here is an article that Walt sent me that I put in the CONGRESSIONAL RECORD last year. I would like to read part of it to America here, to the million or so people that watch this, to give a little bit of the flavor of a young Walt Krell in the South Pacific in 1942, the darkest year in American history since the Civil War, and maybe after the hearings next month with Carol Hrdlicka, I will do something from the Shelton children and something from the Hrdlicka children. I have gotten to know Dave, Jr., who flew F–18 hornets in the Navy and is now an American Airlines 727 pilot, I think, domiciled out of Houston.

By the way, today, Madam Speaker, I chaired my first subcommittee ever, the Military Personnel Subcommittee. It was a good chairman's mark in that we have 39 pages of the best legislation I have ever seen, section 563, ''Determination of the Whereabouts and Status of Missing Persons.''

The gentleman from New York, BEN GILMAN, originated this legislation in the Committee on International Relations, and Senate majority leader BOB DOLE, a World War II veteran over on the Senate side. I am very proud of this. I hope that anybody that is interested in this and wants to see it will write to the Committee on Armed Services and get this legislation. Anything we have missed here we will perfect with this focus on Laos next month.

By the way, when Walter Krell, about 24 or 25 years old, was flying B–26's in 1942 out of New Guinea, BOB DOLE would have been 18 years of age, thinking about becoming an Army officer and going either to the Pacific or to Europe.

Here is Walter Krell's article entitled ''Incendiary Bombs to Rabaul.''

''In early 1942, Army Air Force Ordnance developed an aerial incendiary bomb, a device 4 feet long and 16 inches or so in diameter. It consisted of 36 individual incendiary units, tiny bomblets with fins and detonators all wired together. The entire bundle, or contained unit, was attached to the shackles on our Martin B–26 Marauder bomb bay racks like an ordinary bomb, to be released in the standard way. Each B–26 would carry 30 or more of these incendiary clusters.

There was one simple difference between high explosive bombs and incendiary bombs. When the arming wire was pulled away upon release of these new incendiaries, a shotgun shell would fire a slug that would cut the wires holding together the bundle of bomblets. Then the 36 individual bomblets would break up, releasing each separate incendiary unit to fall on the target. The arming wire was supposed to be of sufficient length to allow the incendiary mother-bomb to clear the aircraft before the arming wire pulled loose and fired the shotgun shell thereby dispersing the cluster. Of course, nobody bothered to tell that to the B–26 aircrew/gunners who helped with bomb loading, so they routinely clipped the wire short as was done with ordinary iron bombs. The result was that upon 'bombs away', the clusters came apart while still within our bomb bays, clattering around and bouncing off the structural members of the aircraft. These incendiary bomblets were magnesium, and had any of them lodged in the many angular recesses of the fuselage, it would have been very exciting indeed.

''When I experienced the first release of incendiaries my B–26 was flying only 15 feet above those powerful little bomblets tumbling away, when many of them began igniting and burning. After that the bomb loading of incendiaries had the undivided attention of our entire crew of 6.'' In those days they did use two side door gunners.

''Now that we, in the 22d Bomb Group, had interesting new bombs, it was decided they should be delivered all over the docking facilities at Rabaul. The first mission to try to do just that would be a flight of three Marauders. Lt. Chris Herron would lead and Lt. George Kersting would be flying his right wing with me on his left.''

For all I know, the family members of one of these two men are hearing their name now on the House floor.

''After an early morning take-off from 7-Mile Airfield near Fort Moresby, New Guinea, our Marauders flew northeast, climbed over the Owen-Stanley Mountains, descended over the north coast of New Britain, and then turned east to Rabaul Harbor. Unhappily, for an undetermined cause, gasoline siphoned from my right wing tanks for a full 45 minutes after take-off. Because we never returned home from those long Rabaul missions with much fuel to spare, my crew was obviously worried. To turn back, however, would have aborted the raid for the other two crews. We flew on.

Chris Herron was clever the way he took us in to the target. Still heading east, we kept descending and skirted the north side of the Rabaul Harbor at low level, then banked right and pulled into a hard 180-degree turn up and over the rim of the volcanic hills that circled the harbor on the north side.''

I might remind people that this was the major Japanese forward staging air base and harbor for capital ships in all of the South Pacific.

''I remember clearly from my left wing position in our very tight turn, looking to my right across Herron's B–26 and seeing George Kersting's propwash mash down the tops of coconut trees. Chris then rolled us right down on the deck and along the wharfs, and headed west.

''There was a Japanese cargo vessel tied up broadside along the first dock with dozens of loading personnel moving about on the freighter's deck, and at dockside. All of them were totally surprised. I vividly remember their reaction of panic. Two Japanese loaders were carrying something up a gangplank that resembled a litter. Suddenly they dropped the litter and while the guy in the back was still looking up, the guy in front wheeled around and charged back right over the top of the litter thing, and slammed into the guy staring up at us.''

Madam Speaker, I flew the B–2, the flying wing, the ''Spirit,'' B–2 ''Spirit,'' on the first of this month, 6 days before Walt died. I was going to call him and see if I could come and see him, traveling around the country in this quest. That is a two-engine airplane. He would have gotten a big thrill, and I'm sure he is listening now—if he is not, he was busy in his first—he is in his 12th day up there in that big hangar in the sky.

This is a story that is hard for pilots to realize how things are burned into your brain, little quick shots. Imagine coming across the water at full speed, a full load of bombs, a surprise attack on the biggest Japanese harbor in the South Pacific, and your eye is picking up this scene on the dock of a guy turning around and running into the guy at the back of the litter, staring up at Walt Krell's B–26.

''I could see that Lt. Herron intended to try to take out this ship, which was positioned parallel to our line of flight. This would have forced me to waste my bombs out in the open harbor to my left, so I dropped down and moved ahead of Chris and took the lead, forcing our formation to the right over the docking area with its stacked supplies and many warehouses: ''Bombs away.'' I immediately banked left and headed south towards the Rabaul channel and

away from the exploding docks, thinking Herron and Kersting would hang onto my right wing until we were clear and I could slide back into position.

''Chris apparently went his own way, but in my left turn I could not see where he was. Not wanting to roll back into him, I continued my hard turn, yelling to my co-pilot to try and pick up the formation. I was now heading back around toward the east rim of the harbor with anti-aircraft flak popping all around us, and some of it starting to explode much too close.

''I twisted my Marauder back and forth to foil the anti-aircraft gunners until I was back across the harbor east rim and above an active smoking volcano. In spite of this fast-moving action, I was fascinated by the volcano's shimmering, silvery walls as I pushed over and dipped down inside the crater itself. I banked again changing course back to the right, and then flew up and over the volcano's western lip.

''There below, streaking out through the Rabaul Channel,'' right on the deck, ''were Herron and Kersting, so I winged over and swooped down to join up. We were back in a three ship 'V' formation just as the Japanese Navy Zero fighters jumped us. It was touch and go for about 20 minutes, when straight ahead loomed a sheer wall of thick clouds, black, with torrential rain. We spread out and plunged into the weather, very happy to wipe off the swarming enemy fighters. Tropical fronts were not new to the pilots of our bomb group, but never before had we encountered anything to equal the intensity of this storm.

''Within minutes our 2,000 horsepower radial engines started to run roughly because of the excessive cooling of the heavy rain. The rainwater was also driving into the magnetos, which are mounted up forward on the Pratt and Whitney engines. We closed our oil shutters and cowl flaps, but that did not seem to help much. In most South Pacific rainstorms, we found there was usually a clear gap for your aircraft to fly between the ocean and the bottom layer of the weather front. But not this time. In order to see, so I could stay above the waves, I was aided in flying by opening my side window.''

I can hardly imagine this.

''After about 25 intense minutes, I flew out of the extremely turbulent storm clouds and made a climbing turn to see if we could pick up the other two B–26's. The skies were empty, and with no radio response to our many calls, we headed for home.

''My co-pilot was I.B. Against my sense of justice, I withhold his full name.''

Actually, Walt Krell had his name in. It was my sense of justice when I helped rewrite this that took out his name.

My co-pilot ''had not been overjoyed with my maneuvers in dodging the flak back at Rabaul. He was particularly unhappy when I had to whack him across the mouth with the back of my hand to get him off the controls during my in-and-out-of-the-volcano caper.''

I guess you would not find this in a Hollywood script, Madam Speaker.

''He was sulking as we gained altitude to clear the Owen Stanley Mountains once more. The weather was now clear, with some broken clouds. I told I.B. to take it, and to make sure to clear the mountains by at least 1,000 feet. Then within minutes I fell dead asleep.''

It is kind of a thrill to know that the St. Christopher that I have been wearing for 42 years was around his neck at this moment.

''I woke a short time later. We had cleared the mountains and were in a gradual descent, but my co-pilot was definitely not relaxed at the controls. Instead, he was staring straight ahead with a strange look on his face. My cockpit was in shambles, with scattered papers, maps, and manuals strewn everywhere. I turned around to check the guys in the navigator's compartment, and they were ashen-faced. 'What the hell happened?' I asked, quickly figuring out that my co-pilot had skimmed the mountain too low and had gotten into an awful thump of a turbulent downdraft. Suddenly at that moment the right engine quit, starved for that 45 minutes of fuel that had siphoned overboard on our climbout. I quickly feathered the right prop. We were very light by now and had good altitude, so we easily made our 7-Mile Airfield home base. While still on the landing roll, our left engine quit, also out of gas. I was able to coast off far enough to one side to clear the runway and wait for a tow. George Kersting's Marauder made it home shortly after us, but no sign of our lead B–26.

''Within hours we learned that Chris Herron had lost an engine because of the heavy downpour in that tropical storm. Chris' co-pilot, an Australian officer who was a former airline pilot, advised that they fly due south. The Aussie co-pilot knew of a small island with a landing strip. Herron opted to land with their gear down. Tragically, the B–26's nosewheel folded and the aircraft flipped over on them, crushing the cockpit. Chris and his Australian co-pilot were killed. The bombardier and navigator, Lieutenant Barnhill and Lieutenant Wright, survived the crash, as did the two crewchief gunners.''

If you are alive out there, Lieutenant Barnhill or Lieutenant Wright, please write Congressman BOB DORNAN.

''Chris Herron was truly one of the great ones, a natural leader who earned the praise and affection of his crew and all of his colleagues in the 22d Bomb Group. A day or two later I flew my B–26 ''Kansas Komet,'' that's right, Walter Krell grew up, just like BOB DOLE, in Kansas, ''I flew the 'Kansas Komet' back to Australia. As I chopped our engines on the ramp at Townsville Airfield, my co-pilot, the same I.B., was the first one out and on the ground. When I hit the ground, he snarled at me 'I will never fly with you again, and I will never fly in that airplane again.'

□ 1945

I told him he was breaking my heart.

And what did our outstanding group leadership do with this disgruntled lieutenant? Why, they let him hang around group operations for several weeks, assisting in the combat briefings for the rest of us who were flying missions while the colonels found somewhere else to transfer him. A General Jimmy Doolittle would have ripped off his wings, stripped him down to his jock strap and had him tethered to a mule harness to start supplies over the Owen Stanleys.

Several weeks after that first incendiary mission, Capt. Al Fletcher, our 22d Group intelligence officer, told me that a Japanese diary had been recovered from a crashed enemy aircraft. In the diary the writer told of an incendiary raid on Rabaul by three Martin B–24 Marauders that had caused many fires, all of which had been contained except for the fires caused by the incendiaries that had fallen into the open hatch of a moored freighter.

Those fires on board the ship could not be controlled. They reignited the dock and then the warehouse area, burned fiercely for hours, and came within a fraction of torching off a large ammo dump.

I am sorry I never saw that captured diary that described the impact of Lt. Chris Herron's final mission for his country. Yes, sir, he was one of the very best.

That is all I know about Chris Herron. And another of America's World War II heroes, Walter Krell, goes to his eternal reward on Sunday, May 7. A few years later on that island of Okinawa, here is what a small press report sounds like for yesterday:

''The 6th Marine Division makes its 11th attack on May 17, 1945,'' 50 years ago yesterday, ''up Sugar Loaf Hill after a pulverizing bombardment by Navy and Marine artillery, fighter bombers and naval gunfire. Once again the Marines take the hill crest but suffer heavy casualties and must withdraw.''

Madam Speaker, I want to read that again. What was happening 50 years ago as we began to clear out the German concentration camps on the other side of the world, and try and save people dying by the hundreds if not thousands because they only knew a few days of freedom, they were so malnourished, before God took them.

But here on the other side of the world, on Okinawa, far worse than what I had talked about on the House floor, the casualties at Iwo Jima, but here in this 86-day battle, still not over, that started at the beginning of last month, here on the 11th assault on Sugar Loaf, I walked this terrible ground on Okinawa once, could hardly conceive of the change of real estate, ugly real estate, back and forth. They

must withdraw after winning the ground on the 11th attack.

Nearby the First Marine Division takes Wana Draw and knocks out some of the Japanese big guns that were zeroed in on Sugar Loaf. Then the Army comes in, a surprise dawn attack by the 77th ''Statue of Liberty Division.'' They take a ridge on the Shuri line, eastern end. The 77th also reaches the top of Flat Hill Drive, takes it.

And then the 77th Division is driven off by a counterattack. What would make young American Marines and GI's give up ground that they had just taken? Only one thing: horrible casualties. Wounded and dying men all around you. Seeing in that clear Pacific air hundreds of Japanese infantry forces who were fighting with an incredible spirit, that if we had ever had to invade Japan would have killed a million of them and 300,000 of our men.

Hence the stupidity and arrogance of this argument over at the Smithsonian over how to display the fuselage of the Enola Gay, coming up on the 50th anniversary of the first two atomic bombs on August 6 and 9. It was merciful to the Japanese in this frenzy of combat.

And all this killing is still going on down in the Philippine Islands 50 years ago today. Although the Japanese down there were falling back, here they are fighting with a courageous ferocity. Offshore a kamikaze sends the destroyer Douglas H. Fox back to the States for extensive repairs.

As I recall, the day before this 50 years ago the Enterprise had been hit; the Enterprise, which had not been at Coral Sea but had survived the battle of Midway, all the serious combat around Guadalcanal and all the Solomon Islands. It had been in the battle of the Philippine Sea, in the battle of Leyte Gulf. It had more battle stars than any other carrier, had counted for shooting down, I think, 991 Japanese airplanes. It gets hit by a Japanese kamikaze, loses its forward loading elevator and is on its way back to Puget Sound on this very day 50 years ago.

Then planes from the carrier Ticonderoga further south attacked the Japanese garrisons on Taroa Island and Maloelap Atoll in the central Pacific Marshall Islands.

So we have got combat going on Okinawa, still looking for a last few snipers down in the caves in Iwo Jima, fighting in the Philippines and attacking some of the other Japanese naval bases.

Madam Speaker, here to personalize this, which I would like to do, down to one man. In my Medal of Honor book here is a story about the young Marine major and how tough people would fight to inspire their men. An incredible story.

This one more story about day before yesterday. A battalion of the 6th Marine Division led by Maj. Harry Courtney makes an American banzai charge on Okinawa's Sugar Loaf Hill. This was 2 days before this 11th attack today and yesterday.

The Marines take the hill and then are driven off. Courtney is awarded a posthumous Medal of Honor.

B–29's destroy, meanwhile, up in Japan the Mitsubishi aircraft engine plant and 3.6 square miles of Nagoya. The Japanese sowed the wind and now they were reaping the whirlwind.

Meanwhile U.S. scientists and bomb experts at Los Alamos, NM select Hiroshima, and now comes the lucky names, for target, Kokura spared by God's call, I guess, Kyoto, one of the 5 biggest cities, and Yokohama, second biggest city, all likely targets for atomic bombs.

Hiroshima, which ironically was the most Christian city in Japan, and Nagasaki, where Portuguese Christian missionaries, Jesuits, had landed years before—they were selected. Hiroshima seems especially a good target because the surrounding hills will focus the blast.

Now to Major Courtney. His name is Henry, same as my dad. Same nickname, ''Harry.'' Harry Courtney, 29 years of age, was awarded the Medal of Honor for 2 days of action, the 14th and 15th of this week, 50 years ago, May 1945.

''U.S. Marine Corps Reserve, born 6 January 1916 in Duluth, MN. Appointed from Minnesota. For conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty, as the exec. officer of the 2nd Battalion, 22nd Marines, the 6th Marine Division.'' None of those units exist anymore. ''In action against Japanese forces on Okinawa Shime in the Ryukyu Islands. Ordered to hold for the night in static defense behind Sugar Loaf Hill after leading the forward elements of his command in a prolonged fire fight, Major Courtney weighed the effect of a hostile night counterattack against the tactical value of an immediate Marine assault, resolved to initiate the assault, and promptly obtained permission to advance and seize the forward slope of the hill. Quickly explaining the situation to his small, tattered remaining force, he declared his personal intention of leading and moving forward and then proceeded on his way, boldly blasting nearby cave positions and neutralizing enemy guns as he went. Inspired by his courage, every man followed without hesitation, and together the intrepid Marines braved a terrific concentration of Japanese guns to skirt the hill on the right and reach the reverse slope. Harry Courtney sent guides to the rear for more ammunition and possible replacements. Subsequently reinforced by 26 men and an LDT load of grenades''—I guess that is land vehicle tank—''he determined to storm the crest of the hill and crush any planned counterattack before it could gain sufficient momentum by effecting a breakthrough. Leading his men by example rather than by command, he pushed ahead with unrelenting aggressiveness hurling grenades into cave openings on the slope with devastating effect. Upon reaching the crest and observing large numbers of Japanese forming for action to attack less than 100 yards away, he instantly attacked, waged a furious battle and succeeded in killing many of the enemy himself and forcing the remainder to take cover in the caves. Determined to hold, he told his men to dig in, and coolly disregarding the continuous hail of flying enemy shrapnel, he moved to rally his weary troops, tirelessly aiding casualties, and assigned his men to more advantageous positions. He was then instantly killed by a hostile mortar blast while moving among his men. Maj. Harry Courtney by his astute military acumen, indomitable leadership and decisive action in the face of overwhelming odds had contributed essentially to the success of the Okinawa campaign. His great personal valor throughout sustained his men and enhanced the highest traditions of the U.S. Navy. He gallantly gave his life for his country.''

Walter Krell, Chris Herron and the fledgling Army Air Force, Maj. Harry Courtney with the Marine Corps, Charley Shelton, and Dave Hrdlicka over Laos. Again the last lines of Mitchner's great story of flying in Korea comes to mind, his fictitious admiral based on a Mark Mitchner or Bull Halsey type, played so beautifully by Frederick March says, ''Where do we get such men? Why is America lucky enough to have such men?''

Madam Speaker, when I was on the floor last month about Okinawa, I mentioned that we do have one Member, BOB STUMP, who served on the ships watching the young wounded come aboard. He was barely 18. He had fudged his age to join a couple of years before, trained at Pearl Harbor and was off the coast of Okinawa.

Madam Speaker, I include the following article for the RECORD:

[From the Hill, Apr. 5, 1995]

MEMORIES OF OKINAWA—REPRESENTATIVE BOBBY STUMP RECALLS HIS ROLE IN THE HISTORIC BATTLE ON ITS 50TH ANNIVERSARY

(By David Grann)

Bobby Stump wanted to become a doctor, but when the Japanese bombed Pearl Harbor in December 1941, he did what all his friends did: He enlisted.

There was only one catch. He was only 16.

''I had to boost my age up,'' the 68-year-old Arizona Republican congressman recalls. ''All my friends were seniors in high school, and, technically, I wasn't old enough.''

Training as a medical technician for the Navy on Pearl Harbor, he later helped operate at sea on dozens of U.S. servicemen wounded in the bloody battles of Luzon and Iwo Jima. On April 1, 1945, he was on board a ''flat top'' aircraft carrier steaming toward the 60-mile-long, banana-shaped island of Okinawa.

Fifty-years later, the silver-haired chairman of the House Veterans' Affairs Committee, who believes he is the only member of Congress who fought at Okinawa, recalled in an interview the beautiful clear day that launched the most devastating naval battle of World War II. Over 1,200 ships carrying more than 180,000 marines, sailors and soldiers converged on the rocky Pacific island.

''It was Easter Sunday,'' he says. ''We didn't know exactly what to expect, but we

knew it was going to be bad. We were getting ready to attack the mainland of Japan, and this was a final step.''

His aircraft carrier was part of an arsenal of 40 large and small carriers, 18 battleships and nearly 200 destroyers. As they moved through the East China Sea, sailors searched the skies for the dreaded Kamikaze suicide planes.

''They would come straight in, or drop bombs from under their bellies.'' Stump recalls. ''It didn't matter if you were on a big or little ship. They'd try to hit everything.''

Although his ship was never hit directly, he watched other ships sinking in flames. His ship rescued sailors from the stormy seas. As the battle dragged into May, there were endless alerts, as planes roared across the night sky.

Stump witnessed first hand what one war correspondent described in Ronald Spector's account of the battle, Eagle Against the Sun: ''The strain of waiting, the anticipated terror made vivid from past experience, sent some men into hysteria, insanity, breakdown.''

Stump, who turned 68 on Tuesday, downplays his personal experience. Instead, he speaks solemnly of his friends who lost more than him, those who never came home after the invasion.

''It was worse than Luzon and Iwo Jima,'' he says. ''Nothing compared.''

On June 21, when the guns finally quieted, 7,000 U.S. marines and soldiers were dead. In the protracted sea-air battle offshore, where Stump was, over 5,000 sailors were killed and 5,000 more wounded.

The toll on the Japanese was equally devastating. Over 70,000 Japanese died, along with more than 80,000, mostly civilian Okinawans. ''It was the last ditch effort for the Japanese to stop us, and they fought and fought,'' says Stump.

After the bitter struggle, Stump finally set sail for home. He had been at sea for over two years. As ships with American recruits passed him heading for Japan, President Truman ordered the first atomic bomb dropped on Hiroshima, followed by a second nuclear weapon on Nagasaki.

It was the only way to stave off an even costlier invasion of the Japanese mainland, Stump says, and a death toll even larger than Okinawa. He was incensed when the Smithsonian Museum recently planned an exhibit of the Enola Gay, suggesting America did not have to bomb Hiroshima in order to end the war.

''Anyone who was at Okinawa,'' he says, ''anyone who saw that kind of fighting, knew what an invasion of Japan would really mean and what was at stake.''

And he adds: ''They would not try to rewrite history.''

Mr. DORNAN. This battle that started on Easter Sunday, April 1, had now been raging for 48 days, barely halfway through the battle. It was the last invasion before the assault on Japan's home islands. Okinawa was needed, of course, as a harbor for our U.S. fleet and to build more air bases for the fighters and heavy bombers to get them up closer. The Iwo Jima invasion was necessary as a halfway point. We lost over 6,000 men and saved, 3 to 1, 18,000 air crewmen to come back to Iwo Jima. Now we are moving in closer to finish off the war. The big island would be used as a staging area for the invasion of the southern island of Kyushu and the planned assault later on Honshu, the middle Japanese island where Tokyo is. What a campaign we avoided by all of this brave action.

These Japanese kamikaze or suicide attacks were called ''kikusui,'' floating chrysanthemums. There were flown against the invasion fleet all around the island. Most aircraft were flown by young men with hardly any hours at all as pilots. Almost half of the attacking force were kamikaze. I wonder how you got to not fly a kamikaze and get to have a parachute and enough fuel to get you home?

The attacks also included more traditional methods of attack by fighters and bombers. Most were shot down by ships of the invading forces and U.S. and British naval aircraft. The Americans and the British lost 763 aircraft. That is almost as many as we have in all of our stateside fighter squadrons now. 763. But the Japanese lost 10 times that, 7,700 aircraft. Thirty-four U.S. ships were sunk. Naval forces lost 4,900 sailors, killed or missing, and in naval combat when somebody is missing, they are gone, beneath the waves, no remains to go home, no grave to visit.

□ 2000

From March 17 to May 27, the U.S. Navy suffered its worst losses in the war; at least 90 ships sank or were out of action for 30 to 90 days, all of that during last month, this month and next month 50 years ago.

Because of Clinton's appearance in Moscow, flying over England, which was a grievous insult to the British and the French, all of our allies along the coast, the Dutch, the Belgians, the Danes, because he went to the European ceremonies in Moscow, in a strange way not honoring the fact that we fought together in an allied cause, but unfortunately recalling that Stalin, in his evil, he reigned for 29 years, Hitler for 12.

So Stalin killed millions and millions of more people than even the horrible Adolf Hitler. Stalin caused this conflict in Europe by signing a Hitler-Stalin pact in 1940. Both of them invaded Poland, cutting it in half. Then Stalin began to trade and gave war materials to Hitler so he could further crush and suppress the rest of Europe, and then as with all deals made with the approval of the devil, Hitler, on June 22, 1941, shortly before our being dragged into this by Pearl Harbor at the end of the year, he attacks the other ugly evil force of this century, the Communists in Russia; unbelievable, cataclysmic events.

Madam Speaker, I had intended to come to this floor, but I did not want to distract from our great vote, when McNamara's book first came out last month.

I got to host a radio show for 3 hours that is hosted by Ronald Reagan's son, Michael, and on the show, because McNamara's book was prominent in the news at that time, I had two important guests. One was the best military writer in America today. He has got a great article in today's Washington Times, Col. Harry Summers, the senior editor of Vietnam magazine.

Summers came on the radio with me, and I read his article from that day, last month, from that day's commentary section of the Washington Times, and he said that there were many men culpable for the terrible loss in Vietnam during those early years when we could have achieved a victory by mining Haiphong Harbor, concentrating our energies in I Corps, sealing the Ho Chi Minh trail, giving the Vietnamese the same type of aircraft we were giving the British, the Turks, and the Greeks. We were giving F–4 ''Phantoms'' to everybody, but in a racist way, we treated our South Vietnamese allies as though they were not worthy of top-line equipment. They might take the war north as Lee took it north to Antietam and Gettysburg. No, bottle them up in the South, teach them to be subservient, and we will handle all the artillery and all the air cover, so we wean them away from fighting the way they should have as a counter-guerrilla conflict.

In those early years he said there were many people culpable. He even takes a shot at honorable General Westmoreland. He said McNamara was different. NcNamara was evil. Nobody has used that word on this House floor. I bet it has never been used in the Senate. I said on the air that night on 100 stations, I said, ''Colonel Summers, you are correct, Robert Strange McNamara is an evil man. Never in my lifetime, maybe not in this century, maybe not throughout the Civil War, have we had a man personally responsible along with President Johnson for killing so many Vietnamese on both sides, 2 million or more North Vietnamese.'' All the young soldiers and peasants did not understand dialectical materialism or communism, just sent south against B–52 strikes, all sorts of punishment before they got into combat where they were used on suicide raids like these Kamakazes or Bonzai charges.

After Harry Summers, I had an unusual guest, an excellent American patriot, Tom Moorer, 4-star Navy admiral, who had been commander of the 7th Fleet in the Pacific, and he had been CINCPAC commander for all our Pacific forces, the biggest geographical military command on the planet Earth. He then became chief of naval operations, then chairman of Joint Chiefs of Staff, sending memo after memo to Robert McNamara, begging him to mine Haiphong Harbor.

At this time, McNamara had already made up his mind. He made up his mind before he put the first Marine on the beach March 8, 1965; we could not win, so he was feeding young kids like cannon fodder into this death machine while he is skiing at Snow Mass, and his son is avoiding the draft. I have seen him lie on Larry King and lie on the Tom Snyder Show. I have seen him lying all over, pushing his book, driving it up to No. 1 on the New York Times bestseller list.

A caller called in from Montana. I believe his name was Bob. I hope he is watching. Bob says, ''Admiral Moorer, Bob Dornan, I think Robert McNamara was a war criminal.'' There was a pause, and I said ''Admiral, those words crossed my mind yesterday at the Vietnam Memorial.''

I thought, well, liberals love to come at me for overstating the case, and I rejected ever using those words. ''But what do you think, Admiral? Is he a war criminal?'' Admiral Tom Moorer, without a blemish on his career, in 1942, he was flying PBY Catalinas, and they were painted black, and they called them ''Black Cats.'' They were actually using it as a patrol bomber, bombing in the Solomon Islands: Distinguished Flying Cross, with Silver Stars, great combat veteran, Admiral Tom Moorer says, ''Congressman, yes, I believe Robert McNamara is a war criminal.''

Now, ladies and gentlemen, I lost my speaking privileges on this floor the day after the State of the Union for using a term that I will not complete tonight. I do not want to get into problems with our parliamentarian. I talked about aid and comfort to hostile powers with whom we were engaged in combat.

Suffice it to say, when Wolf Blitzer asked Bill Clinton at the White House if he felt McNamara's book vindicated him, Clinton said, ''Yes. Yes, I do.'' And because he is bright, he said, ''I know it sounds self-serving, but, yes I do.''

Imagine getting vindication from an evil person, a person that honorable men think of as a war criminal. You cannot get vindication there, Mr. Clinton. You just cannot!

And I have found out since then why Mr. Clinton went to Moscow alone on New Year's Eve of 1969, why he woke up in Leningrad and headed to Moscow January 1, 1970, why he was there only 3 days, 27 degrees below zero, 10 inches of snow cover. It was to go to a banquet, a banquet that a former U.S. Senator was at in the National Hotel, the best hotel in town, and he was broke, freezing, and he was only there 3 days, and then off to Prague, the banquet, the peace banquet, and then I found out yesterday from a new book called ''Clinton Confidential,'' by George Carpozzi, I hope George is listening, I would like to help his book to attain a counterbalance to McNamara's book, that Clinton had also another trip to Moscow I never knew about, June 1991, 4 months, less than 4 months before he declared for the Presidency on October 3, 1991. He was in Moscow. The Paula Jones incident was March 8, which, by the way, is V–E Day, and 1 month later, June 8, he has a personal 1½-hour meeting with the head of the KGB. What the heck was that all about, less than 4 months before he declared to be commander in chief?

So, Madam Speaker, I will say what some press people know, that I will be back trying to follow parliamentary rules, but if I get overruled. I will appeal the ruling of the Chair and I will win by a party-line vote. I polled my party members. I am going to discuss next month what the historical expression in our Constitution means about aid and comfort, what constitutes a hostile power, what constitutes an enemy force, what 58,000 deaths mean, and I will do a full hour on McNamara and why it is an absolute disgrace that he would rip open this unhealed wound of Vietnam and bring the type of agony that I have gone down to the wall and talked to some of these vets that they feel McNamara telling them it was wrong, terribly wrong, that we would try to free South Vietnam, help them stay free, with 44 newspapers in Saigon.

I went over there eight times during that conflict. I knew what the mistakes were, what the corruption was. But none of it was as evil as the human rights violations in Hanoi or what goes on to this day this North Korea, in China, in conquered Vietnam, in Cuba, for that matter.

We have a terrible century of history, and it is going out with a lot of bloodshed and hurt and pain, but we have still got these heroes from our darkest year of 1942. We have got our Walt Krells and David Hrdlickas.

Something has been bothering me lately. I have been thinking about traveling around the country, reaching maybe way beyond my reach, to offer some leadership to this country, and it has to do with something that atheists love. They call it the natural selection. I wonder if it has ever occurred to anybody the worst thing that wars do to any nation, large or small, the best, the very best die off, while the worst hide out and escape and cut corners and they get rewarded during peace, sometimes, while the best are gone, the opposite of natural selection, as atheists see it by the law of the jungle.

How many men would be running for the presidency today who had shown their strength of character in Korea or Vietnam if they had not been put into this Medal of Honor book as posthumous recipients of their Nation's greatest honor? There is only one word on that Medal of Honor: Valor. And sometimes I think it stands for ''veterans against lying or revisionism.''

Mr. McNamara's book is a sacrilege and an offense from a war criminal, and I will not stop trying to bring out the truth until my last breath, and I might tell my liberal critics that all warriors hate war. Those who were not killed to kill another mother's son in combat, like myself, but were trained to be combat ready and have a small piece of the action of melting down the evil empire, we understand why a nation should honor those that died, or those that had their young bodies ripped apart or those that managed to escape unscathed by the grace only of a merciful God, a Creator.

This Nation must come back to virtue, and our great Nation has to do something for the veterans, starting with the Korean veterans on July 27, in about 2 months and a week, when a beautiful, uplifting memorial is dedicated.

There are a thousand veterans that are going to turn out to confront Mr. Clinton if he shows up that day because in the letter to Colonel Holmes he also questioned our effort in Korea. I know what people who avoid service think. They think people are fools who go off and lose their lives. Well, they are not fools. They are the very essence of the countries' strength, and they are the salt of the Earth.

And with that, Madam Speaker, I conclude this evenings' remarks with what Douglas MacArthur said, ''I shall return.''

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 534. An act to amend the Solid Waste Disposal Act to provide authority for States to limit the interstate transportation of municipal solid waste, and for other purposes; to the Committee on Commerce.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCNULTY (at the request of Mr. GEPHARDT), for today after 2 p.m., on account of family business.

Mr. BONO (at the request of Mr. ARMEY), until 2:30 p.m. today, on account of recovery from surgery.

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. SKAGGS) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

Mr. POSHARD, for 5 minutes, today.

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

Mr. KIM, for 5 minutes, today.

Mr. NORWOOD, for 5 minutes, today.

Mr. YOUNG of Alaska, for 5 minutes, today.

EXTENSION OF REMARKS

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

(Mr. OBEY, to include extraneous matter on the conference report on H.R. 1158 in the House today.)

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

Mr. POSHARD.
Mr. ANDREWS.
Ms. LOFGREN.
Mr. LIPINSKI.
Mr. BONIOR in two instances.
Mr. NADLER.
Mr. MFUME.
Mr. BARCIA.
Mrs. MEEK of Florida.
Mr. LANTOS.
Mr. TORRES in two instances.
Mr. WILLIAMS.
Mr. FILNER.
Mr. PALLONE.
Mr. JACOBS.
Mr. MENENDEZ.
Mrs. MALONEY in two instances.
Mr. ACKERMAN.
Mr. OLVER.
Mr. COLEMAN.
Mr. BARRETT of Wisconsin.
Mrs. COLLINS of Illinois.
Mr. DIXON.
Mr. HOYER.
Mr. MANTON.
Mr. WARD.
Mr. RICHARDSON in two instances.

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

Mr. PORTMAN.
Mrs. JOHNSON of Connecticut.
Mr. OXLEY.
Mr. BURTON of Indiana.
Mr. YOUNG of Alaska.
Mr. ZIMMER.
Mr. GUNDERSON.
Mr. FRELINGHUYSEN.
Mr. GOODLING.
Mr. CAMP.
Mr. CLINGER.
Mr. FAWELL.
Mr. WOLF.
Mr. TATE.
Mrs. MORELLA.
Mr. POMBO.
Mr. BONO.
Mr. GILMAN.
Mr. RIGGS.

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

Mr. PETERSON of Florida.
Ms. DANNER.
Ms. VELÁZQUEZ.

ADJOURNMENT

Mr. DORNAN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 14 minutes p.m.), under its previous order, the House adjourned until Monday, May 22, 1995, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows.

886. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting a draft of proposed legislation to adjust the tenure of the Judge Advocate General of the Air Force, and for other purposes; to the Committee on National Security.

887. A letter from the Secretary of Education, transmitting a draft of proposed legislation to provide for the termination of the status of the College Construction Loan Insurance Association (the Corporation) as a Government sponsored enterprise, to require the Secretary of Education to divest himself of the corporation's stock, and for other purposes; to the Committee on Economic and Educational Opportunities.

888. A communication from the President of the United States, transmitting a report on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council, pursuant to Public Law 102–1, section 3 (105 Stat. 4) (H.Doc. No. 104–75); to the Committee on International Relations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LEACH: Committee on Banking and Financial Services. H.R. 1062. A bill to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers; with an amendment (Rept. 104–127, Pt. 1). Ordered to be printed.

TIME LIMITATION ON REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1062. Referral to the Committee on Commerce extended for a period ending not later than June 16, 1995.

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. CASTLE (by request);

H.R. 1667. A bill to authorize U.S. contributions to the International Development Association, the Asian Development Bank, and the interest subsidy account of the enhanced structural adjustment facility of the International Monetary Fund; to the Committee on Banking and Financial Services.

By Ms. DANNER:

H.R. 1668. A bill to establish a program to control fraud and abuse in the Medicare Program, to increase the amount of civil monetary penalties which may be assessed against individuals and entities committing fraud against the Medicare Program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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:

H.R. 1669. A bill to establish a science and mathematics early start grant program, and for other purposes; to the Committee on Economic and Educational Opportunities.

By Mr. CLINGER (for himself, Mr. SPENCE, Mr. HORN, Mr. ZELIFF, Mr. BLUTE, Mr. DAVIS, Mr. SCARBOROUGH, Mr. LEWIS of California, Mr. TATE, Mr. TIAHRT, Mr. FLANAGAN, Mr. BASS, and Mr. CHAMBLISS):

H.R. 1670. A bill to revise and streamline the acquisition laws of the Federal Government, to reorganize the mechanisms for resolving Federal procurement disputes, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committees on National Security, and the Judiciary, 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:

H.R. 1671. A bill to provide for Federal budgetary savings through reducing the number of political appointees; to the Committee on Government Reform and Oversight.

H.R. 1672. A bill to achieve budgetary savings by reducing the funding and scope of the stockpile stewardship program of the Department of Energy; to the Committee on National Security.

H.R. 1673. A bill to achieve budgetary savings by terminating certain Department of Defense programs; to the Committee on National Security.

H.R. 1674. A bill to achieve budgetary savings by reducing the amount which may be appropriated for the nuclear energy research and development activities of the Department of Energy; to the Committee on National Security, and in addition to the Committee on Science, 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. DINGELL, Mr. HANSEN, Mr. BREWSTER, Mr. DOOLITTLE, Mr. TAUZIN, Mr. PETE GEREN of Texas, Mr. GALLEGLY, Mr. HAYES, Mr. CALVERT, Mr. ORTIZ, Mrs. LINCOLN, Mr. HAYWORTH, Mr. CREMEANS, Mrs. CUBIN, Mr. COOLEY, Mr. SHADEGG, Mr. WATTS of Oklahoma, and Mr. THORNBERRY):

H.R. 1675. A bill to amend the National Wildlife Refuge System Administration Act of 1966 to improve the management of the National Wildlife Refuge System, and for other purposes; to the Committee on Resources.

By Mr. JACOBS (for himself and Mr. CARDIN):

H.R. 1676. A bill to amend the Omnibus Budget Reconciliation Act of 1990 to clarify that the expenses of administering the old age, survivors and disability insurance programs are not included in the budget of the U.S. Government, and for other purposes; to the Committee on the Budget, and in addition to the Committees on Rules, and Ways and Means, 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. EDDIE BERNICE JOHNSON of Texas (for herself, Mr. EDWARDS, Mr. MONTGOMERY, Mr. WATT of North Carolina, Ms. NORTON, Mr. CLYBURN, Mr. CONYERS, Mrs. MEEK of Florida, Ms. JACKSON-LEE, Mr. WILSON, Mr. LAUGHLIN, Mr. EVANS, Mr. FOX, Mr. HOUGHTON, Mr. ACKERMAN, Mr. LIPINSKI, Mr. TOWNS, Mr. UNDERWOOD, Mr. SANDERS, Mr. TUCKER, Mr. STEARNS, Mr. THOMPSON, Mrs. THURMAN, Mr. DOGGETT, Mr. METCALF, Mr. ENGEL, Mr. CLAY, Mr. BONIOR, Ms. BROWN of Florida, Mr. DELLUMS, and Mr. HASTINGS of Florida):

H.R. 1677. A bill to waive the time limitation specified by law for the award of certain

military decorations in order to allow the posthumous award of the Congressional Medal of Honor to Doris Miller for actions while a member of the Navy during World War II; to the Committee on National Security.

By Mr. MARTINI:

H.R. 1678. A bill to amend title 18, United States Code, to apply section 1001 to all branches of Government; to the Committee on the Judiciary.

By Mr. NADLER:

H.R. 1679. A bill to make an exception to the United States embargo on trade with Cuba for the export of medicines or medical supplies, instruments, or equipment, and for other purposes; to the Committee on International Relations.

By Mr. ROBERTS (for himself, Mr. DE LA GARZA, Mr. EMERSON, and Mr. CONDIT):

H.R. 1680. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes; to the Committee on Agriculture.

By Mr. TATE (for himself and Mr. NETHERCUTT):

H.R. 1681. A bill to provide that certain regulations shall not take effect unless published in final form not later than 18 months after the date of publication of general notice of proposed rulemaking; to the Committee on the Judiciary.

By Mr. WILLIAMS:

H.R. 1682. A bill to authorize the Secretary of Agriculture to use stewardship contracting in a demonstration program to restore and maintain the ecological integrity and productivity of forest ecosystems to insure that the land and resources are passed to future generations in better condition than they were found; to the Committee on Agriculture, and in addition to the Committee on Resources, 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. GILMAN (for himself and Mr. DORNAN):

H.J. Res. 89. Joint resolution prohibiting funds for diplomatic relations and further advancement of economic relations with the Socialist Republic of Vietnam [SRV] unless the President certifies to Congress that Vietnamese officials are being fully cooperative and forthcoming with efforts to account for the 2,205 Americans still missing and otherwise unaccounted for from the Vietnam War, as determined on the basis of all information available to the United States Government, and for other purposes; to the Committee on International Relations.

By Mr. SCHUMER:

H. Con. Res. 69. Concurrent resolution expressing the sense of the Congress that the National Rifle Association should disavow and condemn the inflammatory and defamatory language used by its leadership and certain of its officers and employees to attack Federal law enforcement agencies and their employees; to the Committee on the Judiciary.

By Mr. CALVERT (for himself, Mr. YOUNG of Alaska, Mrs. CHENOWETH, Mr. RADANOVICH, Mr. GUTKNECHT, Mr. STEARNS, Mr. BACHUS, and Mr. WELLER):

H. Con. Res. 70. Concurrent resolution expressing the sense of the Congress that members of the Screen Actors Guild should contribute funds to a private, self-sustaining endowment for the arts; to the Committee on Economic and Educational Opportunities.

By Ms. DELAURO:

H. Res. 153. Resolution expressing the sense of the Congress that the National Association of Radio Talk Show Hosts should not honor G. Gordon Liddy because of his use of hateful speech and its potential to inflame violence against law enforcement officers; to the Committee on the Judiciary.

By Mr. LIPINSKI:

H. Res. 154. Resolution to amend clause 2(a) of House Rule XXIII to extend the length of time required before considering the report of a committee of conference; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII.

87. The SPEAKER presented a memorial of the Senate of the State of Hawaii, relative to the physical desecration of the U.S. flag; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. HEINEMAN.

H.R. 43: Mr. HASTINGS of Florida, Mr. MARKEY, Ms. ROYBAL-ALLARD, and Mr. SERRANO.

H.R. 60: Mr. ROHRABACHER.

H.R. 70: Mr. HAYES.

H.R. 104: Mr. BILBRAY.

H.R. 159: Mr. BAKER of Louisiana.

H.R. 218: Mr. PICKETT.

H.R. 246: Mr. MILLER of Florida and Mr. CANADY.

H.R. 248: Mr. QUILLEN.

H.R. 329: Mr. CAMP, Mr. TALENT, and Mr. QUILLEN.

H.R. 373: Mr. DUNCAN.

H.R. 447: Mrs. MEYERS of Kansas, Mr. STUPAK, and Mr. HASTINGS of Florida.

H.R. 482: Mr. HOKE.

H.R. 739: Mr. WELLER.

H.R. 772: Mr. JOHNSON of South Dakota, Mr. DIXON, Mr. MATSUI, and Mr. MFUME.

H.R. 789: Mr. LATOURETTE.

H.R. 820: Mr. QUINN, Mr. DICKEY, Mr. WATT of North Carolina, Mr. THORNTON, Mr. DOYLE, and Mr. FRANKS of Connecticut.

H.R. 833: Mr. FAZIO of California, Mr. KLUG, Mr. WARD, Mr. BRYANT of Texas, Mrs. JOHNSON of Connecticut, Mr. HASTINGS of Florida, Mr. STARK, and Mr. KOLBE.

H.R. 997: Mr. ISTOOK.

H.R. 1020: Mr. BROWDER, Mr. POSHARD, Ms. PRYCE, Mr. LAUGHLIN, Mr. TALENT, Mr. KLUG, Mr. COSTELLO, Mr. WELDON of Pennsylvania, and Mr. PAXON.

H.R. 1023: Mr. FARR and Mr. TALENT.

H.R. 1073: Mr. GENE GREEN of Texas, Mr. SCHIFF, Mr. WAXMAN, Mr. SMITH of New Jersey, and Mr. CARDIN.

H.R. 1074: Mr. GENE GREEN of Texas, Mr. SCHIFF, Mr. WAXMAN, Mr. SMITH of New Jersey, and Mr. CARDIN.

H.R. 1085: Mr. COBLE.

H.R. 1103: Mr. CALVERT.

H.R. 1138: Mr. TATE.

H.R. 1210: Mr. PETRI.

H.R. 1220: Mr. BONO and Mr. RADANOVICH.

H.R. 1226: Mr. HOEKSTRA.

H.R. 1227: Mr. LINDER and Mr. HOEKSTRA.

H.R. 1235: Ms. RIVERS.

H.R. 1294: Mrs. LINCOLN.

H.R. 1363: Mr. WELLER, Mr. SKEEN, and Mr. WAMP.

H.R. 1423: Mr. MCDERMOTT, Mr. PALLONE, Mr. SERRANO, Mr. HASTINGS of Florida, Mr. CUNNINGHAM, and Mr. BEILENSON.

H.R. 1447: Mr. ROMERO-BARCELÓ.

H.R. 1448: Mr. KOLBE.

H.R. 1484: Mr. RAHALL, Mr. WARD, Mr. DUNCAN, Mr. GONZALEZ, and Mr. MARTINEZ.

H.R. 1496: Mr. SMITH of New Jersey.

H.R. 1499: Mrs. VUCANOVICH, Mr. QUINN, Mr. SMITH of New Jersey, and Mr. SOLOMON.

H.R. 1533: Mr. DELAY and Mr. MCINTOSH.

H.R. 1535: Mr. MCKINNEY, Mr. MARKEY, and Ms. DELAURO.

H.R. 1547: Mr. SERRANO.

H.R. 1556: Mr. FRISA and Mr. PAXON.

H.R. 1580: Mr. POMBO, Mr. HANSEN, Mr. GALLEGLY, and Mr. LAHOOD.

H.R. 1594: Mr. COBLE and Mrs. WALDHOLTZ.

H.R. 1597: Mr. ARCHER.

H.R. 1617: Mr. WELLER, Mr. HERGER, Mrs. SEASTRAND, and Mr. LINDER.

H.R. 1627: Mr. COBLE, Mr. MCINTOSH, Mr. BALLENGER, Mr. BUNN of Oregon, and Mr. LAUGHLIN.

H.J. Res. 79: Mr. PORTMAN and Mr. CASTLE.

H. Con. Res. 5: Mr. SOLOMON.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 4 by Mr. BRYANT on House Resolution 127: David E. Bonior and Jane Harman.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1561

OFFERED BY: MR. FUNDERBURK

AMENDMENT NO. 2: In section 2101(1)(A) (relating to authorizations of appropriations for diplomatic and consular programs of the Department of State) strike ''$1,728,797,000 for the fiscal year 1996 and $1,676,903,000 for the fiscal year 1997'' and insert ''$1,555,917,300 for the fiscal year 1996 and $1,400,325,570 for the fiscal year 1997''.

In section 2101(2)(A) (relating to authorizations of appropriations for salaries and expenses of the Department of State) strike ''$366,276,000 for the fiscal year 1996 and $355,287,000 for the fiscal year 1997 '' and insert ''$338,648, 400 for the fiscal year 1996 and $296,683,560 for the fiscal year 1997''.

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Senate

(Legislative day of Monday, May 15, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

You will keep him in perfect peace whose mind is stayed on You, because he trusts in You.—Isaiah 26:3.

Jehovah Shalom, we thank You for this marvelously direct and uncluttered promise. We long for this superlative quality of peace, and for good reason. You have called us to lead this great Nation. To enable us to be creative Copernican thinkers about the problems and opportunities before us this day, You seek to give us profound inner peace.

But Lord, we find it difficult to stay our minds on You. We try to focus on You and often our attention wanders; we seek to listen to You and the sound waves to our hearts are cluttered with the static of distracting voices; we want to trust You, but years of self-reliance make it difficult to wait patiently for Your answers. Most of the time our motto is, ''I have just got to get control of my life!'' Ah, there's the issue, Lord. We were never meant to usurp Your control. Now in the quiet of this time of prayer we discover the secret: You alone can keep our minds stayed on You. All we can do is ask for the miracle of a day lived in constant awareness of Your abiding presence. May this be a day crammed full of spectacular moments when You keep our minds steady, our hearts calm, and our wills alert to Your will. Lord of peace, keep our minds on You. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. SPECTER. I thank the distinguished President pro tempore.

On behalf of Senator DOLE, I have been asked to announce that there will be a period of morning business until the hour of 12 noon at which time the Senate will begin consideration of Senate Concurrent Resolution 13, the budget resolution. And I have been asked by Senator DOLE to announce that Senators should be aware that rollcall votes may be expected throughout the day; that it is Senator DOLE's expectation that 8 to 10 hours of the total of 50 hours statutory time limit will be used today on the budget resolution; and, to announce further that leaders' time is being reserved.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. The Chair advises the Senate that, under the previous order, leadership time has been reserved.

MORNING BUSINESS

The PRESIDING OFFICER. We are now in morning business for a time not to extend beyond the hour of 12 noon.

During morning business, Senators are permitted to speak therein for not to exceed 5 minutes.

RUBY RIDGE, ID, AND WACO, TX

Mr. SPECTER. Mr. President, I have asked for a period of time to be reserved this morning to speak about the incidents at Ruby Ridge, ID, and Waco, TX. And there are a number of other Senators who have stated to me their intention to come to speak.

My remarks at the moment will be relatively brief, and I want to thank my distinguished colleague from Colorado for yielding to me because he was on the floor before I arrived. It is a little unusual to find Senators here in advance of the opening of the Senate session. But Senator CAMPBELL has time reserved as well.

I hope to return later during the period for morning business to speak at greater length and also other Senators will come to speak on the subjects of Ruby Ridge, ID, and Waco, TX, as well. But I have a commitment to appear before the Finance Committee at 9:30 to testify on the flat tax.

(Mr. DEWINE assumed the chair.)

RUBY RIDGE, ID

Mr. SPECTER. Mr. President, I think it is important that there be a positive showing by the Senate of our concerns about what happened at Ruby Ridge, ID, on August 21, 1992, and the days thereafter, and what happened at Waco, TX, on April 19, 1993, and the days which preceded to assure the American people that appropriate congressional oversight will occur and that there will be accountability at the highest levels of the U.S. Government.

The House of Representatives has scheduled a hearing on the events at Waco, TX, and an announcement has been made by the distinguished chairman of the Senate Judiciary Committee that the Judiciary Committee will hold hearings on Waco, TX, and Ruby Ridge, ID, as well.

As I said last week on the Senate floor, it is my hope that we will do these hearings sooner rather than later because of my strong view that the American people need reassurance that there will be proper oversight. I say that I do not know what the answers are to the questions which have been raised, but I do see many important and profound questions. And I do think it is absolutely necessary that a full effort be made with congressional oversight to find answers.

● This ''bullet'' symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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Mr. President, with respect to the incidents at Ruby Ridge, ID, back on August 21, 1992, I have talked to FBI Director Freeh; FBI Deputy Director Potts; Bureau of Alcohol, Tobacco, and Firearms Director John Magaw; Jerry Spence, Esq., the attorney who represented Mr. Randy Weaver in the criminal proceedings in the Federal court; Randy Dade, the county attorney of Boundary County; and have attempted contact, traded calls with Special Agent Glenn, who is the agent in charge in Salt Lake City.

My preliminary findings—and these are obviously preliminary—show me that there are very important questions which require congressional oversight on the appropriate use of force in taking someone into custody and on the initiation of investigations by Federal agencies like the Bureau of Alcohol, Tobacco, and Firearms.

In discussing the incidents at Ruby Ridge, ID., and in taking them up in a preliminary way with the Director of the Bureau of Alcohol, Tobacco, and Firearms, John Magaw, there is a serious question as to how that matter all began.

Last Saturday, when I was in Des Moines, IA, I had occasion to talk at some length with Mr. Randy Weaver, who was tried and acquitted on murder charges. I had a chance to talk to his daughters Sarah and Rachel, ages 19 and 13. His 3-year-old daughter Elisha was present as well but was not in a position to shed any light on what occurred.

Picking up just one strand in the few moments that I am able to speak on the issue now, Mr. Weaver recounted how he had been contacted by a man who had asked him about acquiring sawed-off shotguns. Mr. Weaver advised that he thought that the individual was an undercover agent for the Bureau of Alcohol, Tobacco, and Firearms. And that was later confirmed by Director Magaw, who told me that it was a confidential informant who had gone to contact Mr. Weaver on the subject of purchasing sawed-off shotguns.

When that matter was tried, according to the information given to me by Mr. Magaw, Mr. Weaver was acquitted, on what Mr. Magaw said were borderline entrapment circumstances. When I questioned Mr. Magaw about what he meant by borderline entrapment—I know when I talk about this with the Presiding Officer, the distinguished Senator from Ohio, Mr. DEWINE, knowing what entrapment is, it is really not borderline; it is either entrapment or not. And if it is a matter of acquittal, there is no entrapment.

For those who do not know the details of entrapment—and it is a complex situation—that is when the idea comes from law enforcement and it is planted in the mind of the individual who ultimately does the conduct, undertakes the action which is the cause of an indictment.

I think we need to focus on the specifics as to what happened there to give congressional oversight from some of us who have had more experience along that line so that we do not become engaged in the law enforcement agency, the Government itself, setting up circumstances which begin the chain of conduct which results in the indictment and look what happened beyond that in the Weaver matter because the law will not support a conviction if it is entrapment by the law enforcement agencies.

I am going to have to speak at length to this later, Mr. President. But one other matter that I wanted to touch upon in the Ruby Ridge incident was the question of the use of force and the question of whether it was excessive. I do not want to come to any conclusions. There has been considerable comment about whether the rules of engagement were changed and whether that was what led to the censure of Special Agent Larry Potts, who has since become the Deputy Director of the FBI. And in my discussions with Mr. Potts, which were relatively limited because we were scheduled to meet at a later time when he will have an opportunity to have his attorney present, Mr. Potts advised me that there had been no change in the rules of engagement. And that raises a very fundamental question as to the conduct and the use of force by Federal law enforcement when Mr. Weaver was taken into custody in a very sad situation where a U.S. marshal was killed, where 14-year-old Sam Weaver was killed, and where Mrs. Randy Weaver was killed. That is a tough subject but certainly deserves and requires our attention.

I touch upon those matters only briefly at this point, Mr. President, because I had said I would be making an inquiry, a preliminary inquiry, and I wanted to report on that. We had scheduled the hearings initially for the Terrorism Subcommittee for this morning, and those have been deferred until the full committee will take up the matter at a later date.

I had wanted to touch on the Waco incident again to at least refer preliminarily to the report by Dr. Allen Stone, of Harvard, who was a panelist selected to help in that inquiry, but since it is almost 9:30 and I am due in the Finance Committee—and I have already taken the time of my distinguished colleague from Colorado—I am going to conclude these very brief remarks with the hope of being able to come back a little later in morning business to talk additionally, to report further on my preliminary inquiry. I thank the Chair and I again thank Senator CAMPBELL.

Mr. President, before my colleague starts, may I just add, perhaps unnecessarily, that I reserve the remainder of my time.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado [Mr. CAMPBELL] is recognized to speak for up to 15 minutes.

(The remarks of Mr. CAMPBELL pertaining to the introduction of S. 817 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DOLE. Was leader time reserved?

The PRESIDING OFFICER. The Senator is correct, leader time was reserved.

THE ENTERTAINMENT INDUSTRY

Mr. DOLE. Mr. President, this weekend, an important advertisement will be appearing on our television screens. The ad will feature two prominent Americans—Dr. William Bennett and C. Delores Tucker, chair of the National Political Congress of Black Women.

Dr. Bennett is a Republican. Ms. Tucker is a Democrat. Both agree that the entertainment industry must be held accountable for the mindless violence and loveless sex it serves up each day to our children.

Of course, there are many fine people in the entertainment industry and there are many fine movies, songs, and television shows. And, thankfully, it appears that Hollywood is finally beginning to understand that family-friendly films can also be box office hits.

That is the good news.

The bad news is that too much of today's entertainment continues to operate in a moral vacuum, without a redeeming hope, and without any suggestion that virtues are important, that morality is, in fact, preferable to immorality.

We cannot ignore this simple truth: culture does count.

Cultural messages can and do bore deep into the hearts and the minds of our impressionable young. And when these messages are negative ones—repeated hour after hour, day after day, month after month—they can rob our children of that most precious gift of all: their innocence.

One of the leading cultural influences in America today happens to be one of our largest corporations, Time-Warner.

Now, Time-Warner has produced much entertainment over the years that has enriched the cultural life of our country. But unfortunately, through its affiliation with companies like Interscope Records, Time-Warner is now on the cutting-edge of the misogyny business. As Ms. Tucker will explain in her television ad, and I quote:

> Time-Warner's music division promotes music that celebrates the rape, torture, and murder of women. The lyrics are vulgar, offensive, and do terrible harm to our children.

Columnist John Leo puts it another way. He calls Time-Warner's affiliation with Interscope the ''cultural equivalent of owning half the world's mustard gas factories.''

Last month, I urged all Americans to join with me in refocusing the spotlight on the entertainment industry. I said that ''shame is a powerful tool and

we should use it.'' So, it is gratifying to see two concerned Americans, with different backgrounds and different political views, joining forces to put some much-deserved public heat on one of the giants of the entertainment industry.

Let us also be very clear that Government censorship is not the answer. We have more to fear than to gain from putting Washington in charge of our culture.

But just as Time-Warner has the right to produce and sell its harmful wares, concerned Americans like Bill Bennett and Dolores Tucker also have the right to call upon the executives of Time-Warner to think less about short-term profit and more about the long-term good of their country.

So, I want to congratulate Dr. Bennett and Ms. Tucker for taking this initiative. I know that Dr. Bennett cites courage as one of the great virtues in his great ''Book of Virtues'' and with this bold advertising campaign, he has proven that courage and good citizenship are alive and well in America today.

Mr. President, I will just say, maybe as a suggestion, it would be well for the Time-Warner executives and Bill Bennett and Ms. Tucker to sit down and talk about this, try to work it out, try to have a dialog. I hope that there will be some meeting of the minds and some agreement to start this discussion, to start a dialog because, as I have indicated before, it is very important to Americans, particularly America's children.

NRA FUNDRAISING RHETORIC

Mr. DOLE. Mr. President, I was pleased to see the National Rifle Association apologize for some of the statements in their recent fundraising letter. The NRA has done the right thing. They should not have used some of that language in the first place. Alleged abuses of power by Federal law enforcement authorities are a fair and legitimate subject of debate—for Congress and for the American people. But it is wrong to impugn the motives and actions of the courageous men and women who risk their lives every day in enforcing our laws.

Mr. President, words do matter. Statements do matter. Our debate should recognize that fact. I ask that the article from today's Washington Post on the NRA apology be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 18, 1995]

NRA EXECUTIVE ISSUES APOLOGY FOR LETTER ATTACKING U.S. AGENTS

A National Rifle Association official apologized yesterday to law enforcement officials and others offended by a recent fund-raising letter describing some federal agents as ''jack-booted thugs.''

''I really feel bad about the fact that the words in that letter have been interpreted to apply to all federal law enforcement officers,'' NRA Executive Vice President Wayne LaPierre said in a telephone interview from Phoenix.

''If anyone thought the intention was to paint all federal law enforcement officials with the same broad brush, I'm sorry, and I apologize,'' LaPierre said.

Lapierre's apology comes after a week of steadily mounting criticism of the NRA, which began May 10 when former president George Bush revealed that he had resigned from the group in protest of the letter.

Lapierre said the letter was intended to criticize only isolated actions, primarily involving the Bureau of Alcohol, Tobacco and Firearms.

But at least one section of the letter offer a more general condemnation of federal law enforcement efforts.

The letter, sent to the NRA's 3.5 million members in March over LaPierre's signature, said that ''in Clinton's administration, if you have a badge, you have the government's go-ahead to harass, intimidate, even murder law-abiding citizens.''

MORE SHELLS FALL ON SARAJEVO

Mr. DOLE. Mr. President, on Monday more than 1,000 shells fell on Sarajevo—5 people were killed and 25 wounded. Yesterday Bihac was being shelled. Today a Sarajevo marketplace was hit by a mortar shell. The response to these attacks on U.N. designated safe havens reflects the United Nation's latest de facto policy: Blame the Bosnian Government for trying to defend its people, and dispatch NATO planes to buzz overhead. Meanwhile contact group negotiators are desperately trying to sweeten a deal for Serbian President Milosevic.

Let us face it, the protection of U.N. safe havens has become a fraud. The enforcement of weapons exclusion zones has also become a fraud. The United Nations is not fooling anyone even with its blame both sides rhetoric.

According to news reports, the United Nations is considering mandate reduction for its forces in Bosnia. In my view that has already happened, and without a U.N. Security Council vote.

The General Accounting Office recently released a study on U.N. operations in Bosnia-Herzegovina prepared at my request. In painstaking detail the report explains how the United Nations is not doing the job it was tasked to do in Bosnia.

The GAO report confirms what many of us already knew: that the U.N. operation in the former Yugoslavia is ineffective, that UNPROFOR is not carrying out its mandates. It also indicates that UNPROFOR has lost its credibility and has impeded NATO's ability to carry out air strikes in defense of U.N. designated safe havens and U.N. forces, facts that are very clear in light of events over the last 2 days in Bosnia.

I would remind my colleagues that even though there are no Americans participating in UNPROFOR, the United States has been subsidizing this failed endeavor for several years now, to the tune of more than $1.1 billion in direct support and $1.4 billion more in indirect support.

It is high time that we review our support for this flawed policy. The facts are clear: This operation is a failure, an expensive failure. It seems to me that increasingly UNPROFOR's real reason for being is to prevent a change in policy, specifically to prevent the lifting of the arms embargo on Bosnia.

Mr. President, I simply urge all of my colleagues to read the GAO's report. I believe that after reading it, one would be hard pressed to argue that this operation is worth Bosnia being denied its fundamental right to self-defense.

I say, along with Senator LIEBERMAN of Connecticut, it is our hope that we will be able to vote on lifting the arms embargo in the Senate some time in June. It seems to me that everything is falling apart and we are getting less and less response from the United Nations. I must say I have no quarrel with the U.N. Protection Forces, the men and women there. They are certainly exhibiting courage and bravery. But it seems to me that the time has come for a total review of our policy. I suggest to the President of the United States that he provide the leadership in this review and that we do it as quickly as possible.

I thank my colleagues and I yield the floor.

Mr. DOMENICI. Mr. President, I want to comment on Senator DOLE's remarks on the floor of the Senate today with reference to violence in the United States in the mass media of America and its role in terms of violence. I want to commend the Senator for making the point. Those two American citizens, one Democrat and one Republican, have no idea what a service they are doing for the people of this country, if they can just get the media to understand that they, too, have a responsibility. They have lots of freedom. But where is all the violence coming from? We are making excuses and talking about it all the time, as if Government is to blame and this is to blame. The truth of the matter is people are just seeing so much violence, and they are outdoing each other to show us a different and new way that is becoming part of some of American citizens' lives. They see it, and they do not have regard for life.

Mr. DOLE. The children see it.

Mr. DOMENICI. Yes. Then you have 14-year-olds committing the acts they have seen on television 50 times. Sooner or later—we cannot legislate in that area. It is very difficult. Sooner or later we have to come to our senses, and I commend the Senator for his remarks.

Mr. DOLE. I thank the Senator.

FRESHMAN FOCUS ON THE BUDGET

Mr. THOMAS. Mr. President, our freshman focus group continues today and will continue on through the next week.

I rise today to express my surprise and my disappointment at the position the administration has taken, and, indeed, the other side of the aisle, with regard to the budget, with regard to Medicare, line-item veto, unfunded mandates, the rescission package, and the balanced budget amendment. In fact, on every issue that has come up since the beginning of this Congress, we have had the same approach, we have had the same reaction. And that position is to resist—''obfuscate'' has been used; that is a new word to me, but I think it means ''don't do anything''—and oppose with no alternative; to simply say no with no sign of leadership as to what an alternative solution would be to those issues.

It is surprising, Mr. President, and disappointing to me that the President 2 years ago made a great issue out of change. He was going to bring to this place change, new Democrats, a reinvention of Government, a more user friendly Government, reduce the size. Great rhetoric. Except when it comes to doing it, when it comes to the tough part—and it is tough to change; it is tough to make changes in systems that have been there; it is tough to make changes in programs that have built up about them a constituency. And so it is tough.

Talk is easy, but it is not easy to make the change. It is not easy to come to the snubbing post and really have to do it.

Instead, it is really easy to revert to the old system, and that is more Government and more spending and more programs. That is the easier way to go. It is one that makes it less politically volatile and one that we do.

Never mind that the programs have not solved the problems. Never mind that nearly everyone I think in this country believes that Government is too big and too intrusive and too expensive, a Government with nearly 3.5 million employees, thousands of programs, and literally hundreds of agencies and advisory groups.

And, of course, even the administration argues for cuts. Secretary Shalala recently announced a major revision. I think it involves 2,700 jobs—2,700 out of 62,000. That is hardly a major revision.

But now, we do have a chance, Mr. President, to do something significant. We do have an opportunity for the first time in a very long time to make some significant changes, not only to reduce the cost.

The budget argument is not just about dollars, although that is particularly important and significant. The real discussion and the real debate and the real opportunity is to take a look at Government and to examine now what the role of Government will be, to examine where we want to be in terms of the Government in the year 2000, when we move into a new millennia, what kind of a new century that we want to prepare for our children and our grandchildren if we do not do something by then. If we do not make changes by then, this Government will be able to afford only the entitlement programs and interest.

We will have this year, in a couple of months, a vote to raise the debt limit to $5 trillion. And before the next 2 years is over, before the first Clinton administration is over, we will be having $6 trillion in debt. Some say, ''Well, that doesn't matter, particularly. Debt does not matter.''

Debt does matter, as a matter of fact. Debt takes money out of the economy; money could be invested for other things. Maybe more to the point, the cost of interest will be soon the largest single line item in the budget. This year nearly $260 billion for interest alone. So it is significant.

It seems to me the measure of good Government is to be able to look at programs and see if, in fact, they are doing the job, to measure the output, to measure the results.

Unfortunately, I think it is fair to say that Government over the years in a nonpartisan way, when problems are not resolved by a program, we say, ''Well, this needs more money.'' And that may or may not be the case.

The fact is it is more likely that what happens is that you need to change the program, you need to change the application of the funds. And to suggest that results will be different if you continue to do the same thing is kind of a fantasy. It gives us an opportunity to look at duplication. And there is great duplication. There is redundancy.

There are 160 programs that have to do with moving from education to work. Now, everybody wants to do that. That is a great idea, and we should do it. It is a significant effort. But we do not need that many programs. They continue to add on.

There is a list of them. It is sort of interesting. I think it was in the newspaper 2 days ago. Actually literally hundreds of basically advisory committees no one has ever heard of in the world. Quite frankly, if they disappeared, none of us would know the difference. So we need to do some of those things.

Despite the first opportunity in 40 years, what is the strategy? I am afraid the strategy of the opposition is to object, to resist, to criticize, to filibuster. Let me say that filibuster is not the old classic filibuster where you stand on the floor for 72 hours and fall over from exhaustion. What filibuster is is hundreds of amendments that pile up so that we do not go anywhere, so that nothing happens, and that is what is happening around here. And that is too bad. Every issue this entire year has been handled that way. We do have to do something about that.

Medicare is an excellent example. I do not think anyone can doubt that you have to do something about Medicare. It is not a brandnew idea. We have known it is coming. Medicare was started in the sixties. I believe there was one point where 19 million people were involved in the beginning. Now that is doubled. The first year in Medicare, I think, was a $1.2 billion expenditure. This year it is a $165 billion expenditure and going up at a rate of 10 percent a year, one that we cannot maintain.

The trustees, which include three members of the Cabinet, have just given a report saying that unless we do something, in 2 or 3 years the program will be calling on the reserves and in 7 years it will be broke. We cannot let that happen. So we have to make some changes.

The proposal that is being made is to reduce the percentage of growth from 10 percent a year to 7 percent a year. That is still a pretty good growth. That is the growth of health care in the private sector plus inflation.

Some say, ''Well, there are more people.'' The fact is it increases the per capita spending which takes into account new participants. It increases the per capita spending from about $4,800 a year to $6,400 a year, and yet this will be attacked as a cut.

What is the alternative? The alternative is Medicare goes broke. We can fix it. We can fix it, but we have to change, and we can do that.

Mr. President, the opportunities are great. We are now dealing with a budget that continues to grow and, under the administration's plan, the deficit continues as it is as far as one can see. The package grows. The total package over $1.5 trillion a year grows at 5.5 percent a year. We are suggesting that we reduce that growth to about 3.5 percent a year. Hardly a cut.

So we have a great opportunity, and I think the point is that voters said to us in 1994, and voters have said to us before, we have too much Government, that Government costs too much, that Government is not user friendly as it should be, we have overregulation. And that is true.

I do not say those things particularly as criticisms, but just as a recognition of where we are, but with the happy thought that we can change that, and that, of course, is what is so remarkable about our democracy, what is so remarkable about our Government.

Let me tell you that even though the request for change on the part of voters, on the part of citizens, on the part of you and me is not a new idea. It has been done for years. In the 1800's and every generation there was substantial change in Government. Now it becomes more difficult. Government is larger, there is more bureaucracy, there is more lobbying, there are more people who are constituents of programs, and it becomes much more difficult, but not impossible at all.

As a matter of fact, I can tell you having been home, and going home every other week, I find my people, the people I represent in Wyoming, want some change. They know there is going to be some change, there is going to be some pain as there always is when you make your budget fit in your business

or in your family. And that is where we are.

I think it is an exciting opportunity. We need to take a look at our objectives. Our objectives are to make Government more responsive, to take those areas, such as welfare, where we are committed to helping people who need help and fix the program so that we help them help themselves, and that is the way it ought to be.

So we are there. We need to take the bull by the tail and look the problem in the eye. The objective is to have a solution. We can find it, taking a look at the role of Government, better ways of doing it, less Government in our lives, in responsible financial condition. We can do it, and I think it is a great opportunity. We will be talking about it this week. I think it is a watershed opportunity. We will make some big decisions this week over where we will be when the century changes in 7 years.

Mr. President, I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

THE BUDGET

Mr. ASHCROFT. Mr. President, I thank my colleague from Wyoming. I must say that his remarks are both compelling and accurate and reflect the opportunity which we face in the U.S. Senate and for which the people sent us to the U.S. Senate. A job well done and items well stated, because they understand what happened here on May 11, just a few days ago, when Republicans annunciated their view for a brighter economic future, for financial stability, for fiscal integrity for the United States of America.

On that day, Senator DOMENICI, and other members of the Budget Committee, passed a resolution that would reduce spending over the course of the next few years by a trillion dollars. It is a budget resolution that brings our budget into balance by the year 2002. When this happens, it will be eligible for categorization as one of the eight wonders of the world. It is one of those things people have said could not be done.

But free people have the right to shape the tomorrows in which they live, and if we want to shape a tomorrow in which our children will live in a constructive way, we will have that kind of discipline which puts us on a balanced budget path and an enforceable balanced budget path by the year 2000 which sets us on a path for fiscal sanity and economic responsibility.

The plan that has been annunciated, the plan brought forth by Senator DOMENICI, is a plan for which he and members of the committee should be commended. I personally want to make that special effort to thank them.

These plans just do not happen in a vacuum. Someone has to make the tough judgments, someone has to be willing to take the tough stand, someone has to be willing to make the commitment, and Senator DOMENICI has done so.

His resolve, his commitment, his dedication, his courage has not been matched on the other side of the aisle. What has been the Democratic response to the Republican plan? Well, we have had ad hominem attacks, misleading charges, empty rhetoric. At this momentous time in our history that requires decision, that requires courage, that requires commitment, the Democratic Party seems committed only to partisanship and to politics.

So I think it is important that we ask again today where is their alternative? Where is their plan for a balanced budget? You and I and other Members in this Chamber endured a balanced budget debate, and we fell 1 vote short—1 vote short—because many on the Democratic side changed their votes to vote against a balanced budget this year. They said over and over again, ''All we need is the will and the courage, and the determination to balance the budget. We don't need an amendment.'' Well, now we have Senator DOMENICI who stands up and announces with will, courage and determination a balanced budget. And where are those who would support the balanced budget? They are not to be found. They were not to be found in the vote for the balanced budget amendment, and they are not to be found in the discussion of an actual balanced budget—except for criticism, except for partisanship. It is time that we have a united, bipartisan effort to achieve a balanced budget.

I suggest that critics of our balanced budget plan, brought forward by Senator DOMENICI, ought to heed the counsel of the 16th President of the United States. In Lincoln's words, he put it this way:

> Those have a right to criticize who have a heart to help.

You have a right to criticize if you have a heart to help. Well, we confront a fiscal crisis as great as any threat that we have confronted in this Nation, any threat we have ever faced, and calls for the maintenance of the status quo are insufficient. They are, in fact, irresponsible. Those who would criticize the move toward responsibility by instituting or institutionalizing the status quo are really saying they want to embrace irresponsibility. Inaction today will ensure decline for America tomorrow.

Now, the story of our financial crisis has been told many times on this floor, but it bears repeating. If we do not act dramatically and quickly to balance the budget of the United States, we will find ourselves in a position of bankruptcy. If unreformed Medicare will be bankrupt in just 6 years, is this the alarmist position of partisan politicians? No, this is the announced report of the board of trustees of the fund which supports Medicare. And three members of that board are members of the President's Cabinet.

There is a crisis in Medicare funding. We will not have the resources in the hospital trust fund in order to make the payments if something is not done. Yet, what has been the response of those who have said they want to balance the budget, but all we need is the will, the determination and the commitment to do it, and we do not need the balanced budget amendment? Well, they are just criticizing Senator DOMENICI and his report that would provide us an opportunity, a roadmap, which would carry us to a balanced budget. Medicare will be bankrupt in just 6 years. There is a real need for commitment and action.

Without changes, we face a tremendous load of debt, and not only debt but the interest payments on the debt. In 2 more years, we will be paying more interest on the national debt than we spend in the entire defense budget of the United States of America. That seems incomprehensible, that just the interest on the national debt will be more than we spend in defending the interests of this country worldwide. By the year 2000, the national debt will reach close to $7 trillion. We must act now to balance the budget. We cannot continue to mortgage the future of the children of this country because we refuse to have the discipline to balance our budget.

Sadly, children who are born this year will end up paying just a little short of $200,000 in interest on the debt over their lifetime—each child. The figure, according to the statisticians is $187,150 of interest that each child will have to pay on the national debt. It is time for their individual futures and our national future to be saved. We must act in the coming weeks and months.

Now, through shared sacrifice we can ensure that the coming generation of Americans will share in the abundant riches and opportunities of this country if we have the discipline to restrain the debt. What is the proposal of the Republican Party? How would it affect America, and how would it change Government therapeutically? How would it benefit us so we can do what we ought to do on behalf of the children of this country? What is our plan?

First, freeze congressional salaries, unless the budget is balanced by the year 2002.

Second, cut foreign aid.

Third, eliminate a number of unnecessary and duplicative programs. Just yesterday in the Foreign Relations Committee, there was a plan to consolidate the voices of America, the different representations of this country around the globe under the Secretary of State, saving almost $5 billion over the next 5 years.

Abolishing nonessential governmental agencies. Democratic attacks aside, our plan provides sufficient funds to maintain the health and integrity of a whole range of important governmental services.

These figures are important because those who would be the speakers of fear and the sowers of discontent, and

would suggest that our plan will not work, should understand that under the Republican proposal, Medicare will increase by 59 percent over the 7-year life of the plan—a 59-percent increase. Medicaid will rise at over 5 percent annually. And Social Security is totally untouched by the program between the present and the year 2002. Spending on the Social Security program is expected to increase by 43 percent, from $354 to $483.7 billion.

Indeed, Mr. President, the plan we will consider allows spending in all of Government to grow by an average of 3 percent annually, increasing by over one-half trillion dollars over the next 7 years the overall spending of Government.

In this debate over the future of our country, I am reminded of the philosopher's words: ''They sought to heal by incantations a cancer which requires the surgeon's knife.''

You cannot heal by just speaking words those things which require the surgeon's knife. The truth of the matter is that we are in a condition in this country where the scalpel of surgery needs to be applied to the cancer of national irresponsibility. We need to have the scalpel of the surgeon's knife cut out the unwanted and malignant growth which is taking over and depriving us of the ability to make good decisions regarding the future of this country.

Mr. President, we are hearing all around us the familiar cries of the discredited and irresponsible philosophy. But we should not listen to the cries of those who do not have the will, do not have the dedication, do not have the commitment, who, while they said we did not need a balanced budget amendment, they now refuse to face up to the specific personal responsibility to operate with fiscal integrity.

We were sent here by the American people with a demand and an expectation. They demand that we make the tough decisions, the same kind of decisions that are made around every kitchen table in America. When you sit down to figure out what you can and cannot afford, you set priorities to guard the vital interests of the family and you do away with those things that you can get by without. That is what the people sent us here to do. They demand that we stop business as usual in the U.S. Senate and that we embark upon something new and different for Government, and that is Government living within its means, Government that understands that there are limits. The people want the hand of Government out of their pockets. They do not want a Government handout. They expect us to listen and we ought to listen and we will listen.

Well, our budget plan goes a long way. It goes all the way to balancing the budget on a controlled, understandable, doable, achievable plan by the year 2002. It is a plan that will not only benefit the people today, but it will benefit the children. It will provide for them the opportunity to enjoy the fruits of their labors, rather than just to try and retire a debt and pay interest for items that we have consumed. It is an opportunity for Members of this Congress, it is an opportunity for Members of the U.S. Senate; but more than an opportunity, it is a charge from the American public, and it is a responsibility we have to the generations to come.

Mr. President, I yield the floor to my colleague, Senator GRAMS, from Minnesota.

Mr. MOYNIHAN. Mr. President, if I may make an inquiry.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. The Senator yields the floor to the Presiding Officer, rather than to another Senator, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MOYNIHAN. But I see that my colleague has risen, and I look forward to his remarks.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. GRAMS. I ask unanimous consent to speak as in morning business for no more than 10 minutes.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

FRESHMAN FOCUS ON THE BUDGET

Mr. GRAMS. Mr. President, as the Senate prepares to begin debate on the budget resolution for fiscal year 1996, I rise with my fellow freshmen to offer our perspective on the challenge ahead.

Mr. President, the individual Members of this class of freshmen Senators—11 strong—do not have much seniority. We do not chair powerful committees. But we do have one thing it seems many of our colleagues are missing—something far more valuable. We have the pulse of the people, and we always carry it.

We took the pulse ourselves, during our Senate campaigns last year. At coffee shops, truck stops, town meetings, we heard from thousands of average Americans. They talked about high taxes and excessive, wasteful Government spending. They talked about Social Security and Medicare, and wondered if it would still be around for them, their children, and grandchildren.

We listened, and we promised them that if they sent us to the Senate, we would fight to change things. We are deeply committed to change and to keeping our promises.

If life in the Senate sometimes reminds me of the barnyard conversation between the chicken and the pig, as they argued over which one was more committed to the breakfast meal: ''I give eggs every morning,'' the chicken said proudly. ''I'm committed.'' ''Giving eggs isn't a commitment, it's participation,'' snorted the pig. ''Giving ham, now that's a commitment.''

Sadly, this body too often seems content to deliver eggs when the people are demanding ham.

Mr. President, this freshmen class is committed to following through on the promises we made last November. And for the next week, we'll be focusing our attention on the Federal budget.

Year after year, when they ran things on Capitol Hill, the Democrats offered up budgets which raised taxes, sent Government spending spiraling out of control, and created massive deficits.

The voters soundly rejected that mentality in November. They looked to the Republicans for an alternative, for a budget that could turn back 40 years of spending mentality and the belief that money will fix everything, especially if it's your money and Washington can spend it.

Debate on our alternative begins today.

Whatever form it eventually takes, a budget resolution that is truly serious about America's financial future must accomplish three equally important goals:

We promised middle-class American families a budget that cuts taxes, and we will deliver.

We'll deliver for the Smith family, and the Johnsons and the Joneses, average American families where both parents work, earn $48,270, and take home $31,664, and end up sending $16,606 or more than a third of their paychecks, directly to the Government.

Families with children are now the lowest after-tax income group in America, below elderly households, below single persons, below families without children.

As one person put it, those who say we do not need a tax cut, probably do not pay taxes.

Mr. President, it has gotten so bad in my home State of Minnesota that it took until last Sunday, 134 days into 1995, for my constituents to finally reach Tax Freedom Day, the day when they're no longer working just to pay off taxes, and can finally begin working for themselves. Nearly 20 weeks, over 800 hours on the job just to pay Uncle Sam.

I applaud the distinguished chairman of the Senate Budget Committee for his courageous work on the budget resolution, but I part ways with his blueprint when it comes to tax cuts. I say we had better find a way to help the Smiths, and the Johnsons, and the Joneses.

The chairman states: ''Balance must first be achieved by reducing the rate of growth in Federal spending before tax reductions could be considered.''

That is like holding the taxpayers' money hostage, like calling tax cuts a dessert that we will share with the American people only after they have cleaned their plates. Anyone who thinks tax relief should be saved for the dessert cart has not taken the pulse of the people lately.

Middle-class American families are paying the vast majority of taxes in this country, and they are fed up. They are working longer hours, sometimes even taking on a second job, just to

meet their annual tax obligations while trying to maintain their style of living. They are still pursuing the American dream, but the ever-increasing tax burden keeps pushing it out of reach.

The $500 per-child tax credit takes money out of the hands of the Washington bureaucrats and leaves it in the hands of the taxpayers.

It is truly a tax break for the middle class: nearly $9 out of every $10 of tax relief goes to families making $75,000 or less. They are the ones who need our help the most, and we cannot ask them to wait another 6 or 7 years.

Mr. President, I promised my constituents in Minnesota that tax relief will be my top priority in the Senate, and during the next week, I will do just that.

The freshman class also promised American families that we would balance the budget. With or without a balanced budget amendment, we will deliver.

Now, my good friend, the Budget Committee chairman, and his counterpart in the other Chamber, have crafted documents the naysayers said could never be achieved.

The budget resolution we begin debating today, that brings the budget into balance by the year 2002, is proof that we are serious about living up to our pledge. Having to live within its means will be a new experience for a Congress that has only balanced its budget eight times in the past 64 years, and has not spent less than it has taken in since 1969.

Even the Clinton administration, despite all its rhetoric about shrinking the deficit, has seemingly washed its hands of the deficit problem.

Under the President's own budget plan, the deficit would increase from $177 billion this year to $276 billion in 2002, and add another $1.5 trillion to the national debt. Only Republicans have offered an alternative to this fiscal madness. And I hope my colleagues on the other side of the aisle will find the courage to vote for a balanced budget. We're offering a plan to balance the budget, and we have done it without slashing Federal spending, without putting children, seniors, and the disadvantaged at risk. Most of our savings are achieved by slowing the growth of Government. Will there need to be some sacrifices? Yes, although the Government will have to sacrifice more than the people will. Will belts need to be tightened? Yes. But if we do not tighten the belts today, they are destined to become nooses around the necks of the coming generations, who will someday become the innocent victims of our negligence. Mr. President, as Senate freshmen, my colleagues and I heard it over and over during our campaigns: the American people are willing to make those sacrifices, if they believe their Government is serious about making change.

This Congress is serious.

Finally, we promised that our budget will protect Medicare and Social Security. For the sake of America's senior citizens, we must protect, preserve, and improve Medicare, to make sure it is there for the next generation as well.

The fact is, Medicare is in trouble, in large part due to fraud, waste, abuse, mismanagement and misuse. By 1997, Medicare will pay out $1 billion more in benefits than it collects in revenue, and 5 years later, it will go bankrupt.

Again, in our budget plan, we are working to preserve, protect, and improve the Medicare System. In fact, Medicare will remain the fastest growing program in the Federal budget.

Over the next 7 years, we will spend $1.7 trillion to keep Medicare a healthy and viable health care provider for this generation of senior citizens.

Social Security must receive the same care, although as a self-funded entity it will be taken off budget and dealt with separately from other programs.

Clearly, the Government must honor its contract with our senior citizens, and the budget that Congress produces this year must ensure that the Social Security Program will survive and be there for older Americans. The best way to achieve that is to bring the Federal budget into balance.

A budget that works for America will meet the needs of all our citizens, working men and women and their children, senior citizens, and the disadvantaged, while providing middle-class tax relief, balancing the budget by the year 2002, and protecting Social Security and Medicare.

Mr. President, that is what we promised the people, and our promises were not made lightly. I remember hearing about a commencement speech given by Winston Churchill toward the end of his life. He sat patiently through the introduction, rose, and went to the podium. All he said was ''Never, never, never give up.'' Then he sat back down.

Mr. President, this committed class of freshmen Senators has taken the pulse of the people, and we are not planning to give up on the ambitious agenda they sent us here to carry out.

Like the latest chapter in the ''Die Hard'' movie trilogy, we will be here—with a vengeance—to remind our colleagues just what America's message last November was all about.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, before addressing the matter that brings me to the floor, may I congratulate the Senator from Minnesota for the very forceful and, I hope, prophetic statement. The concerns that he has raised are real. They have been addressed without large consequence in this Chamber for some 15 years now, as I can attest. And I for one, and I think many others, welcome the energy and conviction, the commitment of the freshman class, as he chooses to describe it, that came to the Senate in January. I look forward to working with him in the years ahead—months ahead—weeks ahead, to be specific.

(The remarks of Mr. MOYNIHAN pertaining to the introduction of legislation are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. Under a previous order, the Senator from North Dakota is recognized to speak for up to 20 minutes.

Mr. DORGAN. Thank you very much. It is my intention to speak for a couple of minutes at the beginning and then to yield the remainder of the time to Senator AKAKA from Hawaii.

THE BUDGET DEBATE

Mr. DORGAN. Mr. President, we will begin in a matter of a couple of hours the debate on the budget resolution.

I do not want anyone to despair about the disagreement that will exist on the floors of the Senate and the House on the budget. The disagreement that exists ought not to be a cause for despair, because there is not any disagreement about the destination. We all believe that the budget ought to be balanced. We believe it ought to be balanced by the year 2002, and I am prepared to support that and vote for that.

There is a vast disagreement, however, on priorities: How do you get from here to there? If we agree on the destination, there is certainly disagreement on the routes. How do you achieve a balanced budget? This is the time and this is the place to have a vibrant and healthy debate about priorities.

Now, I expect there will be some skepticism about statements from those of us on this side of the aisle, so I want to today, as we begin the discussion, quote from a Republican political analyst, author, and commentator, Kevin Phillips. This is not from a Democrat. Here is what Kevin Phillips says about the budget that is going to be brought to the floor by the Republicans.

''Anybody who thought the greed decade ended several years ago,'' Mr. Phillips says, ''hasn't yet had time to study the new balanced budget proposals put forward by the U.S. Senate and the U.S. House.'' He said it is ''special interest favoritism and income redistribution. Spending on Government programs, from Medicare and education to home heating oil assistance, is to be reduced in ways that principally burden the poor and the middle class while simultaneously taxes are to be cut in ways that predominantly benefit the top 1 or 2 percent of Americans.''

Again, this is a conservative commentator writing that fiscal favoritism and finagling is what is involved here. If it was not that, he said, ''we'd be talking about shared sacrifice, with business, Wall Street and the rich, the people who have big money, making the biggest sacrifice.'' But Kevin Phillips says:

Instead, it's senior citizens, the poor, students and ordinary Americans who'll see programs they depend on gutted, while business, finance and the richest 1 or 2 percent, far from making sacrifices, actually get new benefits and new tax reductions.

He says:

In short, aid to dependent grandmothers, children, college students and city dwellers is to be slashed, while aid to dependent corporations, stockbrokers, generals and assorted James Bond imitators survives and even grows. And if the deficit is substantially reduced under a program like this, there'll be a second stage of further upward income redistribution from upper bracket profits in the stock and bond markets.

Again, Kevin Phillips, a Republican says:

If the U.S. budget deficit problem does represent the fiscal equivalent of war—and maybe it does—then what we are really looking at is one of the most flagrant examples of war profiteering this century has seen.

Mr. President, the debate will be about priorities. We ought to balance the budget, we ought to do it by the year 2002, but there are a lot of ways to get to that destination. You do not have to run down the road and stop and pick up a few dollars from those who cannot afford it and then make another stop and give to those who have a substantial amount already. That is the purpose of, I think, the discussion of the Senator from Hawaii.

We are talking about the Republican party that brings a budget to the floor and gives very big tax cuts for the wealthy and takes it from things that are important—kids who go to school, working families and the elderly. We think that these priorities are not in step or keeping with the best interests of this country.

Mr. President, I yield the remainder of my time to the Senator from Hawaii, Senator AKAKA.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

MAJORITY'S BUDGET PROPOSALS FOR MEDICARE AND VETERAN'S ADMINISTRATION HEALTH CARE PROGRAMS

Mr. AKAKA. Mr. President, I want to say good morning to my friend who is now presiding, Senator INHOFE, from Oklahoma, and wish him a good day.

I am here to express some of my concerns about some parts of the budget, and particularly Medicare and Veterans' Administration health care programs.

Mr. President, earlier this week the Republican-controlled Budget Committees unveiled their 7-year budget resolutions. The House resolution provides a generous tax cut for wealthy Americans. The Senate resolution would allow not one, but two tax cut proposals. The first would be $170 billion in tax cuts once the Congressional Budget Office certifies that the savings from cutting Medicare, education, VA health care, and the other programs targeted for reductions are, in fact, achieved.

Further tax cuts would be permitted if the budget is reduced by an amount that is greater than the reductions already proposed by the Senate budget resolution. We can clearly see that Republicans in the House and Senate have laid the foundation for implementing the tax proposals outlined in the Contract With America. To pay for their tax cuts they must reduce programs that help working families and the elderly.

The Senate budget resolution proposes a $256 billion cut in Medicare spending over 7 years, but provides no guidelines on how these savings will be achieved. This will be the largest Medicare cut in history, and the impact on beneficiaries and providers will be very painful.

If Medicare cuts of this magnitude are approved, the Department of Health and Human Services estimates that senior citizen's out-of-pocket expenses will increase by $900 a year, or a total of $3,500 over the 7 years. Eighty-three percent of Medicare benefits go to beneficiaries with incomes under $25,000.

It is obvious who will be hurt by these cuts. Our Nation's low-income elderly, who can least afford it, will bear the brunt of the Medicare cuts.

In addition, cuts to providers will have serious ramifications on health care costs since they are passed along to other health care consumers. Provider cuts could have a devastating impact on urban hospitals which already bear a disproportionate share of the Nation's growing burden of uncompensated care. Reductions in Medicare payments will also endanger access to care in rural areas. Nearly 10 million Medicare beneficiaries—25 percent of the total Medicare population—live in rural areas. There is often only a single hospital in their county. Significant cuts in Medicare may force rural hospitals to close or cause more providers to refuse to treat Medicare beneficiaries.

The Senate Budget Committee was given the opportunity to restore the cuts in Medicare funding. Two amendments were offered to scrap the tax cut for the rich in order to fund Medicare. Unfortunately, they were rejected on party-line votes. This massive cut in Medicare funding would not be necessary if the majority abandoned their tax cut for the wealthy.

Under the Republican plan, the wealthy will gain while our elderly population suffers more pain. Instead of cutting Medicare, we must work to ensure that any effort to maintain the solvency of the Medicare trust fund does not put Medicare beneficiaries at risk. And, we must protect the program for future enrollees. This problem can and should be solved in the context of health care reform.

I recognize the critical need to ensure long-term stability in the Medicare Program and I support efforts to balance our budget. However, I am opposed to arbitrarily cutting Medicare to finance a tax break for wealthy Americans. I look forward to working with my colleagues on addressing these important issues.

Just as health care benefits are being cut for our senior citizens dependent on Medicare, the freeze proposed on veterans health care programs would be equally devastating for our elderly veterans.

At first glance, the majority budget seems to have little impact on veterans health care programs. The chairman's mark shields the Veterans Health Administration from cuts, and freezes funding at the 1995 level. However, if you examine the long-term impact of the proposal, you find that the proposed freeze will have a debilitating effect on health care provided to our Nation's veterans.

The budget resolution contains only half of the annual cost-of-living adjustments [COLA], so the Veterans' Administration must absorb the remainder of the increase from a budget that is already being held flat. This will mean that fewer resources will be available to veterans seeking access to veteran health care programs.

In fiscal year 1996, the majority's proposal will cut $640 million from the Veterans Health Administration's budget compared to the President's budget request. The options to cope with this cut include the elimination of 8,200 health care providers and support staff or closing Veterans Administration Medical Centers [VAMC] to achieve a total reduction of 1,500 patient beds. In terms of direct care services, 57,000 inpatient and 1,300,000 outpatient visits for 142,000 patients would be foregone in fiscal year 1996 under the Republican proposal.

Under their proposal, by the year 2002, 53,000 full-time-equivalent positions would be eliminated or 35 Veterans' Administration medical centers would have to be closed. Over a 7-year period, one-fourth of the current medical care positions would have to be eliminated and 35 of the 159 Veterans' Administration medical centers currently serving veterans across the country would be closed if the Republican proposal is implemented.

Health care facilities and personnel are not the only areas which will be affected by the majority's proposal. Medical research within the Veterans' Administration would also be frozen at the fiscal year 1995 appropriation level. This will significantly impact the specialized services the Veterans' Administration provides, including spinal cord and prosthetics research. In fiscal year 1996, over 150 projects would have to be terminated to meet the budget constraints imposed by the majority.

The cumulative impact for Veterans Health Administration services over 7 years would decimate the Veterans' Administration health care system as we know it. By the year 2002, the Veterans Health Administration budget would have lost $20.6 billion over 7 years. Over 1.5 million inpatient and 34

million outpatient visits for 3.7 million patients would have been denied under the majority's budget blueprint, and we will have turned our backs on the majority of those who so valiantly served this Nation.

Mr. President, this has been our findings in reading through the budget proposal that will be presented today to the Senate. The majority's budget proposals for cuts to Medicare and freezing Veterans' Administration health care programs are simply, in my eyes and in my heart, unacceptable. You cannot single out health care for one segment of the population for cuts without serious consequences. The senior citizens of today, the veterans of today, should not have the rugs pulled out from under them. So, therefore, I urge my colleagues to reject these unwise proposals.

I yield the remainder of my time.

IS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID ''YES''

Mr. HELMS. Mr. President, the impression simply will not go away: The $4.8 trillion Federal debt is a grotesque parallel to the energizer bunny we see, and see, and see on television. The Federal debt keeps going and going and going—up, of course—always to the added misery of the American taxpayers.

So many politicians talk a good game—when, that is, they go home to talk—and ''talk'' is the operative word—about bringing Federal deficits and the Federal debt under control.

But, sad to say, so many of these very same politicians have regularly voted for one bloated spending bill after another during the 103d Congress and before. Come to think about it, this may have been a primary factor in the new configuration of U.S. Senators as a result of last November's elections.

In any event, Mr. President, as of yesterday, Wednesday, May 17, at the close of business, the total Federal debt stood—down to the penny—at exactly $4,884,246,600,937.11 or $18,540.68 per man, woman, and child on a per capital basis. Res ipsa loquitus.

THE RETIREMENT OF REAR ADM. PATRICK W. DRENNON, CEC, USN

Mr. NUNN. Mr. President, it has come to my attention that Rear Adm. Patrick W. Drennon will be retiring from the Navy after some 33 years of honorable and distinguished service.

He most recently served as the Director, Facilities and Engineering Division (N44) for the Deputy Chief of Naval Operations (Logistics), Washington, DC. In this capacity he has provided timely support and accurate information on Navy facility and engineering plans and programs to the Members of the Senate and our professional and personal staffs.

Admiral Drennon was previously the Commander of Western Division, Naval Facilities Engineering Command [NAVFACENGCOM], headquartered in San Bruno, CA. This was following duty as Deputy Commander for Planning and Assistant Commander for Facilities and Real Estate at NAVFACENGCOM Headquarters in Alexandria, VA, and as Assistant for Civil Engineering (OP–04E) to the Deputy Chief of Naval Operations (Logistics), Washington, DC.

His other duty assignments have included: Assistant Resident Officer in Charge of Construction in Key West, FL; Public Works Officer at the Naval Facility and the Navy Representative for Construction while on the staff of the Commander, U.S. Forces in the Azores; Operations Officer of Naval Mobile Construction Battalion One on two deployments to Vietnam; an instructor at the Civil Engineer Corps Officers School at Port Hueneme, CA; and an Exchange Officer with the Mediterranean Division, Corps of Engineers, Livorno, Italy. While working with the Corps' Mediterranean Division, he served as the program manager for the planning and design of King Khalid Military City, Saudi Arabia.

Admiral Drennon also served in the Seabee Division, NAVFACENGCOM Headquarters; on the staff of the then-Director, Shore Activities Planning and Programming Division (OP–44) for the Chief of Naval Operations, Washington, DC; and as the Executive Officer of the Public Works Center and Resident Officer in Charge of Construction in San Diego, CA.

His awards include the Legion of Merit, Bronze Star with Combat ''V'' and a Gold Star, the Meritorious Service Medal with a Gold Star, and the Navy Achievement Medal.

Rear Admiral Drennon has become widely acknowledged as a leader and visionary in the Civil Engineer Corps. As a fellow Georgia Tech Yellow Jacket, I can say that this is no real surprise as Rear Admiral Dennon began his distinguished naval career upon his commissioning out of the NROTC Program at the Georgia Institute of Technology.

Mr. President, over the past several years many communities have experienced great anxiety and turmoil as a result of the Department of Defense's base closure process. Rear Admiral Drennon has played a vital role in promoting effective communications and harmonious working relationships in the Navy's base realignment and closure implementation process. He has assisted local civic leaders throughout the country in working through many challenging situations associated with base closure and realignment actions. Rear Admiral Drennon has been equally recognized and appreciated by all who have come to know him.

A man of Rear Admiral Drennon's talent and integrity is rare indeed, and while his honorable service will be genuinely missed, it gives me great pleasure today to recognize him before my colleagues and to wish him, his wife, Cheryl, and his family every success as he brings to a close a long and distinguished career in the U.S. Navy.

TEXAS ACTS ON FLAG DESECRATION

Mr. GRAMM. Mr. President, Texas Secretary of State, the Honorable Antonio O. Garza, Jr., has forwarded to me a copy of a resolution passed by the Texas Legislature on March 9, 1995 and signed by Governor George Bush. The resolution petitions the U.S. Congress to propose to the States an amendment to the Constitution of the United States which protects the American flag from willful desecration. I supported the passage of such an amendment in 1990 when the Senate debated the issue and have cosponsored the most recent proposal to ban the desecration of our flag. Secretary Garza has requested that I place in the RECORD the text of the resolution adopted by the Texas Legislature. Because of the importance that I place on this issue, I am requesting unanimous consent that the text of the resolution and the text of a letter from Secretary of State Garza be printed in the RECORD in order that my colleagues have an opportunity to read for themselves this important expression of the collective will of the people of my State.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE STATE OF TEXAS,
OFFICE OF THE SECRETARY OF STATE,
Austin, TX, April 13, 1995.

Hon. PHIL GRAMM,
U.S. Senator, Russell Senate Office Building, Washington, DC.

DEAR SENATOR GRAMM: Please find enclosed an official copy of Senate Concurrent Resolution 24, as passed by the 74th Legislature, Regular Session, 1995, of the State of Texas.

The 74th Legislature of the State of Texas hereby petitions the Congress of the United States of America to propose to the states an amendment to the United States Constitution, protecting the American flag and 50 state flags from willful desecration and exempting such desecration from constitutional construction as a First Amendment right.

It is also requested that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States.

Sincerely,

ANTONIO O. GARZA, Jr.,
Secretary of State.

Enclosure.

SENATE CONCURRENT RESOLUTION 24

Whereas, the United States flag belongs to all Americans and ought not be desecrated by any one individual, even under principles of free expression, any more than we would allow desecration of the Declaration of Independence, Statue of Liberty, Lincoln Memorial, Yellowstone National Park, or any other common inheritance which the people of this land hold dear; and

Whereas, the United States Supreme Court, in contravention of this postulate, has by a narrow decision held to be a First Amendment freedom the license to destroy

in protest this cherished symbol of our national heritage; and

Whereas, whatever legal arguments may be offered to support this contention, the incineration or other mutilation of the flag of the United States of America is repugnant to all those who have saluted it, paraded beneath it on the Fourth of July, been saluted by its half-mast configuration, or raised it inspirationally in remote corners of the globe where they have defended the ideals of which it is representative; and

Whereas, the members of the Legislature of the State of Texas, while respectful of dissenting political views, themselves dissent forcefully from the court decision, echoing the beliefs of all patriotic Americans that this flag is OUR flag and not a private property subject to a private prerogative to maim or despoil in the passion of individual protest; and

Whereas, as stated by Chief Justice William Rehnquist, writing for three of the four justices who comprised the minority in the case, ''Surely one of the high purposes of a democratic society is to legislate against conduct that is regarded as evil and profoundly offensive to the majority of people—whether it be murder, embezzlement, pollution, or flag burning''; and

Whereas, this legislature concurs with the court minority that the Stars and Stripes is deserving of a unique sanctity, free to wave in perpetuity over the spacious skies where our bald eagles fly, the fruited plain above which our mountain majesties soar, and the venerable heights to which our melting pot of people and their posterity aspire; now, therefore, be it

Resolved, That the 74th Legislature of the State of Texas hereby petition the Congress of the United States of America to propose to the states an amendment to the United States Constitution, protecting the American flag and 50 state flags from willful desecration and exempting such desecration from constitutional construction as a First Amendment right; and, be it further

Resolved, That official copies of this resolution be prepared and forwarded by the Texas secretary of state to the speaker of the house of representatives and president of the senate of the United States Congress and to all members of the Texas delegation to that congress, with the request that it be officially entered in the Congressional Record as a memorial to the Congress of the United States; and, be it further

Resolved, That a copy of the resolution be prepared and forwarded also to President Bill Clinton, asking that he lend his support to the proposal and adoption of a flag-protection constitutional amendment; and, be it finally

Resolved, That official copies likewise be sent to the presiding officers of the legislatures of the several states, inviting them to join with Texas to secure this amendment and to restore this nation's banners to their rightful status of treasured reverence.

WELFARE REFORM

Mr. DORGAN. Mr. President, there is broad consensus in this country that the current welfare system serves no one well—not the recipients, not their children, not the American taxpayer. I agree with that consensus. The current welfare system is broken and needs major repair. Why? Because it is failing both the people in need and the working people who are paying for it.

The current system has trapped all too many people into a lifetime of dependency rather than assisting them on a temporary basis to get back on their feet and back into the labor force. Any meaningful welfare reform must be grounded on the premise that government assistance is a way ''up and out''—not a ''way of life.''

The current welfare system has failed us all. It traps all too many, especially women, into a lifetime of dependency and poverty. Their children in all too many instances suffer irreparable harm and are likely to remain poor and disadvantaged for the remainder of their lives. If the past is a predictor, too many children of today's welfare recipients will end up on the rolls themselves or in trouble with the law.

We simply must break this cycle. Unless we move welfare recipients into meaningful educational and work situations, we are doomed to failure. The only system that can work to the benefit of all is one that encourages independence, discourages dependency and demands personal responsibility. All of those elements, it seems to me, are missing in the welfare program we have today. Let us make sure that those key elements are the underpinnings of the bill on which we will cast our votes. Let us make sure we do it right. And let us make sure we do it with great care and compassion.

Mr. President, it is my hope that Republicans and Democrats alike can work together to fashion a bipartisan welfare plan that will be both effective in moving recipients from welfare to work. Our welfare system should provide temporary help—an opportunity for people to help themselves. If we put aside partisan rhetoric and turn instead to the mission of protecting poor kids and helping adults who need a temporary helping hand, I think we will have the best opportunity we have had in many years to forge a reform package which is good for kids, good for their parents and good for the American taxpayer.

Before we begin the debate, I think it is important to dispel some of the myths surrounding welfare. My purpose in detailing the following facts is not to defend the current system, but to ground the debate in truth rather than fiction.

First, AFDC caseloads as a percentage of the general population have remained fairly static over the past 20 years, fluctuating between 4 and 5½ percent. The number of recipients has grown as the population has increased and, cyclically, when the economy has declined.

Second, benefit levels have substantially declined in inflation adjusted dollars over the past two decades. The median State benefit for a family of three, adjusted for inflation, fell by 47 percent between 1970 and 1994.

Third, AFDC does not come close to providing a poverty level income to recipients. The median State benefit for a family of three was only 38 percent of the poverty level in 1994. If food stamps are included, the median State benefit only reaches 70 percent of the poverty level.

Fourth, the average size of the welfare family is 2.9 while the average size of the typical American family is 3.2.

As legislators, we must craft a welfare reform bill that helps rather than hinders hope and self-sufficiency, especially for poor mothers and their children. And I know we can achieve our goals if we join together in a collaborative effort to accomplish them.

Mr. President, since there is no Democratic or Republican welfare bill around which the Senate membership of either party has currently coalesced, I thought this would be an appropriate time to offer some suggestions.

IT MUST PROTECT CHILDREN

Protecting the vulnerable children of poor welfare mothers must be our highest priority, and I do not believe that can be accomplished without maintaining the entitlement status of benefits for children. Let me make it clear, I am not talking about entitlement status for the mother, only the child. Despite the best intentions of State governments, despite their basic goodwill, despite their legislative skills, there is no way the Federal Government can guarantee that the welfare child will be protected by each and every State under a with a no-strings-attached block grant approach to reform. And protecting poor children is something I believe the Federal Government must do. It is and ought to be a national priority. I am not simply not willing to take the gamble that each and every State government will successfully meet this most fundamental responsibility.

I am all for giving State governments as much flexibility as possible in designing effective State reform plans that fit local needs. I am all for encouraging States to tap every creative resource available in forging new approaches to reform. But let us be honest with one another, welfare varies widely from State to State. Benefit levels vary widely. Effectiveness varies widely. Successful job training and placement efforts vary widely. And I am simply not willing to sacrifice any child, in any State, to a potentially unsuccessful outcome. These kids are our future. We must protect their interests.

IT MUST BE WORK-ORIENTED AND TRANSITIONAL

After the protection of children, the fundamental focus of the bill must be to move recipients from welfare, to work, to economic self-sufficiency as quickly as possible. While the original goal of AFDC in 1935 was to pay widows to stay at home and raise their children, the world and workforce have changed a great deal over the intervening decades. Increasingly, we expect both parents to work to support their children. We also expect both parents to share the responsibility of rearing their children. No one denies the difficulties involved in this dual role for parents. But it is done every day by millions upon millions of struggling

families. Is it any wonder, then, why the general public expects the same from welfare recipients?

Today 75 percent of mothers with children between the ages of 6 to 16 are in the labor force. The public expects no less from the welfare mother. And they are right. So it is critically important that welfare be re-framed, in the minds of both the public and recipients alike, as a transitional work assistance program. Our goal must be to replace a welfare check with a paycheck. No more something for nothing. No more revolving door. Strict work requirements, and a time limit on benefits. You take responsibility for yourself and the government will provide you with temporary help to ease your entry into the workforce and to help you stay there.

Easier said than done. No doubt about it. But if we can change the perception of welfare and build upon the lessons learned over the years, at both the State and Federal levels, we should be able to move forward in a constructive way.

Most people on the welfare rolls do not want to be there. They want to work. They want to be role models for their children. They want their children to have better opportunities in life than they have had. But, like the workforce in general, many welfare recipients need some help. They want to work, they want to be successful, but they need help in getting from here to there. Many need help in learning how to look for a job. Others need training. Others need assistance to remain in the labor force. But let us face up to the fact that there may not be enough jobs or the types of jobs available in the private sector to accommodate each and every welfare parent, so community service jobs may have to act as a last resort. And let us admit that reforming the system may require some investment if we want to get it right.

WE MUST ELIMINATE WORK DISINCENTIVES

But how do we move from a program which encourages dependency to one that encourages work? One obvious way is to eliminate the disincentives which exist in the current system. You liberalize earning disregards, you raise asset limitations, and you make support services, the linchpin upon which success in the workplace hinges, more readily available to poor people who want to work.

One decisive lesson we have learned over the past decade is that former recipients return to the welfare rolls after a short time in the labor force due to the inadequacy of transitional support services. We have learned that as soon as the recipient has to begin paying for child care and medical care out of a meager salary which more often than not is significantly below the Federal poverty level, the financial burden becomes too great and—no surprise—the mother returns to the welfare rolls. We must address this problem squarely. Forcing poor parents to choose between work and their children's health care or child care is a losing proposition and it is doomed to failure. Who loses? The parent, the child and the taxpayer. So meaningful work is important, but equally important is the continued provision of child care and health care services as these welfare recipients transition to the workplace. These services are a critical bridge to successful work outcomes.

Is 1 year of transitional assistance for those who have gone to work, as required under current law for Medicaid services, sufficient? Probably not. Should child care support end as soon as a recipient has found work. Clearly not. Child care consumes at least a quarter of most low-income family budgets. How many low-skilled workers in low-paying jobs are going to receive a raise in 1 year sufficient to be able to financially absorb the full cost of child care and medical care? Not many, if any. This is simply not a realistic goal. I therefore believe that the plan we pass should continue these vital family support services at a reduced level over a number of years, phasing them out as the recipient's income rises. This will cost money in the short term, but it will be invaluable in ensuring long-term success. But it is my hope that savings to offset this spending can be achieved through other reforms in the system.

WE MUST REMOVE TWO-PARENT FAMILY DISINCENTIVES

One issue on which I believe there is virtual unanimity is that the best environment in which to raise children is in loving, two-parent families. Yet welfare assistance is not available for two-parent families, regardless of their income, unless one parent is unemployed or incapacitated. A system that discourages marriage of low-income single parents and encourages the breakup of married couples who find themselves in economic need is shameful. It is bad social policy, bad welfare policy, bad family policy, bad children's policy, and it ought to be changed. Another thing we ought to change is our policy toward absent fathers who want to share in the support of their children, but do not have the economic means to do so. Why not offer them job training and placement services as well as the mother?

IT MUST DEMAND PERSONAL RESPONSIBILITY

I believe it is the best interest of society to discourage out-of-wedlock births. But if individuals continue to choose to have children outside of marriage, they must take responsibility for their actions. It is their responsibility to support their child. They must learn that actions have consequences and parents have responsibilities. If they want temporary assistance, it is their responsibility to identify the father who must be required to share, at the very least, in the financial burden of raising the child. If they seek temporary government help, they must be willing to go to work to help pay for that assistance.

Most welfare proposals contain a requirement for the welfare parent to sign a contract with the State agency agreeing to abide by the work plan that has been designed for the recipient, with the recipient's input, after careful assessment by a team of case managers of the individual's personal history, work experience and educational and training needs. Once the contract has been signed, the recipient must honor its terms or suffer sanctions. Actions have consequences. That makes eminent good sense to me. It demands accountability and responsibility.

IT MUST ADEQUATELY ADDRESS THE TEEN PREGNANCY CRISIS

Although last on my list, curbing teen pregnancy is one of my highest priorities. And it is one of the most crucial yet vexing components of welfare reform. Teen pregnancy is a crisis by any standard of measurement. Too many teens are becoming parents and too few are able to responsibly care for their children either emotionally or financially. The result: the child is deprived of a fair start in life and the mother will very likely be doomed to a lifetime of poverty.

The teen pregnancy crisis is escalating at an alarming rate. The data are shattering: Before age 20, 43 percent of teenage girls become pregnant; 1 million teens become pregnant each year; 70 percent of teen mothers are not married today in comparison to 15 percent in 1960; the unmarried teen mother rate has doubled in a single generation and continues to climb; 77 percent of unmarried teen mothers end up on the welfare rolls within 5 years of the birth of their first child, and all too many remain there for years thereafter; and approximately half of AFDC recipients in 1993 had their first child as a teen.

What can we reasonably do about this seriously escalating social crisis? There is clear data linking teen births with long-term welfare dependency. Data also tell us that teen births go down as educational and economic options go up. So one thing we must do is require AFDC teen mothers to stay in school and finish their educations or pursue a vocational alternative in return for benefits. We can and must insist that these teen mothers immunize their children and participate in parenting and pregnancy prevention classes. And we can and should require that teen mothers on AFDC live with their families or in supervised homes where they can get the support and guidance they need to become successful parents and good citizens. Finally, we must all become engaged in finding solutions to this devastating societal problem.

Each of us in one way or another has the bully pulpit. Every entity of government, every community, every church, every corporation must trumpet the alarm about teen pregnancy, and we must speak with a single voice: out of wedlock births, especially

among teens, are wrong; they are a prescription for disastrous outcomes for both the mother and the child—both will undoubtedly be seriously disadvantaged for the remainder of their lives. We must preach—and I do mean preach—that marriage is the proper social unit in which to have and raise a child. We must, each of us, discourage illegitimacy as harmful to the parents, the child and society at large. And we must do it now. This is not an issue we can push to the back burner. We are in a serious crisis now, and every single indicator points to it getting worse each and every year into the foreseeable future.

These are some of the threshold issues that I believe must be addressed in whatever reform package reaches the Senate floor. When the debate begins, I hope it will not become another missed opportunity. I hope we will work on the reform together. I hope we will do it right, with firmness but fairness. And I hope it will produce the desired results. Our efforts will impact all of our lives in one way or another. But it will affect more directly the lives of our children and their children.

WELCOMING HER MAJESTY QUEEN SIRIKIT OF THAILAND

Mr. JOHNSTON. Mr. President, this month the United States is privileged to welcome Her Majesty Queen Sirikit of Thailand. She is here as an honored guest. On May 25 Queen Sirikit will be awarded the degree of Doctor of Humane Letters by the Johns Hopkins University. On Tuesday, May 16, Queen Sirikit became the first woman ever to receive the prestigious Lindbergh Award. In the words of the Charles A. and Anne Morrow Lindbergh Foundation, Her Majesty was honored for her ''educational and humanitarian efforts, her conservation and wildlife preservation work, and programs which are maintaining the Thai heritage and culture.''

The description does not begin to do justice to Queen Sirikit's 45-year effort to care for the people of her country, to improve their health and living standards, and to preserve their environmental and cultural heritage. She has given generously of her time and energy to traditional humanitarian causes. She has served as honorary president of the Council of Social Welfare of Thailand, an organization of 150 public and private social work agencies. In her capacity as president of the Thai Red Cross, a position she has held since 1956, she established shelters for refugees from the war in Cambodia. But her particular genius, and I do not use that word lightly, the accomplishment for which the queen has been honored by the United Nations and for which she was awarded the first International Humanitarian Award by the Friends of the Capital Children's Museum in 1992, has been in finding ways to preserve traditional Thai culture and ecology while simultaneously making life easier for impoverished farmers and hill tribes.

Her deep concern for the welfare of the Thai people is matched by her knowledge of their needs. Her husband, His Majesty King Shumibol Adulyadej, has made it his admirable policy to ''visit the people'', spending more than half of each year traveling around Thailand, often to remote areas accessible only by helicopter or jeep. Accompanying him on his trips, the queen witnessed at first hand the hardships of rural life, the damage to forests, wildlife and water supplies caused by primitive farming practices and the threat posed by modernization to traditional Thai arts and crafts. It was her inspiration to, in effect, capitalize culture, to train farm families in producing handicrafts which could be sold to bring in regular income. Since 1978, Queen Sirikit's SUPPORT Foundation has trained 30,000 such families in crafts ranging from ceramics to silk-weaving to bamboo basketry.

In 1982, the Queen initiated the Forest-Loves-Water project, to demonstrate that SUPPORT handicrafts projects could encourage reforestation. At Ban Mae Tam village, the rich teak forests once threatened by illegal logging are being replaced. Villagers able to earn a living from cottage industries do not need to rely on tree-cutting or slash-and-burn farming for subsistence. Under her gentle leadership, through encouragement and practical training, solutions are being found to pressing environmental problems.

Queen Sirikit's likeness is on the Cares Medal awarded by the Food and Agriculture Organization of the United Nations. This is an honor reserved for women who by their lives and their work have helped to lift the status of women. It is a beautiful medal, reflecting the beauty of spirit of its model, a woman whose motto has always been ''To give without discrimination.'' It is always a pleasure to welcome Her Majesty to the United States, and to tell her how much we admire her efforts on behalf of the Thai people.

GEORGIA AND LARRY TALSMA

Mr. PRESSLER. Mr. President, this week I have been fortunate to visit with two citizens from Springfield, SD—Georgia and Larry Talsma. Georgia and Larry made their first trip ever to Washington, DC, by car. The Talsmas are the quintessential hard-working South Dakota ranch family. They and their ancestors have worked the land for five generations. They know the importance of proper stewardship of the land, because without this respect there would be nothing for the next generation.

The Talsmas came to Washington to tell their story of how the Federal Government is intruding on their land and threatening to take over their private property. Amazing as this may sound, Mr. President, it is true.

In 1991, Congress passed legislation to designate the 39-mile segment of the Missouri River from the headwaters of Lewis and Clark Lake to the Ft. Randall Dam as a recreational river to be administered by the National Park Service. Today, however, the process to achieve this designation has raised great controversy. In fact, the local citizens along this segment of the Missouri River now question the need for the designation. I agree with those South Dakotans, including the Talsmas.

During the first public meeting on the designation, pamphlets were handed out describing how the Park Service acquires private property. Mr. President, most, if not all, of the South Dakotans in attendance were not even aware of the river designation, let alone the possibility of the Federal Government condemning their land and buying it out from under them.

Their concerns and fears were fed by representatives of the National Park Service who stated that if they, the Park Service, cannot own this land, then they will control it.

This morning I asked the Director of the National Park Service to come to my office and listen to the Talsmas. At that meeting I told the Director that I intended to introduce legislation to undo the designation in South Dakota. This is an effort the Talsmas and other South Dakotans strongly support.

I also asked the Director to listen to the Talsmas and see what steps could be taken by the Park Service to address the needs of South Dakotans. While Director Kennedy informed the Talsmas that the Park Service did not want to buy or control their land or claim eminent domain, the Talsmas correctly pointed out that the ''Devil is in the details.''

The Talsmas informed the Director they were being told just the opposite at the public meetings and that is why they felt they had to come to Washington to get their message across. Their primary concern is not for themselves, but for their children and future generations of South Dakotans who depend on the land for their survival.

I am pleased to report that due to the efforts of the Talsmas, something good came out of the meeting. First, the Park Service agreed to push back the deadline for a preferred alternative to no earlier than August 1, 1995. Just a few days ago the Talsmas were told they had only 5 days to review and comment on the preferred alternatives. This extreme time limit simply is not fair. I told the Director that South Dakotans needed the time to tell their story and have input into the decision-making process. Director Kennedy agreed.

Director Kennedy also assured the Talsmas there would be at least a 60-day comment period on any preferred alternative. If more time is needed, Director Kennedy said he would be willing to provide such time.

Director Kennedy also told me his office would provide legislative language

to me that would assure local control over the river. I look forward to reviewing the language and if appropriate will push for its immediate approval by the Congress.

Mr. President, I will continue to work with Georgia and Larry Talsma and other South Dakota landowners to see that their property and their rights are fully protected, and are not overrun by the Federal Government.

Federal policy is moving ever closer toward infringement of individual private property rights. One of America's founding principles is the right of citizens to own private property. These rights must be closely guarded.

Mr. President, I am proud South Dakota has citizens such as Georgia and Larry Talsma. Their determination, and hard work actually moved Washington to action. They had to take time off their ranching chores and drive all the way to Washington to move a bureaucratic mountain. I am please they achieved progress.

I am proud of the Talsmas and what they have accomplished. They are to be commended. Their battle is not over yet, but Mr. President, their action is proof that this is a government of and for the people.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, what is the status at the present time? Are we under a time limitation?

The PRESIDING OFFICER. We remain in morning business until 12 o'clock. Statements, unless under a previous order, are limited to 5 minutes each.

Mr. GORTON. I ask unanimous consent to proceed in morning business for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

A HISTORIC DEBATE ON THE BUDGET RESOLUTION

Mr. GORTON. Mr. President, in less than an hour, the Senate will begin a truly historic debate on a budget resolution reported by the Senate Budget Committee. It is a budget resolution which, for the first time, perhaps, since the Budget Act was passed a quarter of a century ago, seriously proposes to put this Nation on the road to a balanced Federal budget.

Mr. President, lip service has been promised to that goal by many of those who voted against a constitutional amendment to require a balanced budget, as well as by those who voted for that budget. Most of the former group, however, now find something wrong with this proposal, just as they have with any preceding attempts to balance the budget. In theory, they are in favor of reaching that goal, but in practice they have never actually seen the way in which it ought to be reached.

Perhaps the best evidence of this proposition, Mr. President, is that while the minority party in this body is almost—I say almost, not quite—without exception opposed to the budget resolution that is before us, that same minority party in the House of Representatives is putting up as an alternative essentially the Senate budget resolution and praising it as much superior to the one that will actually pass the House of Representatives. I think they do that with full confidence that the proposal will not pass, that the alternative will not pass in the House, and it is therefore safe for them to praise it and, in some cases, to vote in favor of it.

This balanced budget here in the Senate, together with the one in the House, will have tremendous positive impacts on the American people. It will result in a significantly greater increase in family income all across this country because of lower interest rates and greater job opportunities. And those positive impacts will vastly overshadow any temporary negative impacts of the loss of various Federal subsidies.

Before we begin that formal debate, I want to make a few remarks about the downpayment on a balanced budget, the rescissions bill, which is about to go to the President of the United States and which the President announced yesterday that he intended to veto.

This rescissions bill—this cancellation of some of the spending proposed by the last Congress—amounts to about 1 percent of the current year's budget. Yet, to reduce spending this year by 1 percent seems much too drastic a step for this administration to be willing to take. This bill started as a request by the President to spend more money, some for the Department of Defense, essentially to cover the costs of various, dubious peacekeeping missions around the world which was passed as part of a separate bill, and others to spend money on various natural disasters which the President improvidently had refused to include in the budget passed less than a year ago, in spite of the fact that these disasters are always with us, together with a few modest reductions in a handful of programs.

The House of Representatives took the bit in its teeth and came up with a cancellation of something more than $17 billion in current spending, about 1 percent of the total budget, as I have already said. The President protested that as being too much and in the wrong places. This body, as the Presiding Officer knows, passed a somewhat more modest rescissions bill, still close to $15 billion or so, with a different mix of canceled or reduced programs. And about that Senate rescissions bill the President said:

> The bill passed 99 to 0 in the Senate and I will sign the Senate bill if the House and Senate will send it to me. That is how we should be doing the business of America.

In the 4 weeks since then, Mr. President, the House and the Senate have met together in a conference committee to settle the differences between these two proposals, in the time-honored fashion under our rules. What was unprecedented during the course of this attempt to work out differences was the almost total absence of people representing the White House or the administration.

Unlike the situation during the Bush administration, the Reagan administration, and previous administrations when I was not here, there was no guidance from the White House at all. No statement that, ''Here is our bottom line.'' No attempt to work out differences the way previous administrations did. Silence, except around the margins, until the day after the conference committee finished its work and submitted it to the two bodies.

Then the President decided that it ended up reducing a handful of programs and job training and education by so great an amount of money that he had to veto it.

I totaled up all of the items that I think could come under that veto threat and they amount to less than $1 billion of the $17 billions.

Mr. President, I repeat, no statements of this sort, no bottom lines, were sent to the members of the conference committee while it was working out this situation.

Yesterday, the President threatened to veto the bill. He also said that he still wanted to save money but too much money was being spent in this bill on courthouses and on highway projects. Curiously enough, Mr. President, all of these projects which the President now describes as pork were included in last year's appropriations bill that he signed and praised last year.

Of course, if his veto stands and no other rescissions bill is passed, all will be built. His veto does not cancel a single one of them. Not a single one of them was criticized at the time which they were originally appropriated for and passed last year.

One other curiosity, Mr. President, included in the Senate bill which the White House said would be approved, was certain timber language drafted by this Senator for the relief of timber communities not just in the Pacific Northwest but all across the country. That proposal simply authorized the administration to do what it said it wanted to do, to carry out the provisions of what is known as option 9, its own option in the Pacific Northwest, and to salvage burned and dead and dying timber in national forests all across the country, destroyed either by insects or by forest fires and rapidly becoming kindling for new forest fires.

Nothing in the Senate provisions required the administration to do more than it wished to do, but it did enable them to do what they claimed they wanted to do without the interference of outside lawsuits.

Not only was that apparently all right, as a result of the Presidential speech that I just read, it was expressly

approved just barely a week ago in a letter from the Secretary of Agriculture, whom as we know, is the supervisor of the Forest Service, expressly wrote to Senator HATFIELD and said that the Senate version was much preferable than the House version.

Yesterday, the result of the conference committee was described by the President of the United States in these words:

> There is another thing which is in this bill which I really object to which would basically direct us to make timber sales to large companies subsidized by the taxpayers, mostly in the Pacific Northwest, and that will essentially throw out all of our environmental laws and the protections that we have that surround such timber sales. It would also put us back into the courts.

Now, Mr. President, the language to which the White House now objects, says is subject to a veto, was first, the language they approved when it passed the Senate in the first place, which was the subject of an explicit letter from the Secretary of Agriculture—a letter of approval, and which was changed only in ways proposed by Members of the President's own party as a result of suggestions from people in the administration themselves.

It does not direct timber sales to large companies in any respect whatever. Most of the large companies in the Pacific Northwest are ineligible to bid on Forest Service timber. It is not subsidized by the taxpayers. The Congressional Budget Office told the Senate it will net the Treasury some $80 million.

It is not mostly in the Pacific Northwest but includes every national forest around the country. It does not throw out the environmental laws at all. It allows the administration to continue to follow every one of them as presumably it has, in connection with its own plans. And it not only does not put them back into the courts, it takes them out.

So every single description of this proposal by the President of the United States is in error. Every single element. This proposal merely allows the President to do what he has told the people of the Pacific Northwest and the country he intends to do anyway, and freeze up the lawsuits over that subject.

I think the summary, Mr. President, is just this: The administration, and regrettably many of the Members on the other side of the aisle, whether it is in this rescissions bill or the budget resolution, favor the status quo. And $200 to $300 million deficits as far as the eye can see are fine. They have no other proposal, no other alternative.

Cutting 1 percent of this year's budget is really too much, too drastic. Has to be vetoed. Allowing the President to keep his own promises to timber communities, too radical a proposal.

Everything is just fine with all the laws and all the spending policies right now. That is the message we get. Just fine. We should not make any chains. We will object to everything that is proposed by the new majority party. We will prevent them from keeping their commitments, but we will not offer any alternatives at all.

Mr. President, that is not a satisfactory way with which to conduct the Nation's business. It is not what the people of this country want. We have promised them change and a respect for our commitments. And we will continue to struggle, I trust, ultimately successfully, to just that end.

I yield the floor. 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. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from Nevada [Mr. REID] is recognized to speak for up to 10 minutes.

Mr. REID. Mr. President, I ask unanimous consent that that be extended to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET

Mr. REID. Mr. President, the issue before this body that will begin in approximately half an hour is not whether the Republicans are for a balanced budget or the Democrats are for a balanced budget. The question is how should we arrive at that balanced budget? All of us want to pass a resolution getting our financial house in order. The issue is one of priority. How are we going to resolve difficult issues before the American people in an effort to arrive at this balanced budget?

We have heard a great deal of talk these past few months about the need for deficit reduction. Many on the other side of the aisle have talked about a balanced budget, and rightfully so. I say to my friends on the other side of the aisle, and I say to the American public, where were those same people in the fall of 1993 when the Democrats alone without a single Republican vote in the House or the Senate passed the largest deficit reduction package in the history of this country? Where were they? There was not a single Republican vote for the largest deficit reduction package in the history of this country. I say that would have been the time to start the debate regarding a balanced budget.

Mr. President, the deficit reduction package that was passed in 1993 is projected today by the CBO to reduce the deficit by $600 billion. The deficit will be exactly $16 billion less over 5 years because of the deficit reduction plan that was passed in 1993. Because of the Democrat plan, the 1994 deficit as a percentage of gross domestic product is projected to be the lowest among the G–7 countries. This year we are going to again have a declining deficit. For the first time in 50 years we will have had 3 years in a row where we have had declining deficits. Of course, it should be declining more, but the first time in 50 years. That says a lot.

Because of the deficit plan, the unemployment rate is at 5.8 percent, down from 7 percent in 1992. We have had the lowest unemployment and the lowest inflation combined in the last 2 years than it has been in the last 50 years. There are now about 1.5 million fewer people unemployed than at the start of this administration, a 15-percent drop.

So I think it is important to talk about some of the good things that are happening in our economy. Because of that deficit reduction plan, over 6.3 million new jobs have been created. Keep in mind these are not Government jobs because we reduced the Federal work force by hundreds of thousands of people. We have the lowest Federal employment since the Kennedy administration, right now; not in the future but right now. Significantly, the jobs that have been created as a result of the deficit reduction are in the high-wage industries. For example, managerial, professional jobs make up 58 percent of the new jobs created since 1994. These jobs are good jobs.

What about taxes? According to CBO the deficit reduction package resulted in 98-plus percent approaching 99 percent of Americans paying the same or less taxes as a result of that deficit reduction plan. CPI inflation over the past 2 years averaged just 2.8 percent. That is the lowest of any administration since President Kennedy was President.

The existing home sales for 1994 total almost 4 million. This is the largest total since 1978 and the second-largest total ever.

Since our deficit reduction plan was passed, consumer confidence is up by almost 80 percent. Business investment, investment in producers of durable equipment, which is shown to be closely associated with productivity, again has soared to a 18.6 annual growth rate since 1992. This is a postwar high.

Mr. President, let us not talk about the doom and gloom. Let us take a little bit of time to enjoy the goodness that is in the economy. Since passage of that deficit reduction plan the World Economic Forum has declared that the United States has the world's most competitive economy. Some may say, ''So what?'' Well, this is the first time in 9 years that we have been selected for that honor.

Again, I repeat, let us look at what is good. Why do we have to dwell on the doom and gloom? The economy is vibrant. It is strong.

There may be someone in this 100-Member body that would argue against a balanced budget. I do not know who it would be. But there could be someone. I say that we should have a balanced budget. And we are going to have that. A debate ensued here a while

back where some suggested that the only way we can have a balanced budget is we amend the Constitution. It does not appear that is the case.

We are going to have a balanced budget by the year 2002. That is what was stated in the balanced budget amendment that was defeated here; we can do it without a balanced budget. The reason that some pushed for a balanced budget amendment to the Constitution is they wanted to use Social Security. It would have been a lot easier way to balance the budget had we used the huge surpluses that are going to be accumulated; as, for example, this year $80 billion, the year 2002, $111 billion. That would have been the easy way to balance the budget. But I and a number of others said, ''Why don't we do it the right way, the honest but hard way, and balance the budget without depleting the surplus in Social Security, so that by the year 2002, we would not only have had a balanced budget, but we would still have a strong, vibrant Social Security system?'' That is the important thing. I think that is what we are going to wind up doing here.

The proposal that we have by the Budget Committee will certainly define the difference between the two parties. We need to talk about priorities.

Very succinctly stated, is it right to decimate Medicare by cutting it by $256 billion, or is it more important to not give a tax cut as in the budget that we have in the Senate Budget Committee of $170 billion, almost $400 billion in the House proposal? Let us do away with those tax cuts and apply that money to Medicare, to education. And why do we have in the Senate version this enormous tax increase on wage-earning families?

And I say to my friends in the Senate and those within the sound of my voice, $28,000 a year, why would we want to increase the taxes for people who are making about double minimum wage?

In the 1993 reduction package, the reason we gave a tax break to people who are earning less than $28,000 a year was so that there would be an incentive to get off welfare and and go to work. And now we are being told that is the wrong way to go.

If we want to reform welfare, the only way we can do it is through incentives to work. And what this thing we call the earned income tax credit does is reward work. That is what welfare reform is. That is why we have it.

The priorities that we are talking about, Mr. President, are significant. We have, in the proposal we have gotten from the Senate Budget Committee, cut college Federal aid to students over 7 years by $30 billion. Half of all college students, Mr. President, receive some type of financial aid from the Federal Government; 75 percent of all student aid comes from the Federal Government.

Let me say it again. Half of all college students receive financial aid; 75 percent of all student aid comes from the Federal Government.

Mr. INHOFE. Will the Senator yield?

Mr. REID. We are talking about $30 billion.

I do not have time. I will be happy, when my time is up, to respond to questions from the Senator from Oklahoma.

This would affect about 4 million students a year. It would reduce Pell grants, and Pell grants go to the most needy students, it would reduce Pell grants for individual students by 40 percent. That is wrong. We would cut back moneys for the Head Start Program, special education. That is not the right priority. The right priorities are to achieve a balanced budget but let us eliminate tax cuts. That is the first way to go. It makes it very simple. And I would be very interested in doing away with some of the tax loopholes that are still in the Federal Tax Code. We could freeze tax loopholes at their current levels and save $300 billion. If we want to be more specific and maintain some of those, which this Senator would be willing to do, we would maybe only save $250 billion. The point is simply that we would save lots of money by cutting tax loopholes. That is what we need to do.

The Republican balanced budget plan is a plan that is harmful to people who want to work. We are talking about equal sacrifice. This is not equal sacrifice, as was said on National Public Radio yesterday by noted Republican commentator Kevin Phillips. He said that the Republican plan in effect damages and hurts the working people but rewards significantly the rich. There is no equal sacrifice. The rich would benefit from the plan while all the sacrifice would go to the working middle class.

That is not the way we should go. I believe, Mr. President, that we must be careful that we do not ruin Medicare; that we not have tax cuts only for the most affluent of our society; that we have reasonable, noninjurious cuts in Medicare; that we make sure we do not damage the education phase of our system; and most of all that we do not hurt the working people of this country.

I would be happy to respond to a question of my friend from Oklahoma.

Mr. INHOFE. I thank the distinguished Senator from Nevada and would like to ask this. One of the Senator's statements was that the defining difference, the budget that is adopted in the debate that will take place over the proposed budget that we have from the Republican side will be the defining difference between the two parties. And my question is, Is the Senator taking the budget, the President's budget as your budget and then the Domenici Republican budget as the other, as being the defining two budgets?

Mr. REID. I say to my friend Oklahoma—and the Senator was not in the Chamber when I started my statement—I said, No. 1, where were the Republicans when we passed the 1993 deficit reduction plan, the largest deficit reduction in the history of the country? And I laid out in some detail what has happened since we reduced the deficit by $600 billion during this period of time.

I will also say to my friend, during all the Reagan years and all the Bush years, we started out with a document from the President, a budget. But as my friend knows, having had experience in the House, as I have, the budget we get from the President is always changed. That is our function. I heard this statement numerous times when we were in the majority in the House and Senate, that Congress sets the spending. It is not the President. It is the Congress. During the years I have been here, every year President Reagan sent us a budget, President Bush sent us a budget, and President Clinton sent us a budget, we came up with our own working documents. I think that is what we should do this time. What the President sent us will not be what comes out of this Chamber.

I think when it is all said and done, people on this side of the aisle will have the opportunity to vote to determine whether we should have tax increases for the poor, tax decreases for the wealthy, whether we should dramatically cut Medicare and education. We will have votes on that, to determine the differences between the two parties.

Mr. INHOFE. Will the Senator yield further?

Mr. REID. Of course.

Mr. INHOFE. I agree with the Senator. I have read the Constitution and seen what our job is. And, of course, we had a Republican President with a Democrat Congress at the time the Senator is speaking of. Now it is just the reverse; we have a Democrat President and Republican Congress. Obviously, there will be a difference from the beginning budget. The observation that I would make and would like to ask the Senator about is when we talk about the cuts, talk about the deficits—and the Senator was talking about the 1993 bill—in 1994, there was a tax increase that was recommended by the Democratic Party and by the President of the United States, Bill Clinton, that was characterized as the largest single tax increase in the history of public finance in America or anywhere in the world. I would like to ask the Senator two questions. He has been talking about the reduction that we are proposing in our bill in taxes, and I would suggest to the Senator that we are not proposing a reduction in taxes from the Senate even though I would personally like to have us do that. It is the House bill that is offering the reductions in their package.

Mr. REID. I will be happy to respond.

The PRESIDING OFFICER. The Chair will advise the Senator from Nevada that the time has expired.

Mr. REID. I would ask that in morning business this colloquy between the

Senators from Oklahoma and Nevada be allowed to continue.

Mr. INHOFE. Reserving the right to object, I would like to not have that extend beyond the next 2 minutes because I want the use the last 8 minutes.

Mr. REID. If I could have 1 minute to respond.

Mr. INHOFE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I would say, first of all, that was wrongly characterized as the largest tax increase in history. And I would further state that the Senate budget we have received also has a tax cut. It is disguised. But what it does, any savings that come as a result of the balanced budget would be referred to the Finance Committee and the Finance Committee only use that money for tax decreases.

So both the Senate version of the budget and the House version of the budget have tax cuts. The House was more apparent in theirs. They have about $385 billion in tax cuts. The Senate proposal is a little more camouflaged but there is still a call for $170 billion in tax cuts because that is all the Finance Committee could use the money for as savings.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I would be happy to yield the time I have to the Senator from Oklahoma.

BALANCING THE FEDERAL BUDGET

Mr. INHOFE. Mr. President, first of all, I thank the Senator from Nevada for responding to questions. I would like to make an observation.

I had the occasion to be sitting in the chair for the past hour before the current occupant of the chair, and I listened to the discussion that took place in the Chamber. It occurred to me that maybe some people for the first time realize how truly difficult it is to balance the budget.

I had an occasion last night to see on C-SPAN the Democratic whip in the House of Representatives standing up and talking and stating over and over and over again that they are requesting reductions in taxes for the very wealthy people and that those reductions in taxes will be paid by what has always been referred to as the working people. And I have always found that to be a little offensive. It is kind of implying that other people are not working. I think it is a very clever way to state it because everyone identifies with that.

But we are at a defining moment right now. There was truly a revolution that took place on November 8, 1994, and everyone agrees with this. I know there are others who do not like the way it turned out, but the conservatives did, in fact, win.

And while there is a lot of confusion over this as to how it must be done, the message that came in November 1994 was: ''We demand change. We don't want the status quo.''

Now we are seeing the defenders of the status quo on this floor talking about, ''Well, we can't do this. We can't have a balanced budget amendment to the Constitution. We can't adopt the budget as proposed by the Republicans because it might incur a hardship on some of the people in this country.''

I would suggest, first of all, that we make it abundantly clear that the budget that is going to be proposed in both the other body and in this body does not have a cut in Medicare. As a matter of fact, it adds a bit in growth in Medicare. That growth is somewhere around 7.1 percent.

The President had a report from his trustees on Medicare. There are six of them. He appointed them. We are talking about people like Donna Shalala and people like the other Cabinet members. They reported to the President of the United States that if we do not do something about Medicare, Medicare will start into a deficit in the fiscal year of 1997 and will be broke, bankrupt, in the year 2002.

Now, there are a lot of people watching right now who, like me, will reach the age of 65 by the year 2002, and they have to understand that this is not a Republican suggestion or study that has developed the conclusion that it will go broke by the year 2002. These are the trustees of the Medicare system that were appointed by the President.

Now what has the President done since then? Where is the President? He has not even responded to that. And yet, he is adhering to his budget. Only yesterday, he announced he was going to veto the rescissions bill, which was a reduction in spending of $16.4 billion, the largest single reduction, I believe, in the history of this country. He says he is going to veto this reduction, the spending reductions.

I think it is just inconceivable that someone who ran for office on reducing spending, someone who ran on a balanced budget for this country, would now come up and say, in this fiscal year of 1995, the rescissions bill that has been proposed and that was passed by a majority of votes in the House and the Senate will be vetoed by the President of the United States.

I also think it is necessary for us to reaffirm our commitment to children. I hear over and over again about this program is going to be cut, or that program is going to be cut.

Yes, some programs are going to be cut and there are going to be some hardships if we do successfully balance the budget by the year 2002. But we cannot stand up here on the floor, as the Senator from Nevada did a few moments ago, and talk about the fact that every Senator, every one of the 100 Senators here in the U.S. Senate, wants to have a balanced budget by the year 2002 and not do anything today to bring it about.

You know, this is an exciting time. Right now, this week, we are going to be debating, and next week we probably will have a vote in both bodies on a budget that will eliminate the deficit by the year 2002.

I heard Congressman DELAY talk about the fact that he has been waiting his entire life for this moment to come. And all of those who voted for a major change on November 8, 1994, this is the change. Of all the things that that mandate said to Congress from the American people, it said we want less Government intrusion in our lives. It said that we want to do something about keeping America strong in its defense. But, first and foremost, it said, we want to balance the budget.

I had an experience the other day when we had our National Prayer Breakfast. When I left the House, I was president of the House Prayer Breakfast, so I was kind of in charge, I say to the Senator, of the international visitors.

There was a gentleman who came into our National Prayer Breakfast from Moldavia. He was beaming from ear to ear. He came up to me and he said, ''Senator, we are so proud. We now have a free economy. We have been under communism for all these years, now we have democracy. But I have a question to ask you. In America, how much can you keep?''

And I said, ''I'm sorry, I don't think I understand your question.'' He said, ''In America, how much does the Government take from you?''

Then I understood what he was saying, and so I gave him a figure that I would hate to have to stand here and try to justify.

But he said, very proudly, ''In Moldavia, when we go out and we earn a dollar, we get to keep 20 cents.''

They have some kind of a periodic collection. At the end of every month, they have to give 80 cents out of every dollar they earn to the Government. He was so proud they had reached that point.

I thought how fortunate we are in this country, until I realized and looked at the picture of my two grandchildren. And the CBO, and others in every study, no one has disagreed, said that if we do not do something to change the trend in this country of deficit spending, that anyone who is born today will have to spend 82 percent of his or her lifetime income to support the Government. And that is worse off than they are in Moldavia.

So I would just caution you, Mr. President, and others who may hear the stories of the bleeding hearts talking about all these Government programs that are going to be cut, to stop and realize, in most cases, that is not true at all. It is not the case of Social Security, it is not the case of Medicare, it is not the case of Medicaid.

And if, in fact, we could actually put a growth cap on Government, as I think one amendment by Senator GRAMM is going to attempt to do, of 3.2

percent, we end up balancing the budget without cutting one Federal program and without reducing one Federal program by merely putting caps on.

So I think we have to ask ourselves a question, Mr. President, not should we do this this week or next week, but what happens if we do not. Are we going to have another opportunity in the U.S. Senate or the other body to actually come up with a balanced budget? And we have to ask the question: Where will our children be if we do not vote properly?

I know there are well-meaning people on the other side of this. They say we want a balanced budget, they want to do something by the year 2002. I would like to do it sooner. Most of us would. But talking is one thing and doing is another thing.

It is not going to be easy, but I suggest to you, Mr. President—I know that my time is up and morning business up—I suggest to you, if we do not do it this time, we will probably not be able to do it in our lifetimes.

I yield back the remainder of my time.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of Senate Concurrent Resolution 13, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 13) setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001 and 2002.

The Senate proceeded to consider the concurrent resolution.

Mr. SANTORUM. Mr. President, I have been authorized by the chairman to speak, and the time to come off the resolution.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from Pennsylvania.

Mr. SANTORUM. Thank you, Mr. President.

I feel somewhat privileged to be the first person to speak on this historic resolution that has just been laid down by the U.S. Senate. It is, in fact, a historic moment for this Chamber that we are going to finally come to grips and face and look straight in the eye the future of our country and the children of our country and say we are now prepared to act on your behalf. We are now prepared to take the tough stands and to weather the beatings that we will be getting from the press and from the other side to stand up for the future generations of Americans so we can, like my grandfather who came here as an immigrant and my father who came here as a immigrant, try to leave the country better off and with more opportunities than their generation had.

We have stopped doing that in America, and this is a chance to start over, to start anew, to give us the opportunity right here on this Senate floor to move forward, to move this country forward into a new millennium with sound fiscal policy and with opportunity available to every American. That is what this is all about.

This is not about the minutiae that you are going to hear on the floor of the Senate about, ''Oh, well, we're going to cut this program and as a result of the program''—listen, a Government program, a Government program which most people know, most Government programs, big administrative costs, do not necessarily target the way they are supposed to, but we are going to cut a Government program and there will be hundreds of them discussed in the next 50 hours.

We are going to take a Government program and that program itself will jeopardize our future so greatly that it is more important to preserve this little bit more funding for this program than it is to balance the Federal budget and to preserve the long-term future of this country. That argument in itself just fails; it is ridiculous. There is nothing we do in Washington, DC—nothing—no individual program that stands above providing future generations the opportunity to succeed in America. Nothing.

So when you look and you hear all the debate about all the minutiae that you are going to discuss, all the little programs that somebody likes to scare people with that we are going to abolish or cut or whatever, remember the big picture. The big picture is: We balance the budget in 7 years, we provide fiscal sanity for future generations and, frankly, for this generation with several programs, and that is what we have to focus on. That is what the issue is.

You are going to hear a lot about, as I was hearing a few minutes ago, tax cuts for the rich paid for by cutting working middle-class programs, so we are going to take money away from working Americans, working American families for tax cuts for the rich. I do not know about you, but as far as I understand the Tax Code, you get taxed if you work, you get taxed if you make money. So if you are cutting taxes for people who work, I do not know how that is hurting working American families, particularly since the biggest item in the tax cut proposal that is being proposed is a tax cut of $500 for families, a credit of $500 per family.

Now, how is that hurting families? The only families that could conceivably hurt are those that do not have children and those who do not make enough money to pay taxes. But to say that you are cutting programs for taxpaying families, yeah, OK, but then we are giving it back to them where they can spend the money where they want to spend it. They get all of it, not siphoned off from Washington with the administrative costs and the overhead and the direction of what we think is best to spend money, but they get the whole pot.

I see the majority leader is here, so I will cease my comments because I know he is really the proper one to lead this off. But I am telling you, this is going to be a great day in the U.S. Senate. It is a day that we should be very, very proud, as all Members of the Senate, that we are having this discussion. It is unfortunate that the President of the United States has chosen not to participate in this discussion, that he has chosen to sit on the sidelines and throw either confetti or darts from the stands and not participate and get involved in solving the No. 1 problem of this Nation by presenting a budget that is balanced.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader, Senator DOLE, is recognized.

Mr. DOLE. Mr. President, I thank my colleague from Pennsylvania. I commend him for his forthright statement. This is going to be a very important debate, in effect, for everybody in America, I believe for the better if we can keep it on that plane. I certainly look forward to Senator DOMENICI's opening statement, and I will follow with my budget statement after Senator DOMENICI.

Mr. DOMENICI. Mr. President, I assume we will follow the typical process and procedure that we have in the past. As the majority leader of the bill, I will have some opening remarks and I, obviously, will quickly yield to the Senator from Nebraska who will have his opening remarks. I would like the Senate to know that as we read the budget law, there is up to 4 hours for discussion of economics and the macro effect of the budget and the like. Some Senators on our side would like to speak during that period to what they consider to be a historic event, a redefining event for America. So we are going to let as many of them as possible do that without in any way violating our comity with the other side. As soon as we can, we will get into a rotation on amendments.

The Senator from New Mexico will try sometime this evening to offer the first amendment. It should come as a shock to no one. It will be the President's budget. The President's press secretary suggested yesterday that it would be a much better starting point to start with the President. So we will accommodate and put that budget before the Senate and see what they think about it. Then we will go to the Democrat side for their amendment and we will move back and forth.

I am permitted by the majority leader pursuant to his instructions to talk about the fact that we are going to be in next week late. If the full 50 hours is going to be used, obviously we are

going to have to take a couple days and work very long hours. The majority leader has indicated we are going to do that. We would like to finish Wednesday, as I understand it. And I am going to do my best to be accommodating. Everybody knows that there is a limitation on how long you can speak on amendments and how much you can speak on amendments to amendments, all of which is by law, not by recall. That is the way the budget law was written. We are going to work closely under that. With that, I will have a couple of procedural unanimous-consent requests, Mr. President.

First, as I understand it, you have already read the budget resolution by title, is that correct?

The PRESIDING OFFICER. The Senator is correct.

PRIVILEGE OF THE FLOOR

Mr. DOMENICI. I ask unanimous consent that the following staff of the Senate Budget Committee be permitted to remain on the Senate floor during the consideration of Senate Concurrent Resolution 13.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The list of staff is as follows:

MAJORITY STAFF

Bilton, Karen.
Cieplak, Lisa.
Hearn, Jim.
Hennessey, Keith.
Hoagland, William.
McQuire, Carol.
Miller, Anne.
Phillips, Roy.
Ramonas, Denise G.
Reidy, Cheri.
Rel, Ricardo.
Riley, J. Brian.
Ruffner, Mike.
Selfridge, Barbara.
Smith, Jennifer.
Smythe, Austin.
Stevenson, Bob.
Taylor, Peter.
Vuksich, Greg.

MINORITY STAFF

Abraham, Amy.
Blocker, Annanias.
Dauster, Bill.
Dimock, Kelly.
Dresden, Tony.
Duncan, Meg.
Grant, Jodi.
Greenwald, Matt.
Huffer, Joan.
Klumpner, Jim.
Mays, Daniela.
Nelson, Sue.
Slominski, Jerry.
Strumpf, Barry.
Williams, Dave.

PRIVILEGE OF THE FLOOR

Mr. EXON. Mr. President, I ask unanimous consent that Susan Ross, a Presidential management intern, and Nancy Harris, a J.J. Pickle Fellow, be granted floor privileges and be permitted to remain on the Senate floor during consideration of the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY TO USE CALCULATORS ON SENATE FLOOR

Mr. DOMENICI. I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during the consideration of the 1996 fiscal budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I yield myself as much time as I need for some opening observations, and then I will yield to Senator EXON. And then I understand the Republican leader wants to speak immediately following that. I will be yielding as quickly as I can to him.

Mr. President, today, we begin a discussion of great significance. As I see it, we are discussing today the future of the United States of America. Over the next few days, we will have the debate that so many of us have said we want—a debate to balance the budget of the United States. Earlier this year, we had another debate. That debate had to do with a constitutional amendment to balance the budget. At that time, many of my colleagues declared that we did not need a constitutional amendment, Mr. President. ''We do not need a constitutional amendment,'' many said, ''to balance the budget.'' All we needed was the courage to do it ourselves.

While I wanted a balanced budget amendment because I wanted it there for the long-term future, I voted for it.

Today, I am responding to all of the Senators from both sides of the aisle, which is an overwhelming number who have said the United States of America should balance the budget.

Many Senators on the other side who did not vote for that balanced budget amendment—and I am not here arguing with them today—many of them stood up on the floor of the Senate and said, ''We do not need the balanced budget amendment. Just let us exercise courage, and we will get a balanced budget. We will do it ourselves.''

This is a do-it-ourselves balanced budget. We have an opportunity to test that proposition of courage. Do we have the courage to do what is necessary to achieve a balanced budget?

Just 55 session days ago, I say to our majority leader who was present at that time, on February 10, this same Chamber overwhelmingly, 87–10, voted in favor of an amendment directing the Senate Budget Committee to report back to the Senate at the earliest possible date, how do we achieve a balanced budget without increasing or reducing the disbursements under the Social Security fund.

In other words, the instructions were—87–10—bring the Senate a balanced budget, and the only thing that shall not be touched is Social Security.

Today, Mr. President, fellow Senators, the Senate Budget Committee has reported back to the U.S. Senate. Senate Concurrent Resolution 13 now before the Senate achieves that mandate and that directive from the U.S. Senate, 87–10. That is the number that said, ''Do it.''

We will now have an opportunity to openly and fairly debate our vision of a brighter fiscal future, a better America for our children and our grandchildren, a brighter America where we pay our bills instead of asking our children to pay our bills.

Today, my colleagues on both sides of the aisle, to all of them, this will be a very important debate. It will be heated from time to time. However, it is an essential debate. America's future, for the young and the old alike, will be shaped right here on the Senate floor during the next 5 to 6 days.

Let Senators, throughout this debate, try to remain focused on what our ultimate goal is —a country unsaddled with debt on our children.

Because the numbers do not lie, our deficit is out of control, and our current state of Federal expenditures versus receipts is unacceptable.

In the 1960's, deficits were averaging $16 billion a year; in the 1970's, they averaged $38 billion a year; in the 1980's they averaged $156 billion a year; and so far, Mr. President, in the 1990's they have averaged $259 billion a year.

This year we will borrow 11 cents of every Federal dollar spent. Our budget deficit this year stands at $175 billion, and is growing relentlessly at the rate of $335,000 a minute, $20 million an hour, $482 million a day.

All of this debt is, plain and simple, mortgaging our children's future. Experts estimate that a child born today will have to pay an additional $100,000 in added taxes to pay just the interest on the debt which will accumulate during the next 18 years.

The burden is not just on future generations. Our gross Federal debt is so large—$4.9 trillion—that it is seriously harming our standard of living. Every American now owes $18,500. Every single, living, breathing American, from the smallest child to the most senior American, owes the staggering amount of $18,500.

And by 1999, Mr. President, the President's proposed budget will change that number dramatically. I wish I could say it would come down. Each American will owe $23,700 as their share of our profligacy, of our inability as adult leaders to say we ought to pay for what we give to people by way of government.

The New York Federal Reserve Bank estimates that the deficit spending between the years 1978 and 1990 reduced the gross domestic product by 5 percent. That means that the sum total of all our acts in terms of growth and wealth is 5 percent less during that decade because of the deficit we have accumulated.

The bipartisan Concord Coalition reveals that our debt and the deficit spending have lowered the income of

American families by $15,000 a year. As we see, it does matter how much we borrow, how much we owe, and how much interest we must pay to those who have lent and loaned and committed money to our Government to pay our bills.

Yet, if this proposed budget is any barometer, the President is doing little to avert a fiscal train wreck for this country. If we pass his proposed budget, the problem will just get worse, because the President's proposed budget abandons deficit reduction and succumbs to the status quo, adding another $1.12 trillion to our national debt by the year 2000, bringing the growth deficit to $6.7 trillion.

President Clinton's budget promises $200 to $300 billion deficits as far as the eye can see, a Medicare system that will go broke in 7 years, and a crushing tax burden on America's young people just starting out in life. That is the promise of the President's budget. Even the Washington Post editorial on Tuesday labeled President Clinton's budget as ''weak and directionless.''

The budget reported by the Senate Budget Committee—and I am very proud of the 12 members who voted to report this budget resolution last Thursday evening—that budget may be called many things, but one thing opponents cannot accuse it of is lacking direction. The Senate Budget Committee's resolution direction is straightforward. It is toward a balance.

Frankly, I must comment that my good friend, former chairman of the House Budget Committee and currently Chief of Staff of the President, said we should let policy direct our budget, not our budget direct our policy.

I disagree. I disagree. The policy that should direct our spending is a balanced budget. That, too, is a policy I say to the White House and to those who advocate the President's budget. Indeed, a balanced budget is a policy, and it is a policy with a future. It is a policy for the future.

The budget reported by the Senate Budget Committee clearly has direction, has a purpose, and has a tremendously effective and much needed public policy of balance for the first time in almost three decades.

Now, there is a chart up behind me here that I think ought to be the focus of the early, early hours of our debate. It is very, very simple.

It is very, very simple. The President would have us believe that his budget is an attack on deficits, that he has even made enough of an attack on deficits that he can cut taxes. The Congressional Budget Office is, according to our President, the really official, honest disseminator of budget facts. This yellow line is the President's budget for the next 5 years according to the Congressional Budget Office. You see the bragging occurs here, at somewhere between 150 and 200—176, that is where it is. But that is the lowest it ever gets. And look at the line and look at it climb.

Now in just 5 years it is perilously close to $300 billion. I am positive, although we have not done the numbers, that one could now put the line like this, and by 2002 it would probably be up here. But the Senate Budget Committee changed the course of economic history for America and their budget line is this. It is more than symbolic that it is in black, because for the first time, in 2002 the Federal Government is in the black.

Look at the difference. This is the difference. The President's budget goes on up, getting close to $300 billion when the Senate budget is less than $100 billion and then to zero while the President's skyrockets and goes on up to three-and-a-quarter, $350 billion. That is not complicated by any ideas about percentage of gross domestic product and the like. It is just plain dollar numbers.

So the budget resolution before the Senate today has a vision. It has a vision of solvency of this country, and a American dollar that gets out of the doldrums and has a real chance of remaining the currency for the world.

I know people do not quite understand, sometimes, what this low, low, low American dollar might mean. I will not even put the numbers down because the fact frightens me. But if the American dollar would become weak enough—what might happen to America if the Saudi Arabians decided they do not want to be paid in American dollars anymore? Has anybody thought of that? I say to Senator DOLE, if the Saudis said we do not want American dollars, we want to be paid in yen, you would see the most significant, gigantic leap in inflation in the United States, exceeding even the 18, 19 and 20 percent inflation of the Carter days. Because oil prices would of necessity go up two or three times just because of the value of the currency that we would have to buy up and then pay out.

So we have before us, not a blueprint as some have said, but an enforceable blueprint, for it tells the Congress of the future what they can and cannot do about spending for the next 7 years. It does not ignore the problem that everyone agrees exists. It recognizes a simple notion, that our Government simply cannot go on spending our children's money and that by balancing the budget we can ensure a brighter future for our country and our children.

The budget resolution before the Senate today wants to change the way our Government works, to make it efficient, responsive, and less expensive. Like a family gathered around the kitchen table, the committee members who voted to report this resolution Thursday past have made difficult choices. But those are choices we needed to make to protect and strengthen the future. We have been thorough and we have been fair. This budget resolution is designed to return our Nation to reality in terms of the spending of the tax dollars of the American people. It is directed at preserving this country as a land of opportunity, for this and future generations, because opportunity comes when a society gives a citizen a real chance to accumulate wealth and earn good pay. The more we go in debt, the less the chance for opportunity.

In short, it is a reflection of our commitment to responsibility, to generating economic growth, creating family-wage jobs, and protecting the American dream for our citizens, whether they are young or whether they are old. This is not just rhetoric. It is based on many studies and I will cite just an a couple.

The economic forecasting firm of DRI/McGraw-Hill, that firm estimates that if we balance this budget America's yearly output will increase by an extra 2.5 percent over the next 10 years. Minimum, they say, 2.4 million new jobs. So, in the debate that follows when we talk about less Government and what it might do, less debt and what it might do for those who would like to continue to borrow money, we have to also put into that calculation that we might get 2.5 million new jobs. Which has to be set up against some of the things that people will say have to be restrained, reformed and cut in the budget.

Further, a recent GAO study suggests that the average family income will increase by as much as $11,200 over the next 30 years as a result of balancing the Federal budget. Interest rates will decline, say they, by as much as 1.7 percentage points by the time we are in balance. These are not my estimates. They are not hopes. They are not dreams. They are what the best people in America are estimating the positive effect of balance to be. There is a reward for balancing the budget. The reward is a better America, more jobs, more opportunity, lower interest rates, less debt for our children. Add them all up and every adult leader in America should be willing to stand up and say that is was we really ought to do.

This resolution restores equilibrium, fiscal equilibrium. The blueprint, the enforceable blueprint in this resolution will for the first time in 3 decades result in a balanced Federal budget. I believe this because I truly believe it will be enforceable and it makes the very tough decision to address the fastest growing areas of Federal spending and the Federal Government's commitments. It is a budget which reflects the unequivocal goals expressed by the American people and a majority of the Members of Congress. It will balance the budget by 2002. It will not touch Social Security. And it will do so by ratcheting down the deficit by slowing the growth of Government.

Let me emphasize, Government spending will continue to grow over the next 7 years; but rather than having Government growing faster than wages and salaries, as has been the case for the last three decades, wages and salaries will grow faster than Government spending—something very important

for the working people of our country and those who will come along in the future to join that work force.

This resolution before us envisions Federal Government growth at 3 percent a year over the next 7 years. Wages and salaries are estimated to grow by 5 percent—marvelous. If we can keep that going, keep that going for two or three decades our standard of living would be back where it ought to be. It is as budget which will reverse the tide of 50 years of power flowing from the rest of the country to Washington. We want to provide more freedom and opportunity to people at the local level so they might have more control over their own destinies, and their own decisions on programs that affect their lives, their communities and their children. Key changes are proposed to shrink the Federal bureaucracy. We assume the termination of over 100 programs, commissions, boards, including the gradual and orderly phaseout of the Department of Commerce. And we recommend the elimination of program duplications, consolidation of Federal programs to improve efficiency and prioritize the limited resources we have.

This resolution begins deficit reduction right here in our own backyard. It establishes a freeze on congressional salaries and pay, as a suggestion to the appropriators, a $200 million cut in the legislative branch this year with more to come. It assumes a 12.5-percent reduction in the Senate support staff, and a 15-percent reduction in committee staff, 25-percent reduction in the Government operations, GAO, and termination of the Office of Technology Assessment. We may do more. But Americans should know we want to start right here. Since we are asking for less government, we ought to have less money to spend on these institutions also.

However, the budget recognizes that Government does provide needed services to our citizens, and we have been painstakingly careful to preserve a safety net for those in true need. Moreover, we support programs aimed at keeping the American people safe, safe in their homes, in their schools by funding needed crime programs fully.

While this budget assumes a series of reforms of our welfare system that saves nearly $80 billion over the next 7 years, let no one say that we have ignored those basic human needs. It provides $192 billion for food stamp programs; AFDC, and child welfare programs, we funded over $130 billion; SSI will be funded over $230 billion. The earned-income tax credit, which we will hear a lot about, will continue to grow, and will expend $155 billion.

This resolution does not in its current form recommend school lunches be changed. The WIC Program would not decrease. It could go up. Section 8 housing would continue, and expiring contracts could very well be funded.

So the committee reported a resolution that does not cut funding for major education programs targeted at the disadvantaged, such as Head Start, chapter 1, special education, Pell grants, community service block grants. Check it. That is the way we put it down. That is the way we recommend it. It will all be up to the committees. But they will all be bound by a dollar number.

On Medicare, first and foremost, we have taken heat for the April 3 Medicare trustees report. Here it is. ''Status of Social Security and Medicare Programs,'' April 3. This was issued by six people, four of whom are appointed by the President, or work for him, and two private citizens. They state that this fund is in near collapse. The hospital fund for seniors in terms of money available to pay the bills will be bankrupt in 7 years. It will be unable to pay any bills. We cannot allow this to happen. And we have taken steps in this budget to ensure that it does not.

Our budget will slow the growth of Medicare generating savings needed to put Medicare on a financially sound footing for the next 7 years while Congress and, hopefully, the President work together to develop a long-term solution to a serious crisis of the solvency gap for Medicare over time.

Saving Medicare from insolvency is an issue of immediate importance. It will require all of us, Republicans and Democrats alike, to work toward a solution. Therefore, our budget calls upon our congressional leadership without delay to establish a bipartisan commission to develop recommendations on how to maintain the solvency of the Medicare system. This commission will be required to report back to Congress by July 10 so that these short-term recommendations can be considered by our appropriate committees before final passage of the laws changing the direction of our country.

So let us also be clear about taxes in this budget. The budget resolution does not raise taxes. Later on, Mr. President, as we are told we should not balance the budget this way, that there ought to be another way—although I do not think we will see another way—but we will suggest that maybe there are some who would like to balance the budget by raising taxes. So we will give everybody an estimate of how many billions of dollars in taxes would have to be imposed on the American people to balance the budget by raising taxes. In fact, we will tell you for your Coloradans, Mr. President, how many billions they would have to pay in new taxes if we do not want to restrain growth and cut programs. If we do not want to do that, restrain growth in some of entitlements and change the way we spend money, if we do not want to do that, then we will tell you how much taxes the State will have to pay to the Federal Government to come into balance. Because I take those at their word who said they want a balanced budget. They may not want it our way. So we are trying to explore which way.

Let me in closing say that it is my sincere hope that, as we move through this process, we can start working together. I wish that Republicans and Democrats could respond to the wishes of the American people in harmony and in unison and end this crisis of deficit spending. I understand full well, however, that this may not be possible. In the end, however, we must pass a budget and direct our policies toward balance.

Last week the committee began its deliberation on the budget. We observed a great hallmark in American history, the 50th anniversary of V–E Day, or Victory in Europe Day. As I told the committee as we began that debate on V–E Day, it was a day we all proudly recall. We recall how Americans rallied together, persevered, and eventually conquered an extraordinary threat to the future. But 50 years later our Nation faces another threat. That threat is severe enough that we should declare war on it and defeat it. One crisis that is less obvious but is just as sinister—one of the great leaders from that great struggle 50 years ago, Winston Churchill, said and I quote:

> The price of greatness is responsibility.

We in Government shoulder that responsibility, Mr. President. We actively seek it by running for public office. I believe the time has come to stop shrinking but to shoulder our responsibility and enact an honest Federal budget and stop squandering our economic future. As we begin this historic debate, I would ask that we all, especially those of us who are elected to lead, consider our service to this Nation. Let us not lose sight of the big picture, but let us focus on these policies that will carry this country into the next century strong and hopeful with an economic future for everyone.

How will future generations view our efforts on behalf of America? Did we work to protect it, strengthen it, improve it, or did we consume its vitality and leave our children with fewer opportunities and a lower standard of living than their parents? I know what I want to do. I am very hopeful that a compelling majority of the Senate wants to do the same thing.

So let us begin the debate. It is one that should be in full in the open to the American people, and we are very grateful that we live in a society that will permit both sides to be heard. I understand and respect those who may disagree as to particulars in this budget. But I am sure that whatever the outcome of this debate Members from both sides of the aisle must conclude that our country's future cannot be strong if we fail to control spiraling debt and continue into the next century with it unchecked. It will not work unless we make some fundamental changes today and early next week.

So I think the time is now. The opportunity is before us today. Let us show the courage and do what is in the best interest of our country.

I thank the Senate. I thank the Presiding Officer.

I yield the floor at this time.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. KYL). The Senator from Nebraska [Mr. EXON] is recognized for his opening statement.

Mr. EXON. Mr. President, to begin with, I first want to salute once again, as I have in the past, the distinguished chairman of the Budget Committee for all of the work that went into the production of this Republican budget. I commend him, too, for making the type of hard choices that are necessary if we are to balance the unified budget by the year 2002.

Most of us on this side of the aisle share the goal of a balanced budget. It is an article of faith, I suggest, for this Senator. I have a long history of fighting for responsible budgets. Our dedication to fiscal responsibility, therefore, cuts across party lines. We are willing to work with the Republican majority to shape a budget that will reach balance on a unified basis by 2002. I hope we can come together to fashion out of the Domenici initiative a true bipartisan compromise. I will outline today, and during the budget debate to follow, some fundamental concerns that I feel must be addressed.

Of course, none of this will be easy. To a Senator, we know the enormous challenges that lie ahead. All of us must recognize that we have to make some tough choices, and this Senate has demonstrated in the past I am willing to do that. But no person or party has all of the answers. We should seek to build a consensus on balancing the budget. Brute force is not the answer.

We cannot be dictated to or ignored. Minority rights and views must be recognized and weighed. House Budget Committee Chairman KASICH recently said, and I quote, ''Democrats have no standing to say anything about what we are doing in the House and the Senate.'' This brash rhetoric does not serve the process well. Whatever they do in the House certainly has no place in the Senate.

Earlier this year, I held out the hope for a bipartisan budget. However, we parted ways on key issues, such as tax cuts and the distribution of spending cuts. Soon after, the trench warfare really began. The Republican majority in the Budget Committee took a combative crouch during our markup. Their budget was carved in stone and we in the minority could not remove one period or comma. Not a single number could be changed, even in the smallest amount. That is not the approach to take if we truly desire to work together to produce a unified balanced budget.

On numerous occasions, I have offered a hand of friendship and an invitation to reason on the budget. My purpose is not to thwart the Republican budget, but rather to recast some of its priorities to better reflect our Nation's needs. My purpose is to make recommendations and offer amendments which I believe will make the cuts fairer and evenly distributed. My purpose is to put some balance in this budget.

During the next 50 hours, we will hear a lot about this budget. This budget, once shrouded in secrecy, has been in full view for a little more than a week. As it was unveiled, the budget was attended by the usual fanfare: the grand statements of vision, the quotes from Thomas Jefferson.

That day, we heard a lot of promises, too. As we sat down to mark up the budget, those promises kept cropping up again and again and again. As we started to peel away layer after layer of the budget, many of the promises did not jibe with the numbers I saw.

The Republicans promised to make dogged choices over and over again, but tax cuts are the tail that wags this budget. The Republicans promised to protect the elderly but asked for a king's ransom in Medicare cuts to foot the tax cuts. The Republicans promised a brighter future for our Nation but cast a bleak shadow upon rural America and our children.

Although there have been protests to the contrary, there is a tax cut tucked away in this Republican budget. No one should be fooled by the mirrors that are used to hide this fact. It has been thinly disguised as a $170 billion contingent fund, but it is a tax cut nevertheless. In fact, this could be the mother lode of tax cuts for the wealthy. And what the Republicans do not tell the American people is that the $170 billion tax cut could balloon to $356 billion over 10 years.

The budget before us does not dictate what tax cuts are forthcoming, but we know what is being discussed by the other side of the aisle. The news is not comforting. For example, more than half of the tax breaks in the House-passed Contract With America tax bill benefit those families with incomes of over $100,000. That is the top 12 percent of the income distribution, and even if we disregard Republican plans to increase taxes for those eligible to receive the earned income tax credit, families with incomes below $10,000 would get an average tax cut of $20. Compare that, if you will, with families with incomes over $200,000 stand to receive a $11,266 tax cut bonanza. That is wrong.

True enough, the Senate Budget Committee adopted a nonbinding sense-of-the Congress amendment sponsored by Senator BOXER that states that 90 percent of any tax cut should go to the middle class.

But no one should be fooled into believing that the plans of the majority have changed. Senate proponents of tax cuts have publicly stated their support of the House-passed tax provisions in the Contract With America. If ever there was a Contract on America, this is it. One Senator has vowed that he will offer a tax cut amendment on the Senate floor, and it will not be limited to the middle class.

The tax cut centerpiece of the Republican budget is fueled by cuts in Medicare. The Medicare reductions in the Republican mark total $256 billion over the next 7 years. That is the largest Medicare cut in history. This is the single most important part of the Republican plan. This is the key to the entire deal. This is the cornerstone of the Republican budget, and we intend to change it.

Yet, it comes without a single specific proposal beyond the formation of a commission. On this point, there is no plan. On the largest, most significant part of the Republican budget, there is not plan—period.

Although we have no details, it is clear that at least half the cuts will fall on beneficiaries. The only Medicare cut publicly supported by Chairman DOMENICI would increase the part B premium to 31.5 percent of program costs, adding nearly $500 a year to out-of-pocket payments by the year 2002.

By the year 2002, the average beneficiary will pay $900 more a year in out-of-pocket health care expenses. These cuts will have a devastating impact on the most vulnerable citizens: our frail, our sick, our poor, our seniors.

Republicans promised, too, that their budget would protect Social Security. But the GOP Medicare cuts will require the elderly on fixed incomes to use most, if not all, of their Social Security COLA to pay for health care. For the one-in-four who rely on Social Security for their entire income, this is an enormous hardship.

Cuts in providers are often passed along to other payers, as we know from the past and as we know from the debate that we had last year in an attempt to revise the whole health care system.

I would point out that if only one-third of these cuts were shifted to other payers, businesses, and families would be forced to pay a hidden tax of $40 to $50 billion between now and 2002.

Provider cuts would have a particularly devastating impact on rural areas. Nearly one-quarter of all Medicare beneficiaries live in rural America where there may be a single hospital serving an entire country or more. Significant cuts in Medicare could increase the number of hospitals in rural areas that will be forced to close. Since rural hospitals are often the largest employer in their communities, pulling the plug on these hospitals will result in job loss and, most important and devastating, physicians leaving these communities.

Cuts in Medicaid would also cause the elderly to suffer severe and needless pain. Nearly 67 percent of Medicaid spending is for the elderly and disabled. The Republicans cut Medicaid by $175 billion over 7 years, or 30 percent by the seventh year.

More than 800,000 elderly and disabled people are likely to lose coverage under this proposal. Between 5 and 7 million children could tumble through the safety net. And half of the children

served by Medicaid come from working families. Medicaid is also the only major Federal source of funding for long-term care, serving 1.6 million people in nursing homes in 1993, while 1.1 million people receive home health care.

While the cuts in Medicare and Medicaid are onerous, I am also extremely troubled by the new 20-percent cut in mandatory agriculture spending contained in the Republican budget. It is a harvest of shame for rural America.

Agriculture has become a scapegoat for our inability to balance the budget. You have heard all the fictions. Agriculture programs drive the deficit. Agriculture gets a free ride. Agriculture makes no contribution to balancing the budget. The truth is in shorter supply.

The real deficit problem does not lie in agriculture. We should give credit where credit is due A hard look at the projected growth of entitlement spending from 1993 to 1999 demonstrates that agriculture spending shrinks while most of the other programs show substantial growth.

In fact, after a peak in 1986, agriculture spending has declined substantially. The Congressional Budget Office projects that total costs for farm price support programs run by the Commodity Credit Corporation will decline from the $26 billion high-water mark in 1986 to less than $8 billion by the year 2000. This is due primarily to program reforms, including those enacted as part of the 1993 deficit reduction package.

Over the next 5 years, agriculture commodity program spending is projected to decline from $10.3 billion in 1996 to $7.8 billion in the year 2000. As a percentage of total Federal outlays, Commodity Credit Corporation outlays have declined from a peak 2.4 percent in the late 1950's to a projected four-tenths of 1 percent by the late 1990's.

In spite of this downward trend, this budget contains an additional 20-percent hit on agriculture. Let me repeat that. In spite of this downward trend, this budget contains an additional 20 percent hit on agriculture. The effect of that cut is startling in its magnitude. It pulls the rug out from under rural America. To reach such a number, the Agriculture Committee will need to take draconian action, such as increasing unpaid base acreage from 15 percent to approximately 35 percent.

If that happens, I suggest that we are going to see a flight of our farmers in the United States of America.

Moreover, these cuts will strangle our ability to craft a rational farm bill this year. When added to the deep Medicare cuts that will close rural hospitals, I am deeply concerned that this budget will sound the death knell for any semblance of quality existence for rural America. To partially address this, I offered an amendment to reduce by $8 billion the scheduled $12 billion cut in government agriculture programs during the budget markup. My amendment was defeated on straight-line, never-swerving, solid-Republican volley of noes—no to agriculture and no to rural America.

The cuts in the Republican budget go deep and far afield to finance the tax cut. Funding for income security programs is cut $118 billion over 7 years. Food stamps and other nutrition programs are cut by $30 billion over 7 years. Some 17 percent of households receiving food stamps have elderly members.

The Republicans also take a chainsaw to the earned income tax credit. The earned income tax credit helps keep working families off of welfare and assists middle-class families who have sudden losses of income. If the chairman's mark, however, is enacted into law, the earned income tax credit will be cut by $21 billion over 7 years.

The Republicans say they will shield the Veterans Administration's medical system from cuts. This is not a shield I would want to stand behind. The Republican budget increases the veterans' contribution for GI bill education benefits. It increases the copayment for prescription drugs for higher income individuals. Let us be clear. By funding the VA's medical system at the 1995 level for the next 7 years, the Republicans are dramatically cutting access to health care services for veterans all over this country.

During markup, Democratic Senators on the committee made numerous attempts to soften the blow upon Medicare and other programs critical to working American families. We stated that any fiscal bonus that may accrue from balancing the budget should not be spent on tax cuts. Rather, this money could go a long way to alleviate some of the hardship that would be imposed by the cuts in the Republican budget, or to further reduce the deficit.

Democratic Senator after Democratic Senator offered amendments to get our priorities straight and put this budget back on track. Let me stress—let me stress, Mr. President—that not a single Democratic amendment would have resulted in an unbalanced budget in 2002.

I will go through the entire list of Democratic amendments. But let me give my colleagues a flavor of what the Republicans found so hard to swallow. We tried to get an agreement to use the tax cut bonus to ease the cuts on Medicare, Medicaid, education, agriculture, and the earned income tax credit. We tried to eliminate the millionaire expatriate tax loophole. That is the one that allows those who have benefited most from our country to avoid millions in taxes by renouncing their American citizenship. We would have used those revenues to hire more officers for community policing and to offset the cuts in veterans programs and the earned income tax credit. We stood up for impact aid educational programs. We tried to prevent children eligible for Medicaid from losing their coverage. Not a one of these amendments passed.

It is a sad commentary on our times that during the markup of the Republican budget, we did not have a bipartisan approach toward a common goal. We recognize that doing so will take painful, but necessary cuts and we are willing to call for the sacrifices that will be necessary. They will hurt and they will be painful.

It is not the goal, but the distribution of the cuts in this resolution that is so troubling to this Senator and those on this side of the aisle. At a time when so many Americans are being asked to sacrifice to balance the Federal budget, I cannot and will not condone a budget that contains a tax cut that is a sop to the wealthiest among us.

I cannot support a budget that makes misguided cuts in Medicare and other programs that improve the lives of millions of American families merely to underwrite this extravagance.

I cannot support a budget that would lay waste to rural America and its fragile economy.

In closing, let me say that it is my hope that during the upcoming debate on the Senate floor, my Republican colleagues will give serious and due consideration to the amendments that will be offered to alleviate the unfair distribution of those cuts, and to reverse the course on the tax cut.

Then, and only then, will we have a budget that can be supported, not only by Democrats and Republicans, but all of us here working together on the common problem that has been so well enunciated by the chairman of the Budget Committee: the ever-increasing deficit and the ever-increasing national debt.

We want the American people to know and understand that we want to cooperate and will cooperate in a means to the end, but it must be done in a different fashion than has been detailed in the Republican budget.

If we can do that, then we will have a budget that is whole. We will have a budget that could lead to an eventual reconciliation bill that I could support and authorize an appropriations bill that would follow, that I could recommend to the President that he sign and not veto.

Yes, Mr. President, the Republican majority should realize that they may have the 51 votes to pass their bills, but they do not have, nor will they ever muster, in my opinion, the 67 votes to override a veto. I respectfully suggest that this is the time to start on the road to compromise and the road to reason so that we can come out of this debate on a course of bipartisanship on the budget that we are going to pass.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, in the past few years, this Chamber has been the

scene of historic debates on major issues of our time. In January 1991, we spoke of war and peace as we gave our approval to the use of military force against Saddam Hussein.

Last summer, over the course of several weeks, we conducted a nationwide seminar on health care as we discussed President Clinton's proposal to turn our health care system over to the Federal Government.

In my view, both of these debates brought out the best in the Senate and both captured the attention of the country. It is my hope today that America is watching and listening very carefully because I believe that no debate is more important to our Nation's future than the one that began today in the Senate and the one that began yesterday in the House of Representatives.

I believe that no votes we cast will make more of a difference to our children and our grandchildren than the ones coming and the ones we will make in the next few days.

The Senate and our country is fortunate this debate will be led by the Senator from New Mexico. No Senator has spoken with more courage and more conviction on budgetary issues than Senator DOMENICI. All Senators can probably find something in the Senate Budget Committee's proposal that we would change. For example, I will say right up front I believe that while we balance the budget, we can also provide America's families with tax relief and our business communities with incentives to invest and create more jobs.

But no Senator can disagree with the historic nature of the Budget Committee's proposal or with the fact that Senator DOMENICI's leadership has truly transformed this debate. To some, it may seem the debate is all about numbers. And some very big, almost unimaginable numbers will be thrown around in the week ahead. We will hear talk of $200 billion yearly deficits as far as the eye can see, which is what is contained in President Clinton's budget proposal. And we will hear the number $4 trillion again and again and again which is, of course, our national debt—$4 trillion. But I believe the most important number is the one everyone can understand and the one that Senator DOMENICI mentioned. That number is $18,500. The fact is that every American now owes $18,500 as their share of the national debt.

How will Americans pay this bill? It will be paid through fewer jobs and lower wages. It will be paid through higher interest rates when they take out a loan to buy a car or buy a home, and it will be paid through higher taxes. In fact, the Joint Economic Committee estimates all children born this year will pay $187,000 each—every child born this year will pay $187,000 each—in taxes over their lifetime just to pay their share of interest on the debt—just to pay their share of interest on the debt. This is the future that faces our children and grandchildren, and it is a future that is within our power to change.

In the final analysis, however, this debate is much, much more than a debate about numbers. It is a debate about people, people we know in our hometowns and our home States, people we know all across America. It is a debate about what kind of people live in America today, and it is a debate about what kind of America we will pass on to the people who live here tomorrow—again, our children and our grandchildren and their children and their grandchildren.

In the coming days, America will hear two very distinct and dramatically different viewpoints on these questions. One viewpoint is that of President Clinton and the Clinton administration. Candidate Clinton pledged to balance the budget within 5 years, and President Clinton, in his inaugural address, spoke of ''cutting our massive debt.'' And he also spoke about ''sacrifice.'' In fact, within hours of the President's inauguration, I said, ''I was pleased to hear the President use the word 'sacrifice,' a word that strikes fear in the hearts of many in this Chamber. But President Clinton is absolutely right. If we are to put our economic house in order, if we are going to do right by our children and grandchildren, then we must deal with our national debt.''

That is what I said shortly after his inauguration. That was January 20, 1993. But, unfortunately, the President's actions have not matched his words of that day. The President is making no attempt to balance the budget. As we know, his proposed budget would give us $200 billion deficits, and more, as I said earlier, for as far as the eye could see.

The President is making no effort to cut our debt. As we know, under his own proposed budget another trillion dollars will have been added to our Nation's debt by 1997, not a balanced budget but another trillion dollars in debt. The President is making no effort to preserve and protect Medicare for our children and grandchildren. He washed his hands of the report of the Medicare board of trustees, which included three members of his Cabinet. This was not Senator DOMENICI's, or Senator KYL'S, or Senator GRASSLEY's report. This was the board of trustees' and the President's own Cabinet members' report. ''Medicare will be broke within 7 years,'' they said. If that happens, you cannot pay anybody's doctor or hospital bills. I believe we ought to fix it.

Senator DOMENICI will recall that in 1983 we had the same problem with Social Security. That was 12 years ago. Then Ronald Reagan, the Republican President, Speaker O'Neill, a Democrat, and Howard Baker, the majority leader in the Senate, put together a commission. I was honored to be on that commission along with Senator MOYNIHAN, Senator Heinz, and other Members of this body, Members of the House, members in the private sector, and members of organized labor. After weeks and weeks, we put together a rescue package for Social Security. That was in 1983. It was bipartisan. It passed by big margins. So Social Security, as far as I know, according to the trustees, will be in good shape until 2017. That was a 34-year fix. Not bad. We want to do the same in Medicare. That is what is proposed by the Senator from New Mexico.

The President called it a gimmick. Well, Speaker O'Neill did not call it a gimmick, Ronald Reagan did not call it a gimmick, and we got the job done. We rescued Social Security from bankruptcy in 1983 in a bipartisan effort in this body and in the other body and in the White House, because the trustees said at the time that it was going to be broke in a very short time. They are saying the same thing today about Medicare. I do not recall then Ronald Reagan or any Democrat, as far as I know, getting up and railing about, ''We are going to destroy Social Security,'' as the Democrats are doing now about Medicare, saying we are going after seniors, because everybody understood what the trustees had told us. If we did not fix it, it was going to go broke. The same is true here.

If we do not fix Medicare, it is going to go broke. That is all the Senator from New Mexico and that is all this budget proposes, to fix it. We are not using any Medicare savings for tax cuts for the rich, as I hear all my Democratic friends state. Some of them are rich, come to think of it. Now, the President's administration has apparently concluded Americans are nothing more than a series of special interests who focus on only living for today, uncaring of what will happen tomorrow. But the Senate Budget Committee resolution has a different view of what kind of people Americans are. I have a different view of what kind of people Americans are. Maybe it is because of what I have seen in my lifetime. I have seen Americans risk and lose their lives to protect freedom. I have seen them sacrifice and sacrifice and sacrifice to win the cold war. The words of Winston Churchill to the British people during the dark days of World War II can also be used to describe Americans:

> We have not journeyed all the way across the centuries, across the oceans, across the mountains, across the prairies because we are made of sugar candy.

I do not believe the American people have come all this way only to allow their country to drown in a sea of red ink. That is what America is all about. That is what the American people are all about. Nobody wants to give up anything, unless we understand how critical it is. So the Budget Committee resolution offers America a liferaft. We offer the American people, regardless of party, regardless of background, wherever they are from, whatever State, a liferaft. It sets a course for a balanced budget by the year 2002. It reverses the tide of half a century of

power flowing from our citizens and States to Washington, DC. In effect, it dusts over the 10th amendment, which I carry in my pocket. It is only 28 words in length. It says that the power which is vested in the Federal Government ought to go to the States and to the people. That is what this budget does. That was a radical theory 200 years ago. That is how old the 10th amendment is. It is part of the Bill of Rights and is 28 words in length. You ought to read it.

For the last 50 years, the power has been shifting to Washington, and we think it is time to shift it back. We trust our Governors—Democrats and Republicans—in any State of America. We trust our State legislatures. We believe that many times they can make better decisions, because they are closer to the people, than we can here. We do not suggest by that that the Government does not do a lot of good things. The Federal Government does a lot of good things and we understand that. We are going to preserve that.

If the past few days are any indication, the President is going to do his level best in the coming weeks to scare the American people, particularly seniors who only have Medicare or Medicaid and Social Security. That may be all the income they have and all of the protection they have. The President is going to try to frighten these people. He is going to try to frighten people with children. He will accuse us of being heartless. He will say we are out to get Social Security and Medicare. But it is off the table here. He will say we are slashing programs that help seniors, the children, and the poor. The liberal media will, of course, report these accusations, and many Americans will be led to believe it. But in the end, I believe there is a weapon stronger than scare tactics, and that weapon is the truth.

One thing about the Senator from New Mexico: You can expect the truth from PETE DOMENICI. He will tell it like it is, even when it hurts. The truth is that this budget does not slash Government spending. It simply slows its rate of growth. It does not slash Government spending. It simply slows the rate of growth.

As Senator DOMENICI said, rather than having Government growing faster than wages and salaries, which has been the case for the last three decades, wages and salaries will now grow faster than Government spending.

The truth is that this budget does not touch Social Security. It does not touch Social Security. But that does not mean the President will not say it does not touch Social Security. It does not mean it is not going to be reported that it does, but it does not touch Social Security. I assume the Senator from New Mexico would give a reward if one could find anything that touches Social Security in the budget.

Mr. DOMENICI. We ought to put a new incentive in. That will be something we ought to give to people.

Mr. DOLE. Right. If you find something about Social Security, there may be a reward for you.

Mr. DOMENICI. With reference to Medicare, we even suggest that in any reform measure, people at the low end of Social Security are held harmless. That is figured into savings. They do not suffer a loss in their Social Security check. That is even built in, in addition to Social Security being off the table.

Mr. DOLE. It is not a benefit or advantage to seniors.

The truth is—and this should all be about the truth, not about what is reported—that this budget will shrink the Federal bureaucracy, beginning right here in Congress, with a 7-year freeze on congressional salaries and a $200 million cut in the legislative branch budget. This reaches out to Americans in need. For example, we will spend $534 billion on Medicaid over the next 5 years, reflecting a 20-percent increase over that period.

The truth is that this budget begins the process needed to preserve, improve, and protect Medicare. This budget acknowledges that we must take action to save Medicare by slowing its annual growth rate.

But let there be no mistaking about what we are proposing. Let the Senate be very clear about it. Over the next 5 years, we will spend over $1 trillion on Medicare. That is an increase of $178 billion. Let me repeat: We will spend over $1 trillion on Medicare, an increase of $178 billion over what we would have spent if we froze Medicare expenditures at today's level.

Despite the overheated rhetoric coming out of the White House, we are not talking about cutting Medicare. Later in the debate I think the Senator from New Mexico will have a very interesting chart that ought to make Senators' eyes pop out. The statement made by President Clinton not long ago.

We are not even talking about freezing Medicare. We are simply suggesting we must find ways to slow the rate of growth. Slow the rate of growth. It is not about paying for tax cuts, it is about saving Medicare. This is a fact and that is the truth.

I do not care how many people stand on the floor on the other side, and there will be a storm of rhetoric on the other side about cutting Medicare for taxes for the rich. Not true. It is not true. We are trying to save Medicare, just as we saved Social Security in 1983. We will do it.

If they want to stand on the sidelines, and the President wants to be a.w.o.l., absent without leadership as he is almost every day, that is all right with us. The American people will remember who was carrying the heavy water up here. As my friend, Senator GRAMM says, ''Who was pulling the wagon?'' They are not going to pull any wagons on the other side. We will have to pull the wagon. It will be uphill. It will not be easy.

I might add here that the President's rhetoric about Medicare rings especially hollow given the fact that his own health care plan included a $180 billion reduction in Medicare and Medicaid spending. We do not hear much about that on the other side. We do not hear much about that in the White House.

In last year's health care bill, it was there—$180 billion in Medicare and Medicaid spending reductions. Now, the President said at the time, that is not a reduction. Again, I will leave that up to the Senator from New Mexico to explain at a later time.

The fact that Mrs. Clinton said in testimony before the Senate Finance Committee, ''We feel confident * * *. We can reduce the rate of increase in Medicare without undermining quality for Medicare recipients.'' That was not anybody speaking but Mrs. Clinton, who was in charge of the Government-run health care plan advocated by President Clinton. Fortunately, it failed. In her own testimony before the Finance Committee, ''we can reduce the rate of increase in Medicare without undermining quality for Medicare recipients.''

Now, what has happened in a year? Nothing has happened. So if they were right then, and we are right now, I guess we are both right. And the President ought to go back and read his own statements and read statements others in the administration have made.

I would take the President's budget rhetoric a little more seriously if he would offer the American people an alternative, besides his status quo proposal that Senator DOMENICI said even the Washington Post called ''weak and directionless.'' Believe me, that was in the Washington Post, and they do not often criticize Democrats for anything in this town. That was in the Washington Post, believe it or not.

Mr. President, we can and must do much more than simply maintain the status quo as the President has proposed. We can and must set the course to a balanced budget. And we can and must reduce the tax burden on America's families.

Mr. President, I believe that long after we are gone, future historians will look back at this moment, the rest of this week and part of next week, look back at this debate and say, ''Here's where the course was set. Here's where the dye was cast.''

It is up to Congress to determine what their conclusion will be. Will they conclude that here were the people who blew the last chance to change the status quo? Is that what they will write in 30, 40, 50 years? Or here were the people who ensured that the America of the 21st century would be one of low wages, high taxes, and fewer opportunities? Is that what they will write? Will they look back to 1995 and say, ''Here's where the American dream died, right here, right in this Chamber. Right in this Chamber, because we did not have the courage to do what the American people want us to do, or have the courage to do what we know we should do.''

Are they going to say all those things? Are they going to look back in 10, 20, 30, 40 years and say, ''Here were the men and women of courage. Here were the people who made tough decisions and ensured that America's best days are yet to come. Here were the people who ensured nothing less than the survival of the American dream.'' The choice is ours, and the time is now.

Mr. DOMENICI. I understand the distinguished Senator from Tennessee, Senator FRIST, would like to speak.

Senator DOLE, I might say I greatly appreciate the remarks, and I think the American people would know what the majority leader said here today is very, very important, and part of our efforts to get this budget resolution passed. I am very appreciative of this help.

The leader commented on the Senator from New Mexico, and he has been very supportive, as clearly indicated. We have a job to do and we want to get it done. I am most appreciative.

Let me just say a couple of things very, very quickly. The budget resolution before the U.S. Senate does not have any tax cuts in it until the budget of the United States is balanced, and until it is certified to be balanced by the Congressional Budget Office.

So, whatever the talk about cutting taxes versus how we balance the budget, the truth of the matter is we balance this budget and we do not cut taxes in doing that. We change programs. We alter and reform programs. We get to balance. Then there is a dividend, an economic dividend, that in this budget resolution is directed to be used by the appropriate committee for tax cuts, and tax cuts only.

Then it is interesting, people are talking about tax cuts for the rich. Frankly, we passed overwhelmingly—but for one vote, everybody else voted aye—a Boxer-BROWN resolution in that committee that said 90 percent of any cuts that were forthcoming after we are in balance would go to people with $100,000 or less.

We will hear a lot about other things, but the truth does not lie. The budget resolution is there to be looked at, and that is the way it is.

I yield Senator FRIST 15 minutes.

Mr. FRIST. Mr. President, I have been in this body for a little over 5 months now. It is very clear to me where the problem lies. As P.J. O'Rourke has said, ''Giving power and money to Congress is like giving the car keys and whiskey to teenage boys.''

The problem is that this Federal debt, the cost of increased Federal spending, year after year, has grown out of control. The debt is approximately $4.9 to $5 trillion by the end of 1995, and it will grow to $6.8 trillion in the year 2000. If we do nothing, $8 trillion in the year 2010.

They are big numbers. In individual terms, what do they mean? They are even more frightening. A family of four currently pays $440 per month just to pay the interest on the national debt. A child born this year will pay over $187,000 in interest alone on the national debt over his or her lifetime. By the year 2000, the debt will reach $6.8 trillion, nearly $100,000 for a family of four.

The reason for the problem is this excessive, wasteful spending. In Washington, unlike the private sector from whence I came just 6 months ago, people use this word ''cut,'' and when we reduce spending in the Federal Government from 5 percent to about 3 percent, people say this is a huge cut. The American people do not look at that as a cut. They know that it is slowing the increase in spending.

It is almost as if a person went in and asked the boss for a raise of $500 per month, and he said I will only give $450, and then the employee would call that a cut in salary. The American people are too smart for that.

Mr. President, while we must listen to the American people in working through the best way to structure arriving at a balanced budget and looking at this Nation's spending priorities, we must, over the next 5 days, maintain our resolve to put the long-term interest of this country over the short-term special interests that will likely become prominent in this debate.

I intend to vote for this budget because it and it alone will achieve balance by the year 2002. And what is the cost of doing nothing? The President of the United States has put forward a budget which we will be discussing which does nothing, which continues $200 billion deficits next year, the year after that, the year after that, the year after that, adding each of these years up to a huge additional $1 trillion to this debt. These are ballooning deficits. We cannot continue these endless mountains of debt again and again. It is not common sense. It is not what Tennesseans told me again and again as I traveled to the 95 counties of Tennessee this past year.

If you need further proof, look at the outside independent analysts. Look at the GAO, the CBO, the Bipartisan Commission on Entitlement and Tax Reform. Again and again they state the obvious, that present trends are clearly unsustainable. The General Accounting Office in ''The Deficit and the Economy,'' in April 1995 says, ''Continuing current spending and taxation policies unimpeded over the long term would have major consequences for economic growth.''

And the Bipartisan Commission on Entitlement and Tax Reform says:

> Absent policy changes, entitlement spending and interest on the national debt will consume almost all Federal revenues in 2010. In 2030, Federal revenues will not even cover entitlement spending.

Yes, in just 15 years, spending on Medicare, Medicaid and Social Security, on Federal pensions and on interest on the Federal debt, will make no money available for Government, for roads, for education, for defense. Now is the time to balance the budget.

The Congressional Budget Office says:

> Current fiscal policies literally cannot remain unchanged indefinitely: At some time, action will have to be taken to bring Government borrowing under control or servicing the Federal debt will require unsustainable tax rates in future years. Prompt action would limit the damage that occurs when Federal debt crowds out capital investment, putting upward pressures on interest rates. It would also limit the size of the needed changes in fiscal policy.

Let us talk a minute about what all these statistics mean to the average American in this country. Americans are currently paying almost 2 percent more in interest rates than they would if we had a balanced budget. What does that mean to the typical American? It is as extra $1,248 per year on a $75,000 mortgage at an interest rate of 8.75 percent. It means an extra $900 per year on a car loan of $15,000 at an interest rate of 9.75 percent. Again, with my background as a physician, coming to the U.S. Senate from the private sector, what amazes me most is that Medicare will be bankrupt in the year 2002 unless we act; bankrupt—part A, hospital expenditures for our senior citizens and individuals with disabilities. We will talk a lot about Medicare over the next several days but the bottom line is that in just 7 years, unless we act, seniors will not have hospital insurance in the United States.

We are going to continue to lose the war on poverty unless we act, and this budget does act. The Federal Government currently runs over 75 interrelated and overlapping means-tested welfare programs. Between 1964 and 1994, welfare cost the taxpayers $5 trillion in 1993 dollars. Yet the official poverty rate is 15 percent, nearly 4 percent higher than the all-time low experienced in 1973, a low of 11.1 percent.

If we do nothing, we will continue to have a Government that is too big, and the American people want a smaller, less intrusive Government. Our Government is too intrusive in our daily lives. It is a Government that strangles economic growth and innovation. If we look at spending on regulatory agencies, Federal regulatory agencies, it totaled $14.4 billion in 1993. Increased spending on the Federal bureaucracy in recent years has allowed the Federal Government to regulate nearly every aspect of our daily lives.

There are numerous other examples. The Food and Drug Administration has grown from 4,400 employees in 1970 to over 9,000 employees, yet we still hear again and again that pharmaceutical agents and drugs that are finally approved in this country had been approved on the average about 6 years earlier in other countries.

The President himself, in speaking to the AARP last week, said, ''I cannot support the status quo and neither can you.'' And that is what this balanced budget is all about. Yet that is what he has done, support the status quo. He has offered no budget to speak of. And I look forward on this floor to hearing

the debate on the proposed budget, the budget as proposed by the President. He has made no effort to balance the budget, yet the American people call every day for a balanced budget. The American people recognize that only by a balanced budget can we restore the American dream.

You can see if the Democrats, the other side, cannot see fit to cut spending sufficiently, the only answer will be a tax increase.

So what is our solution? It is the budget laid before you today, the Republican budget. And Republicans will tell the truth. Yes, there will be some restructuring and there will be adjustments associated with this budget. But they are nowhere near—nowhere near—the distortions that others are spewing forth. Let us examine some of the claims and then tell what the facts are.

Bureaucracy. Some say the Government bureaucrats will lose jobs and the economy as a whole will suffer because of reduced Government spending. People say we cannot go that fast.

The budget proposal today put forward shrinks the Federal bureaucracy, eliminates more than 100 Federal departments, agencies and programs. The budget put forward today abolishes unnecessary bureaucracy, eradicates, gets rid of, Government waste, terminates duplication, and consolidates Federal programs to improve efficiency and priorities. And that is what the American people want. They recognize we need to pull back. But they want us to prioritize appropriately.

Not only will this be good for the Federal budget but it will be good for the recipients of Federal benefits today, who are out there trying to do their best to make sense of the maze of regulations before them. There is no doubt this budget will result in greater economic growth.

On Medicare, some people say Medicare cuts are going to devastate our seniors and our entire health care spending. It is not true. As pointed out by the majority leader, we will be spending over $100 billion more in Medicare in the year 2002 than we do today.

And with regard to the social safety net, Social Security is put on the side. It is outside of this budget. We do nothing to attack Social Security. But then some people come forward and say we will leave children homeless and starving in the streets. In truth, our budget provides a safety net for those truly in need. It provides transforming new programs to empower the underserved, the poor, the indigent. This budget moves power and money out of Washington back to people, and that is what the American people are calling for. It does it by working toward block grants for Medicaid, block grants for welfare, child care, and other social services. The bottom line is that we empower communities, empower citizens to make decisions over their lives. The cruelest thing we can do to the poor, to the underserved, is to continue to fund certain assistance programs today without serious reform. Over half of the AFDC families today remain on welfare for 10 years or more.

One in three children today in the United States is born out of wedlock. In some low-income neighborhoods it is 8 out of 10 children, and those children are three times more likely to end up on welfare.

In 1960, nearly two-thirds of households in the lowest income group were headed by people who worked. By 1991 that figure had plummeted from two-thirds to only about one-third, and only 11 percent of welfare household heads were working full time year round.

Yes. The collapse of work and family has spawned crime, drug use, violence in schools, and other social ills. The people who suffer the most today are our children.

So we all know that the rhetoric we will hear over the next several days will be about hurting children. In truth that is just a smokescreen, a smokescreen to hide the fact that our big Government solutions have failed. I am confident by turning over our welfare assistance programs in large part to the States will result in innovation, creation of new ideas which can be adopted similar to those of Governor Thompson of Wisconsin, Governor Engler of Michigan, and Governor Weld. No longer will welfare be a way of life with regard to dependence on others.

In closing, the Republican budget has its benefits. We will hear about those again over the next several hours.

Lower interest rates: Lower interest rates which will affect nearly every American, allowing him or her to participate in the purchase of a new home or a new car for less money. Lower interest rates to make it easier to start a business, to keep a family farm in business, or for existing businesses to make new investments. And new investments result in more workers, and more workers mean more jobs.

Yes. We will see greater economic growth, greater economic growth that will result from a greater amount of capital available for borrowing. Right now, the Government is using our Nation's capital, capital that businesses and individuals could be using to invest in new ventures. New ventures mean more jobs with higher incomes.

And in closing, a balanced budget by the year 2002 will result in a stronger America today, and a stronger America tomorrow means that all Americans will benefit.

Thank you, Mr. President.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, before I yield, let me thank Senator FRIST for his marvelous remarks.

Let me suggest that the Senate is very, very well served in the decision that this eminent surgeon made to get into politics. From my standpoint, I kind of wondered why because he does heart transplants for little children, an expert in the field. It made him very renowned. But I am very pleased he made the decision. He adds a lot of credibility, sincerity, and knowledge to our debate on health care. And we look forward to using him in the debate when Medicare comes up with some additional time. I am very appreciative of his remarks.

We understand Senator GRASSLEY was going next because there were no Democrats here. If they would let us do that, then we will yield to two Senators on that side for two consecutive ones.

How much time does Senator GRASSLEY desire?

Mr. GRASSLEY. Twenty-five minutes.

Mr. DOMENICI. I yield 30 minutes to Senator GRASSLEY.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I want to first commend the distinguished chairman of the Budget Committee for his leadership in putting this budget together. But in addition to saying those few words, I want to say to the American people that a lot of times an individual wonders whether one person can make a difference. As far as this budget debate is concerned, the person of Senator DOMENICI and his leadership as chairman, and the responsibility that goes with that, demonstrates clearly what we all know in America. If an individual puts their mind to it, that one person can make a difference.

So I thank the distinguished chairman.

Mr. DOMENICI. Might I, without interrupting after this, just say I thank Senator GRASSLEY very much. I very much appreciate that.

Mr. GRASSLEY. I thank the chairman for his leadership again.

Because their budget represents a vision, it also represents a plan on how to get there to carry out that vision. This budget is conspicuous in that it is the only plan before this body that will have a real vision, and will have credibility in the process. The hallmark of this budget is that it balances present-day needs with long-term needs. That is quite a balancing act. But it does it well because it does it for children, it does it for senior citizens, it does it for the needy, and it does it for the forgotten taxpayers of America. This does not forget the taxpayers. It is not just a bottom line in the year 2002 that we are talking about, because that is balanced. But it also is balanced between our long- and our short-term needs of society.

I do not think that any Republican who voted for this in committee, including the chairman himself, however, thinks that or makes a claim that this is a perfect document. There are elements in here that each one of us dislike. I will mention a couple for myself

because I am not going to speak on the negative aspects of this. But I do think that we ought to make it clear that there might be some things we would rather have differently.

For me, representing an agriculture State, I suppose I could say I am not satisfied with the agriculture numbers. However, I had a chance to address this in committee, and I did it with a sense-of-the-Senate amendment to limit the savings from commodity programs. We farmers know agriculture must contribute toward deficit reduction because we know that people in agriculture, including the family farmers, will benefit greatly from the lower interest rates that result when you have a balanced budget.

I also do not like Medicare numbers. But the issue there is to take important steps to keep this bankrupt program solvent, and of course viable both in the short term as well as the long term. The point, Mr. President, is balance, and this budget has balance.

It also contains some very important national goals, and I want to begin my remarks by pointing out some of them. It provides a vision. That vision is to preserve opportunity and the American dream for future generations. We intend with this budget to stop the practice of allowing their generation to live high on the hog and have the next generation pay for it. That, Mr. President, is a moral issue.

Next, this budget is balanced. This is a goal shared, as you may know, by more than 80 percent of the American people. Yet, however, there is only one party that has delivered a plan to balance the budget; that is, this side, the Republican side, of the aisle. It is very clear that the Democrats cannot put one together because that party it seems happens to be the party of the status quo. It is the party of business as usual. I have no doubts in my mind that they do not propose a balanced budget because they are the party that was roundly rejected by the voters in the November election last. Those voters, those very same voters by an 80 percent majority, want our budget to be balanced and the sooner the better.

Next, our budget confronts in a very responsible way the Medicare crisis. The other side of the aisle is running away from the challenge of shoring up the Medicare program, running away from the fact that the Medicare program is bankrupt. They happen to be doing it on Medicare just like they are running away from the challenge of the deficit. Instead of being responsible, and instead of offering constructive solutions to ensure the viability of Medicare, not only for this generation but for future generations, they are engaging in a campaign to scare the senior citizens of America and to scare the wits out of them.

It is somehow like a campaign staff has taken over the policy staff. This is a completely irresponsible posture on their part.

I just stated the broad goals of our budget, Mr. President. But there are others that are reflected in this plan. I want to state them but more briefly. It moves money and power out of Washington and back to the States, the citizens, and our communities. It substantially reduces corporate welfare spending. It provides for maximum crime control to keep Americans safe by protecting funding for the Drug Enforcement Administration and the FBI. It provides a safety net for the truly needy with emphasis upon children.

It protects Social Security. It protects our national security. It protects the school lunch and school breakfast programs. And it adds $2 billion for supplemental food programs for WIC. It eliminates over 140 agencies, programs, and commissions in the downsizing of government, including the Cabinet-level Department of Commerce. It eliminates bureaucracy, waste, duplication, and overhead, and it consolidates many Government functions, privatizes many others, and improves Government efficiency.

Now, Mr. President, it does all this while allowing spending to grow by 3 percent per year instead of the projected 5 percent. Government spending will still grow by 3 percent.

Now, there are a lot of people listening who are going to be irritated because Government spending is going to grow by 3 percent. I run into this when I meet with Iowans in town meetings because I overhear concerns that 3 percent growth is irresponsible when you have a $4.7 trillion deficit. These responsible constituents are greatly concerned about the future of their children and grandchildren because—do not forget—the most important thing that we can do for today's children, the most important thing we can do for today's children is to not leave them trillions and trillions of dollars of debt to pay off.

If you are really concerned about children, we must denounce policies that are based upon a philosophy of materialism today and to heck with tomorrow. We cannot go on borrowing money today at the expense of tomorrow's needs. We must find a balance, and that is what this budget does—a balance between today's needs and our responsibilities for tomorrow.

Mr. President, that is the good news about this budget. But all of these positive elements seem to get lost in the rhetorical barbs launched by the other party and in the news coverage of this budget reported to the American people. I think I know why. That is because, as we have been reading recently, the media have a penchant for delivering the most negative of news. And the other party, quite frankly, knows this and plays to it. And it makes very great TV. But how responsible is it?

There is one other important aspect of this budget that has not been talked about much, and it should be. And that is this. There is no pay raise in this budget for Members of Congress. There is no pay raise for Members of Congress for the next 7 years until this budget is balanced, until we have earned a pay raise.

There are also changes in the Members' retirement system to bring it more in line with private sector retirement systems. This pay freeze is important for two reasons. First, it ties Members' pay to our performance in attacking the deficit. It says, ''Don't even think about a pay raise until you get the budget balanced.''

The second reason is even more important, and I wish to commend again our distinguished chairman for the implicit leadership in what this pay freeze states. It says, in effect, we are leading by example. We are leading the way toward a balanced budget by denying ourselves any more pay over the next 7 years. And as a result we are not asking Americans then to do what we are not willing to do for ourselves. When people come into my office and ask why we are slowing the growth of their benefits, I can look them in the eye and say we are denying ourselves any growth as well. As a result, this Republican budget, in my view, earns the moral authority to ask everyone, to ask everyone to pitch in and to help balance the Federal budget.

So, Mr. President, the Republican balanced budget contains a positive vision for present-day America but also for future generations of young Americans. We balance present-day needs with the need to preserve future opportunity. Meanwhile, there is no alternative vision proposed by the other side. All they seem to offer is business as usual.

By definition, the absence of a bold vision is the continuation of business as usual. If Americans ever wondered which party is a party of the status quo, let there be no doubt now.

I wish to describe this symptom, the symptoms of defenders of business as usual. They use half their ingenuity to get us into debt and the other half they use to avoid pain—paying it off. Their philosophy is live within your income even if you have to borrow to do it. They simply refuse to reconcile their gross habits with their net income.

What does a budget look like that subscribes to this philosophy? I think, Mr. President, that we have a very good example of this budget. If you look at this budget, you see the President's numbers here. You see a budget that is never balanced into the future—not only not balanced but the deficits go up and up and up.

Now, Mr. President, you look at the Senate budget that we are debating right now and you see it gradually going down and by the year 2002 it is in balance. This zero here represents no more accumulation of debt. But if you look at the difference between this budget and this budget, the space in between, you see the accumulation of $1.5 trillion of debt. That is on top of the $4.9 trillion debt we have this very day.

This chart shows it very simply. It shows two directions into the future. That top line is business as usual, and it spells disaster for our children. The bottom line, the Domenici budget, the one that is balanced, that is the only alternative. It presents only vision for the future. That happens to be our plan, the Republican plan, the plan that was approved last week by the Senate Budget Committee.

You see from the chart the President abdicated his leadership this year in the budget process. My Democrat colleagues in this body now have to decide a simple question. Do they follow their leader in abdication and risk being the party of abdication or do they offer the country their vision in the form of an alternative? That is the question. It is easy to say what you are against, but what are you for? The American people want to know. The American people have a right to know.

During deliberations in the committee, I read a number of quotes from the CONGRESSIONAL RECORD that were uttered by Democrats on the Budget Committee. They spoke those words on the Senate floor during debate on the constitutional amendment to balance the budget.

I am not going to read those quotes today because I do not intend to embarrass anybody, but I have those quotes right here if anybody wants to know what they are. In sum, they said this during February: ''We don't need a constitutional amendment to balance the budget. We should do it in the Budget Committee.''

So, they implied, let us just roll up our sleeves and get to work on a balanced budget by the year 2002. But when it came to the Democrats voting on a motion by the chairman expressing the desire for a balanced budget by the year 2002, all but one brave soul from the other side of the aisle retreated, sounded retreat and voted against it.

Again, Mr. President, that begs a very important question: What is their plan? What is their vision?

This is then an issue of credibility. You cannot talk the talk until you walk the walk. And all we hear is sniping and wailing about what they are against. It is real easy to pick out a program in isolation and attack the whole Republican plan for a balanced budget. But until you put it in the context of your own balanced budget alternative, your concerns ring hollow and there is no credibility. If you want to snipe about the Republican budget and if you want to have credibility in doing so, you have to have an alternative balanced budget plan.

You might ask: Why do they have to have a balanced budget? Well, it is simple. The public is demanding one, and because it is our duty and obligation to this country's future and, of course, to the future generations of Americans. And not the least reason of which is that the other side said during the February debate that they wanted a balanced budget. They said that during the debate on the constitutional amendment.

Or, of course, they can choose the President's path, and they can put business as usual on automatic pilot.

So I say to them: Show us your vision. Show us how you get us there. Show us how you get there in 7 years, just like you said on the floor in February. If you do not do that, you will be all talk and no action. You will be following your leader in the White House in abdication of responsibility and then you risk becoming the party of abdication.

Now, I think I can claim for myself, this Senator from Iowa, that I have worked closely with the other side over the years for more deficit reduction than the leadership of their party or even our party maybe wanted.

Last year was just one of the latest examples. I happened to join my good friend, Senator Exon from Nebraska, the Democratic leader of the Budget Committee, in sponsoring the Exon-Grassley amendment. That saved the taxpayers $13 billion. I am the only Republican on the Budget Committee who can claim to have voted for a Democratic budget resolution in getting a budget to the floor.

I joined the other side those times because they were responsible, fair, and tough on the deficit. I did so even when it meant criticizing the President of my own party.

My colleagues on this side know full well that I have been willing to criticize past Republican Presidents. And I now make this same charge against this President for the budget that he submitted this year. It had no credibility regarding deficit reduction. He punted to the Congress. He took a vacation on reducing the deficit.

What I am saying now is—and I believe I have sufficient credibility to say it—if you do not offer a credible balanced budget alternative to Chairman DOMENICI's mark, you Democrats risk becoming the party of abdication as far as the public's desire for a balanced budget is concerned.

You might even come up with a plan that I could support, as I have done in the past. That is, if it were balanced. I want it balanced in the year 2002 if you want me to vote with you Democrats. But until you walk the walk, the credibility will not be there.

Mr. President, these are new times. These are times that require a vision. These are times that require a plan to get where you are viewing. You have to find a way to balance your present day priorities with long-term needs to preserve the future for coming generations.

Mr. President, we—not just the Members of the Senate—we—not just people inside the beltway—we—you, all the people of America, this generation—cannot live just for today. We have to live for today and we have to live for tomorrow.

We on this side of the aisle have presented a vision and we have presented a plan to get there. The question now, Mr. President, is: ''Where's theirs?'' I want to repeat: ''Where's theirs?''

I yield back the remainder of my time and reserve it for the Republicans.

Mr. EXON addressed the chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Nebraska.

Mr. EXON. Mr. President, in answer to my good friend and colleague from the State of Iowa, ''Where's theirs? Where's theirs?''—I assume we are going to be hearing that over and over again—''Where's theirs?'' was enunciated by this Senator in the remarks I made in opening this debate.

What we are trying to do, I advise my friend and colleague and oftentimes associate, is to simply say that we are offering a series of amendments to the Republican budget that has been offered, frankly, in a spirit of cooperation.

We will be doing here essentially the same thing that we did in the budget markup. And that is simply to reach out the hand of friendship and understanding and hopefully reach some kind of a bipartisan compromise by not rejecting the budget offered by the chairman of the Budget Committee. But, as I said in my opening remarks, I salute the hard work that had been done.

''Where's theirs,'' it should be understood very clearly by the Senator from Iowa and everyone else, that ''Where's theirs?'' is simply the situation that we are trying to recognize that in some instances you have done a good job. And ''Where's theirs?'' is that in good faith we are trying to get you on that side of the aisle to quit knocking down and rejecting every suggestion that we have made.

And I think that anyone who looked at the amendments that we offered would have had to say that at least they were in good faith and debatable. Basically what we did, time after time on a whole series of amendments, was to say, we believe that there are some good, overall parameters offered by Senator DOMENICI, the chairman of the Budget Committee, in his mark. But we happen to feel that some of the cuts on veterans programs, on Medicare, on Medicaid, and others that we have announced and enumerated—and I talked about most of them in my opening remarks—simply take money out of the money that is reserved for the tax cut that is clearly indicated in the budget in the House of Representatives and the $170 billion that is in the Domenici mark and reserved only for tax cuts.

What we are saying is, why can we not reason together? Why can you not give up on the tax cut, that you want to help out and cut down to some extent, a considerable extent, the hit that we think is being unfairly taken by Medicare, Medicaid, by farm programs, by taking away earned-income tax credit, by the cuts in education and others?

We just say, give us a little bit. Maybe we can go along.

I yield 15 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank the good Senator from Nebraska for yielding. I want to, before I begin my formal remarks, identify myself with his statements to the Senator from Iowa. The Senator from Iowa made a very strong speech. ''Where's theirs?'' Well, that is a lovely slogan. The fact of the matter is you are going to have a chance to see what we have in mind, just as you did in the Budget Committee, where I proudly serve with my friend from Iowa.

The fact of the matter is, we are going to be offering a series of amendments that take that Republican budget that we think, frankly, is a retreat from the American dream and try to fix it and try to fix it the way we think the vast majority of Americans would fix it.

So my friend from Iowa will have a chance to find out what the Democrats think is important. He is going to find out, and if he acts true to course, he will vote against everything because those Republicans do not want to touch the $170 billion they have reserved to give tax cuts to the wealthiest. Those over $350,000 will get $20,000 back each and every year, while the drastic cuts in programs that my friend from Iowa says, ''We're doing it for the children,'' cause nothing but pain for the children.

As we offer up our amendments, they will not change the date in which this budget is in balance. It will be kept at 2002. That will not change by one 1 minute or 1 day. But what will change—what will change—are the priorities of this Nation, and that is why I so relish this debate on the budget and why I was so honored to go on the Budget Committee of the U.S. Senate. I served on the House Budget Committee as well, because what could be more important than what we spend taxpayers' money on? What could be more important than that? When you read the preamble of the Constitution—and I recommend that you do it as often as possible—you will find out that we do have to establish a system of justice, that we do have to provide for the common defense, that we do have to promote the general welfare and make sure that the blessings of this great country are endowed on future generations. That is the function of the U.S. Government.

Now, we can argue around the edges, but it is our responsibility to fulfill that very solemn pledge we take when we raise our right hand and we swear to God that we will, in fact, uphold this Constitution from enemies both foreign and domestic. I take that oath very seriously. I think that the budget of the United States of America is where we lay out for the American people how we hope to do that.

Mr. President, I believe this budget resolution, this Republican budget resolution is a cruel retreat from the American dream because it, among other things, will take money out of the pockets of working people, college students, senior citizens and place it in the pockets of the wealthy. It is Robin Hood in reverse. It is just what we should not be doing.

When I listen to some of the debate and I hear my colleague, Senator GRAMM from Texas, and I have heard him say it many times, he says, ''What I want to do as a Republican is take the money out of the pockets of the Government and put it in the pockets of the people.'' Well, if he believes that, he will not support this Republican budget, because this Republican budget takes money out of the pockets of the seniors, out of the pockets of the students, out of the pockets of those who work so hard and earn $28,000 a year or less, and what does it do? It puts it in the pockets of the wealthy. That is wrong. That is wrong, and that is what has been hidden in this debate and that is why I relish this debate.

When I say that this budget is a cruel retreat from the American dream, I know what I am talking about because I am a product of the American dream. I am a first generation American. My mother never graduated from high school. Both sides of the family escaped from oppression, and it was America that gave us the dream. If there is anything that I am going to do—anything that I am going to do in the Senate—it is to make sure future generations of Americans have the same chance that I had as a little girl growing up in a tiny little apartment.

In this great Nation, my father could get an education, the first child in a family of nine to go to college, and he went at night and worked hard, and he worked by day. Then later, when he had a couple of children, he worked hard and he went to law school at night and became a professional. He did it because of America. They were able to save and send their children to college. One is a professor and another is a U.S. Senator. That is the American dream, and this budget is a cruel retreat from the American dream.

What really riles me is that Republican after Republican will get up and say, ''We're doing this for our children. This is a gift to our children.''

I will tell you what kind of gift it is. Imagine you are a little kid and you get a big box for your birthday and it is wrapped in a beautiful ribbon and you open it up and nothing is in it. There is nothing in this budget for children—nothing.

Children are attacked in this budget. Education is slashed in this budget, and I am looking forward to working with my colleague from Illinois, who you will hear from soon, and with Senator KENNEDY, and with Senator HARKIN to restore those cuts in education and, yes, I say to my friend from Iowa, we will make that amendment revenue neutral. It will not change your balanced budget one bit. But you will have to walk the line and send a message to the children. Do you really care about their education? Do you care about the fact that in your budget there will be 550,000 fewer children in Head Start; that the average college student will have to pay nearly $5,000 more for a loan, and if they are a graduate student, between $3,000 and $6,000 more for a loan.

We are going to fix that in the context of your budget. If you want to vote against it, that is fine, but do not tell us that we are not acting responsibly, because we are going to give you amendment after amendment. We are going to give you one on Medicare. We are going to soften the hit.

In California, we have over 3 million people on Medicare. Let me give you a portrait. The average woman of Medicare age today has an income of $8,500 a year. Think about that. In the Republican budget, that elderly woman, that grandma or great-grandma will have to pay $900 more a year out of her pocket for medical care, and the care will be worse and her choices will be taken away. So do not tell her that she is getting a gift in this budget. She is getting hit.

When I was growing up, my mother and father taught me to respect the elderly. That is not respecting the elderly, to take that money out of her pocket and put it in the pocket of someone who earns $350,000 a year. Forget it from this Senator. I will fight that as long as I have life in me. That is disrespect. And we talk about V–E Day. I heard the chairman of the Budget Committee talk about V–E Day. I want to talk about V–E Day, because I had uncles who went to war, World War II. And I have friends who fought in Vietnam and in Korea. What is the gift to them in this budget? We cut out veterans benefits, and for those men who fought, we cut their Medicare. Oh, that is a great gift for our elders to celebrate V-E Day. This is a cruel budget, and it does not have to be. As my friend from Nebraska said, you just take that money that you squirreled away in your little lock box there very cleverly—but it is there—and you back off that, and let us talk business. Let us ease the burden on our veterans. Let us ease the burden on our children. Let us ease the burden on our seniors, and we can do it in a fiscally responsible way.

I want to talk a little bit about some of the investments that we are walking away from in this budget. And before I do, I want to make one more point about how this budget hurts those making $28,000 a year or less—families making $28,000 a year or less, working.

Under Ronald Reagan we started the earned income tax credit. He said it was the best antipoverty program he had ever seen. What does it do? It says to those hard-working Americans who earn under $28,000 a year, we are going to ease the burden of your payroll taxes and we are going to allow you to

pay fewer taxes. What does this Republican budget do? It pulls back on that program, and it will mean $1,600 more over seven years to those hard-working families—$1,600 more in taxes for those people. I cannot understand it. We are raising the taxes of people who earn under $28,000 a year, who work mightily hard for that money, and we are lowering the taxes of those who make over $350,000 a year.

There must be some symmetry here. I told you before how we are hurting those students who have student loans. It is going to cost them much more over their lifetime. Do you know what it costs to go to a private college today? It is $15,000 to $20,000 a year. After the Republicans get through with this budget, only the wealthy will be able to go. They are getting $20,000 a year back. So if they have a student in their family, Uncle Sam just paid the way. But if you are middle class, look out, it is going to cost you almost $5,000 more a year, middle-class students for undergraduate, and between $3,000 and $6,000 more for graduate school, at a time when we know we must be the best educated in order to compete in the world. This Republican budget is an embarrassment to the values of America.

I want to talk about another shortsighted area. National Institutes of Health. These are the scientists that get grants, who do the science to find the cures to diseases. You think about the disease in your family that you have seen, or among your friends, be it heart disease, high blood pressure, AIDS, cancer, or be it Alzheimer's, Parkinson's, cystic fibrosis, you can name them. Everyone has been touched by something in their lives. The NIH, National Institutes of Health, gives out grants to scientists, and we have created Nobel Prize winners and they are finding the cures for disease. I had a meeting with Dr. Varmus who heads NIH in my office yesterday, and this budget is even worse than I thought.

Under current funding, for every four grants that are approved—in other words, if scientists come forward with a good possibility of finding a cure for a disease, one in four of those applications is approved. I wish we could approve and fund all four. We can fund one in four. Under this Republican budget, we will be lucky to fund 1 in 100 new applications—1 in 100. Now, you do not have to be too smart to know that this is shortsighted. We are one plane ride away from disaster. You have read about this ebola virus. We are one plane ride away from disaster, and we are unilaterally disarming our scientists in this country.

Now, I have to say this. I believe if I went up to one of my constituents who earned $350,000 a year and I said, ''What would you rather have, a tax break, or you could take that money and you could bring home a cure for cancer?'' I honest-to-God believe they would say, ''My goodness, Senator, if you could promise me that, certainly I would give that tax break up.''

So what are we doing in this budget? We are retreating from the American dream, we are walking away from science, we are giving up in the face of international global competition. And what for? My friends will say that it is all worth it. It is all worth it—hurting the seniors—although they will say to you, ''We are not cutting Medicare, we are just lessening the increase.''

Let me tell you about that myth. When more people turn 65 and older, it is going to take more money to cover those people. And, guess what, we are living longer and do we not like to have our grandmas and grandpas around? With better technology, it costs more for the Medicare Program. I do not think we want to deny our grandmas and grandpas the best technology. I know I do not.

So they are going to tell you that the Democrats are exaggerating the pain of this budget. We are not exaggerating the pain of this budget; we are telling you the truth, and we are telling you the only reason you are being asked to take this pain—the children, seniors, veterans, the scientists, education, and the rest—is to give big tax breaks to the wealthiest among us. I say this budget should be defeated. We should argue the facts. We should bring the facts to the American people, and I hope they wake up and participate in this debate and engage in this debate and let their leaders know this budget is not a blueprint for the future, it is a blueprint for disaster.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. I yield 15 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I thank my colleague for yielding and I thank him for his leadership. It is not easy leading a group of Democrats who wander all over the place on these issues. Senator EXON has done an admirable job. I also commend Senator DOMENICI for moving toward a balanced budget here. I think he has shown courage and the kind of leadership that is needed. I heard Senator GRASSLEY say, ''What can one person do?'' I think Senator DOMENICI has contributed.

I am concerned. I wish this were backed up with a balanced budget amendment for two reasons. One is that the reality from all of the econometric studies is that interest rates would really come down if we had this backed up with a balanced budget amendment. The financial markets do not know whether this is going to stick even if it stopped it. And I think there is good reason to believe it may not stick.

Our history—and I see the Senator from Washington on the floor, who was here when we voted for Gramm-Rudman—is that we keep legislative solutions for a balanced budget about 2 years, and then they become too politically awkward and we give them up. If we had a constitutional amendment, we would have, at a minimum, another $170 billion that could be available for education and Medicare and other things.

One of the ironies is that the AARP, which understandably is concerned with what is happening in Medicare, was opposed to the balanced budget amendment which could, today, make more money available for Medicare.

I am also concerned, and I mentioned this in the Budget Committee, that our atmosphere has become more partisan than it should be. We really ought to be working together on these things.

I am not blaming either party. This thing has just kind of grown over the years. I do not think it is helpful to either party or to the Nation.

I voted for Senator DOMENICI's resolution to have a balanced budget by the year 2002. I voted against the final package because I believe the priorities are wrong. I think they are wrong for the reasons I will spell out here.

First of all, they assume that there will be a tax cut if we have some interest savings. This is not the time we should have a tax cut. I face a choice of giving myself a little bit of a bonus—I do not like paying taxes any more than the Senator from Michigan or the Senator from Nebraska or anyplace else—giving myself a little bit of a bonus, or giving my three grandchildren a bonus and making life better for them.

I do not think Americans have any hesitancy in saying, ''Let's get that deficit down. Let's not give ourselves a tax cut.'' The tax-cut premise is wrong. I know Senator DOMENICI had to fashion a compromise here. Our colleague from Texas is going to offer an amendment to specify more clearly a tax cut. I hope his amendment is resoundingly defeated.

Second, I am concerned what is happening to education. My friend, Senator GRASSLEY, mentioned this is a choice between their budget and the status quo. Well, in the field of education, status quo would be appreciably better than cuts in the field of education.

Every study—I do not care whether it is by a conservative think tank or a liberal think tank—every study that questions how we build a better America says we will have to invest more in education. Yet this budget goes in the opposite direction.

Title I, which helps poor kids, and has done some real solid things, the reality is that if this is adopted, young people in Chicago, East St. Louis, Detroit, Omaha, Seattle, and other places represented in this body, will see some cuts. Head Start is going to be cut back. The student loan—part of this bill is that there will be rescissions that the Labor and Human Resources Committee has to make. The Presiding Officer sits on that committee. That committee will have to make $14.7 billion worth of savings on student loans.

Now, the document talks about cutting back on graduate education. If we totally eliminate assistance for graduate education, we save $2 billion. That in itself, I think, is wrong. But that leaves $12.7 billion that we still have to get. That means, clearly, we will have to charge interest while students are in college. That will make it tougher for them when they get out of school, and I also think will discourage some from going to school.

I think it moves the country in the wrong direction. This is the kind of issue where, frankly, instead of devising a partisan document, I have enough confidence in the Senator from New Mexico, the Senator from Washington, and the Senator from Michigan, that if we could have been able to sit down in a bull session and say what really are the national priorities and forget whether the Democratic or the Republican Party can benefit from it, I do not think we would have been cutting back on education.

I heard Senator BOXER talk about cutting back on NIH, the National Institutes of Health, in the research area. I remember Senator HARKIN speaking on this floor, mentioning that we have spent as much in the last 7 years on military research as we have spent on health care research since the beginning of the century. I have never checked out that figure, but it was a startling figure. It is probably close to accurate, if it is not completely accurate.

I saw my father die of leukemia. So I have been interested in what has happened in leukemia research. I have seen great progress. My father died in 1969. Today he would have a real chance of living. I see the progress that is being made, and I want to continue that progress so that humanity can benefit. I think that is what people want.

Just today in the town meeting every Thursday that Senator CAROL MOSELEY-BRAUN and I have for our Illinois constituents, the multiple sclerosis Father of the Year was there with three fine young boys and his wife. Just a marvelous family. He is a lawyer by background, struggling just to walk. How I would love to see some kind of a breakthrough that could help him and his family. But it will take dollars to do it. When we cut back on dollars for research, we are preventing breakthroughs that we need.

Now Medicare and Medicaid. I do not suggest that they do not have to take some hit. The growth is clearly excessive. But the kind of hit we are talking about is going to hurt a lot of people. While we have talked primarily about Medicare, I am concerned on Medicaid, too. Half the people on Medicaid are children—poor children. I do not think the American people want to cut back on health care for poor children. Yet that is what happens.

Then I heard Senator GRASSLEY say in the Budget Committee, accurately, he said there is only one sacred cow in this—I am not talking about agriculture here, Senator EXON—there is only one sacred cow in this budget. That is defense.

I do not think there is any question that that is accurate. Yes, we have cut back defense spending some. But relative to what other nations have done, we have not done it much. We are spending more than the next eight nations combined are spending on defense.

We are continuing to spend money on B–2 bombers. What is the purpose of a B–2 bomber? To penetrate Soviet radar. There are only two problems. There is not any Soviet Union and there is not any Soviet radar. They are useless. We could not use them in Desert Storm. We do not use them in Haiti. We do not use them in the practical problems that we face. We are spending money for yesterday's war. We can cut back and do better.

There are a number of other things that I think are wrong in this budget, including one small one. I was pleased to have Senator BOND from your side of the Budget Committee vote with me to restore this. This is the antifraud compliance group that will save $5 for every $1 we put into it. The estimate is if we have this antifraud compliance group in, the IRS, we will save $9.2 billion over a 5-year-period, I believe the estimate was. And we are talking about a 7-year budget. So it would be significantly more than that.

I understand when people say we should not have any tax increases, though frankly I think we should be more candid with the American public that, of the 224 industrial nations, we are 224th in the percentage of our income that goes for taxation. We have the lowest taxes on gasoline, for example, of any country outside of Saudi Arabia. You go through a whole series of things like that.

But for people who say we do not want any tax increases, I understand. I do not understand why, when so many of us pay taxes and comply with the law, we do not want to go after those who are cheating. That is what that amendment does. Senator GLENN and I will have an amendment on the floor to deal with that.

Finally, I would like to deal with Senator GRASSLEY's question, What are we for? First of all, you will see in a series of amendments that we will be proposing what we are for in terms of shifts. Senator EXON will have at least one amendment. Senator KENNEDY will have an amendment. Others will have amendments. But there will also be an amendment that some of us will offer, a more comprehensive amendment. I do not know how many votes we are going to get. I hope there will be people on the other side of the aisle who will look at this carefully. I think the priorities are wrong here.

That we should move toward a balanced budget, absolutely. PETE DOMENICI is to be commended for moving us in that direction. But that we should have priorities that hurt the most vulnerable in our society, I do not think that makes sense. I do not think that is what the American people are for.

Mr. President, I yield the remainder of my time back to Senator EXON.

Mr. EXON. Mr. President, I thank my colleague from Illinois and my colleague from California, who spoke before him, for their excellent presentations and the direct way that they tell what we are trying to do to be constructive on this side of the aisle. I very much appreciated the dedicated work of both of them on the Budget Committee. They have been extremely helpful, very helpful in the markup process. I thank them for their excellent remarks to set the record straight about the constructive posture we are trying to take on this side of the aisle.

I yield 15 minutes to the Senator from the great State of Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the ranking member. As the Senate begins its debate on the concurrent budget resolution, I would like to offer a few comments also on the work of the Budget Committee, and especially on a subject about which I have had a particular concern, and that is the subject of the tax cut; whether it makes sense to have tax cuts at this time part of the budget resolution.

The first thing I want to do is praise the Senator from Nebraska, not only for his work on the Budget Committee but for the fact that he was one of the very first Members of this body to point out—and to join me in my efforts to say—we really cannot consistently say we are trying to reduce the deficit and have tax cuts. So I appreciate his leadership on that. He has done that consistently throughout the Budget Committee process.

I also want to commend the whole Budget Committee and its chairman, the Senator from New Mexico, for the work that was done on the concurrent budget resolution. As the debate unfolds on the concurrent resolution, there will be a lot of opportunities to criticize the particulars of the document and proposed changes to it. I expect to do both of those things. That is the nature of the legislative body and the consequence of the diverse priorities that are represented here. Before that debate, though, Chairman DOMENICI should be lauded for his effort. I was especially pleased with his ability to keep the budget deliberations in committee clearly focused on the issue of reducing the deficit.

We have different approaches to how we get there, but there has to be a unified, bipartisan commitment that at the end of this budget resolution we will have a resolution that calls for a date certain—and I think it should be the year 2002 or earlier—for a balanced budget to be achieved.

Those who are serious about deficit reduction have to make tough choices about where and how much to cut, and I think we have to make those choices right now. When I ran for the Senate, I

proposed a specific plan that would have provided for a balanced budget by the year 1998. I still think that would work. But at this point, given the realities, if we can get this done by the year 2002, I think it would be a very significant achievement.

But as chairman of the Budget Committee, the Senator from New Mexico, faced not only the same tough choices the rest of us had to face, his choices had to achieve a consensus out of the committee so he could get a majority. I will add that the ability of the Budget Committee to craft a document that at least the majority party argues achieves a balanced budget by the year 2002 does underscore my belief that we do not need, and did not need, a constitutional amendment to balance the budget.

How can this process even be unfolding if we need a balanced budget amendment? The line was they simply will never get down to business if we do not change the Constitution. But the product of the Senate Budget Committee proves that we did not have to mess around with the Constitution, we just had to get together in committee and on the floor and do the job now.

I think that is very important because people lose sight of the fact that we devoted a month out here to discussing the balanced budget amendment. I think we did the right thing when we defeated it.

But now we have the opportunity to show not only that it was not necessary, but that we did not have to wait for the States to ratify it and sort of get started on the project late in this decade, but that we can do it right now. We can do it this very year through the budget process. I know it is tough. I know some Budget Committee members are on record supporting significant tax cuts. Obviously every Member of the Senate would love to be able to vote for tax cuts.

But the chairman of the Budget Committee rightly decided that the first priority of the committee is not tax cuts but deficit reduction. The Senator from New Mexico is absolutely right and, given the political pressures he faced in this regard, I think he deserves credit for his efforts. He tried. He tried very hard. He came up short, but he improved the House version, the version of the other body, which provides for even more enormous tax cuts.

So that was progress. I wish I could say, though, that those efforts spelled the end of the push for tax cuts. I regret that even the Senate budget resolution itself leaves the door wide open for tax cuts. Do not let anyone tell you the Senate budget resolution does not contemplate tax cuts within this 7-year period. It does and they would be very large; to the tune of, apparently, at least $170 billion.

That document creates a special budget surplus allowance dedicated solely for tax cuts. Although I certainly think an excellent job was done in many respects, that special fund is an invitation for trouble if we are going to reduce the Federal deficit and eliminate it. The $170 billion tax cut fund is a cookie jar. It is a special fund put away that could be used for deficit reduction, or to restore the Medicare cuts and the student loan cuts and the agriculture cuts that are a part of this document.

I have to reiterate, we could get more deficit reduction or we could still have a completely balanced budget by the year 2002 and not do those very harsh cuts to the tune of $256 billion to Medicare. We need to eliminate this kitty, this cookie jar for the tax cut. Not only is it $170 billion but the special fund will almost certainly lure proposals to enact even more significant tax cuts. I do not think that is the chairman's intent. In fact, I think it is just the opposite. But I think that is what will happen. And once the focus of our work is shifted from deficit reduction to tax cuts, I think it will be a very short route to another tax-cut bidding war.

If we have that war it will undo the progress we made in the 103d Congress and the further progress I think the Budget Committee is trying to make with regard to reducing the deficit. In fact, it was just that kind of tax-cut bidding war in the 1980's that got us into this terrible mess in the first place.

A major tax cut is not only fiscally imprudent; it may undermine the public confidence we have to have to pursue the painful cuts necessary to balance the Federal budget. The tax cut may be the crown jewel of the Republican contract, but it is really a lump of coal for the children and grandchildren of our future who get stuck with the debt and paying interest on the debt because we did not have the guts to eliminate the tax cut today.

If the American people believe we are playing it straight with them, that the cuts we enact are fair and honest, then they will support the work product and make the sacrifices needed for a balanced budget willingly. If, however, they believe that this process is nothing more than politics as usual, that we are enacting a fiscally irresponsible tax cut for the sake of a political agenda, then they will rightly question the sincerity and fairness and prudence of the cuts in the budget package, and any hope for progress on this will be dashed.

Inclusion of any type of a major tax-cut measure in this year's budget resolution sends us in the wrong direction. Deficit reduction has to be our highest priority, not tax cuts. Enacting tax cuts at a time when we are still fighting the deficit could well hurt those families whom the tax cut is supposed to help.

It is the middle class who will bear the brunt of the higher interest rates that could be triggered by a tax cut, and their children who will bear much of the burden of the continually escalating national debt.

Mr. President, this should not be, and I do not think this really is a partisan issue.

For my own part, I have opposed the tax cut proposals that Members of both parties have offered.

Last November, I opposed the tax cuts included in the Contract With America. But I also opposed my own President's tax cut plan on the day he announced it.

Since then, some of both parties have advanced tax cut proposals. But I am happy to say that Members of both parties have joined me in challenging the wisdom of these proposals. The momentum in this body is against a tax cut. The momentum was begun by the good work of the Budget Committee which at least relegated the tax cuts to this cookie jar. That was the first step. The whole Senate should finish it off. Let us get it off the table, and make this budget about one thing and one thing only; and, that is, getting rid of the Federal deficit once and for all so the people in this country can get rid of that sick feeling in their stomachs that the people out here in Washington are not responsible with their tax dollars, so that kind of bipartisanship is encouraging, not only the issue of tax cuts, but also on the issue of deficit reduction in general.

The growing bipartisan opposition to the tax cut stems from a belief that deficit reduction is the higher priority, that the savings generated by these very, very tough spending cuts have to be used for deficit reduction and not tax cuts. In that common belief we ought to be able to find the common ground that can be the basis of a truly bipartisan budget resolution.

Mr. President, as I said, before, I stand ready to participate in such an effort, and I am sure that many of the people on our side of the aisle share that view.

Because the actual work of reducing the deficit requires hard choices, it is so very easy to stray away from that chore.

It becomes even more tempting to avoid that responsibility when something as highly charged and politically appealing as cutting taxes competes for our attention.

For this reason, the chairman of the Budget Committee again should be commended for keeping the primary focus of his work and his committee's work on deficit reduction instead of reckless tax cuts.

So, though I have a number of significant differences with the chairman's proposal, and especially a tax-cut cookie jar, I did want to take this opportunity to thank him for his work.

At the end of the day let me conclude by saying that you cannot have it both ways. You cannot say we absolutely must make big cuts in Medicare and farm programs, student loan programs, you cannot say that you have to get this done by the year 2002, or we will have a terrible fiscal mess, and then turn right around and say we have

plenty of money for $170 billion or $300 billion of tax cuts. You cannot have it both ways. As we say back home, you cannot have your cake and eat it too. Mr. President, I would suggest you cannot have your deficit reduction and eat it, too.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am going to yield to Senator GORTON as much time as he desires. I wonder before he speaks if he would yield me 1 minute.

Mr. President, I want to make it clear once and for all. The budget that we put before the Senate is a deficit reduction budget. It is a zero deficit in the year 2002, no games, no smoke, no mirrors. The first actions of the U.S. Senate when they implement this will be to get to a balanced budget. For anyone talking about tax cuts prior to balancing the budget, just get hold of the budget resolution and read it. If there is anywhere in there that you can find that, then obviously I will not only come here and apologize but clearly, clearly it will be a budget that I did not produce. So somebody put words in that I do not understand, that I did not know were there. That is point No. 1.

Point No. 2: The way this budget is structured, you will get to balance. You will have all the laws changed that get you to balance. That is frequently called a reconciliation bill, a big bill that will change the entitlements permanently.

You will then ask the Congressional Budget Office. Is it balanced? When they say yes, and only then is the 170, perhaps 170. It might be a different number, depending upon the Congressional Budget Office evaluation of our path. There will be an economic bonus.

The American people are entitled to an economic bonus, and we say give it to them in tax cuts. But only then, and we also pass the resolution that the tax cuts, 90 percent of them, have to be for people earning $100,000 and less. All of the rest of the talk about tax cuts, I would hope everyone understands you are talking about something that is not before the Senate. And I am not suggesting you cannot talk about it or you should not. But I hope everybody knows that is not the case in this budget. Balancing the budget is the primary responsibility.

For anyone who wants to balance the budget, and then turn around and say now that you have it balanced, start spending again, it is balanced, you have it in balance, there is an economic dividend, start spending it again—have at it.

I just do not believe the American people believe that, for they will say that is just the same old thing. That is spending again. We say when you get to balance give the American people a break.

I now yield to Senator GORTON, and he will manage the floor for a while.

Mr. LAUTENBERG. Will the Senator yield for one unanimous-consent request?

Mr. GORTON. Certainly.

PRIVILEGE OF THE FLOOR

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that staff people, two fellows, Danielle Rose and Lauren Ewers be granted privileges of the floor during the debate on the budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. I thank the Senator.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Would the President notify me when I use 15 minutes?

Mr. President, I must start by saying that perhaps some of the criticisms of the position of the Democratic Party that have been levied in the last few days, and even here this afternoon, may be a little bit overstated. It has been our position that the opposition to this budget resolution are totally defenders of the status quo, that they do not wish to make any changes whatsoever, that they do not care about a balanced budget. But several of them have already told us that is not true, that everything they propose will continue the balance and the resolution produced by my distinguished friend and colleague from New Mexico. Mr. President, if that is the case, the Domenici budget is already a landmark of progress for this country. And I fervently hope that those statements do turn out to be true, though I may be a skeptic until I see it proven.

Under those circumstances, the accusation of the defenders of the status quo will be appropriately directed only at the White House and at the administration.

My friend from Iowa earlier this afternoon pointed out that this yellow line describes the budget deficit for the next 5 years under figures provided by our Congressional Budget Office if we are to pass the President's proposed budget. This is what happens under the President's budget, and the proposal that was presented by Members on the other side when they offered us a huge tax increase 2 years ago to lower the budget deficit. Well, in all 5 of those years we will have that huge tax increase in place. But the budget deficit will go up each and every year.

That, Mr. President, is the status quo. That was what the administration proposed to us. That is what was defended for at least a couple of months by Members on the other side of the aisle while we strove mightily to come up with something that would put this country on this line, a line ending in a balanced budget in 7 years, exactly as promised in the constitutional amendment defeated by only a single vote.

So perhaps we have made a huge degree of progress. We have the other party repudiating this line and accepting this line.

My colleague from New Mexico has invited any Member of the other party during the course of the day to propose the President's budget, so that we all may vote on it and determine whether or not there is anyone in this body who wants to do this. And I hope and I believe that if no one from the other side of the aisle makes such a proposition, we will put it out here for debate and for a vote ourselves because its repudiation will show that great progress has been made in agreeing at least on the desirability of balancing the budget.

But, Mr. President, my skepticism remains because at the same time we are told that all of the amendments will do nothing but redistribute various functions but will continue this line, we are told, no, no, we do not have an alternative budget—not here. Now, that political party in the House of Represenatives has an alternative budget to what is proposed in the House. Do you know what it is, Mr. President? It is essentially the Domenici budget. It looks good over on the other side of the Capitol but not here. No, they say, what we will do is propose individual amendments, each of which will maintain this balance.

Now, what, Mr. President, is the difference between going at it that way and making an overall budget proposal which continues us on this line? Well, it is very simple. You can use the same money over and over and over again. Each time an amendment is defeated that would cut the defense budget in order more generously to fund one of their favorite programs or would go into the reserve fund to fund one of their favorite programs, each time such an amendment is lost, you can do it over again. You can use the same money for a different spending program.

Between the first two Senators who spoke on that side, there were eloquent demands for more money for education, for veterans, for health care, for the National Institutes of Health, less of a slowdown in the outrageous growth in the earned income tax credit, and more money for agriculture.

Now, Mr. President, there is no possibility that they could produce a budget that did all of those things in half the amounts outlined by the Senator from California without a huge tax increase. But if they do it one amendment at a time and lose one amendment at a time, they can use the same money over and over again. And perhaps, Mr. President, my skepticism is fed a little bit by the fact that that is exactly what they did in the Budget Committee. I kept notes as a member of that committee, and 14 amendments from that side proposed increased spending; 6 of them proposed actual tax increases over the present level; 5 used the reserve fund, there for the possibility of tax cuts if we do our job right; 2 others

reduced those proposed tax cuts, and 3 reduced expenditures for defense below the President's proposals which themselves already call for reductions, real reductions in every year covered by his budget.

That is what we will get here, Mr. President. The one uniting factor over there is a total anathema with respect to the remote possibility that someone's taxes somewhere in the United States might be reduced.

Now, as the Senator from New Mexico said, we do not propose a tax cut directly in this budget. We propose to get to this zero figure on the deficit, and we are told that if we do so, not just in a budget resolution but by passing actual binding laws which change spending policy so that we can get to this point, the economy will react. Interest rates will be lower. We will find 170 billion more dollars because of a better economy over the course of the next 5 years.

And incidentally, Mr. President, those reductions in interest rates will knock into a cocked hat all the statements about student loans made by the Senator from California. They are based on what interest rates are going to be if you adopt the President's budget. That is the set of circumstances under which interest rates like that will be charged someone, young people or others.

So we say that if we go through this exercise, if we balance the budget, if we improve the economy, if we lower interest rates, perhaps the American people ought to get a dividend.

Now, why is it difficult to come to a compromise in cases like this? Because of the way that it is characterized. The Senator from California and others, when they talk about tax cuts, say a tax cut is taking money out of the pockets of the poor and putting it in the hands of the rich. That stems from an attitude that all the money in the United States of America belongs to the Government, and if we are good little children, maybe it will give us back something that we earned ourselves.

Our position is that the American people, when we have done our job, ought to be allowed to keep and determine the spending habits of a little bit more of the money they have earned and have less of it taken away from them and handed to someone else, and that is a very, very profound difference.

Mr. GREGG. Mr. President, will the Senator from Washington yield for a question?

Mr. GORTON. I certainly will.

Mr. GREGG. To the Senator from Washington, is it not my understanding that this budget resolution brought forward by the Republican Senate Members on the Budget Committee, for which no Democrats voted, has in it language which says that to the extent there is this tax cut as a result of the bonus that would occur to the American people by getting to a balanced budget, the dividend occurs as a result of interest rates coming down, this $170 billion tax cut—and as the Senator points out the actual bonus to the American people would be lower interest rates on everything, and it would represent billions and billions of dollars in savings to the American people. But if that happens, does this resolution state that 90 percent of this tax cut, to the extent it is instituted, should go to people with incomes under $100,000? And is that the new definition of wealthy from the other side of the aisle, people with incomes over $100,000?

Mr. GORTON. The Senator from New Hampshire is 100 percent correct. It is interesting that in its initial form that proposal was made by one of the Senators on the other side who already this afternoon in the Chamber has talked about these huge tax cuts for the wealthy. Yet, it was that Senator who, with our help, earmarked any reduction that we do get for middle-class working Americans. We felt that was a good amendment, and we felt that those middle-class, hard-working Americans ought to be allowed to keep a little bit more of what they earn and determine how to spend it themselves.

The Senator from New Hampshire's comments lead me to another point. When we speak about $170 billion in this period in savings in interest on the national debt, which we then can return to the people in the form of lower taxes, but which the other side wants to spend before we have even earned it—they are spending this dividend, and in every one of the amendments we get they will be spending this dividend before it is ever earned.

But that is only the savings on the interest on the national debt, on the Government's debt. There are hundreds of billions of dollars more that will be in the pockets of individuals because they will have paid lower interest rates on their mortgages, on their installment credit, on the money they use to begin new small businesses and the like. That is the purpose of the budget which we seek.

And I want to return to my first comments. I think we have already had a tremendous triumph. I suspect we are not going to get anyone on the other side coming in and giving us an amendment to pass this budget, and I suspect when they vote on it, they are going to end up voting against that budget. But we have already triumphed. We have already come to an agreement that we ought to be on this road here, the road to a balanced budget.

The differences will be that, with all of these huge amounts of spending, trillions of dollars in this period of time, we hope that 1 or 1.5 percent of it, if we do do our job, might be left in the pockets of middle-class working American citizens at the end of this entire debate. We think they can do a better job of spending it than can the Government of the United States.

Mr. President, I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I yield myself such time as I need to make my presentation. I ask unanimous consent that I be permitted to do that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, with this resolution, we begin a new phase in the debate over the Federal budget.

I am sorry that the distinguished Senator from New Mexico, the chairman of the Budget Committee, is not on the floor, because I want the RECORD to reflect not only my admiration but my respect for that leadership that he has provided in the Budget Committee and, in fact, though we may disagree with several parts of the budget resolution that was produced, it was the intention of the Budget Committee chairman to do as efficient a job as he could, and I commend him for it.

The debate about whether we should move toward a balanced budget is over. There is a consensus that we should do just that. It crosses the aisle that divides us. We Democrats are committed to a deficit-reduced balanced budget in the interest of the financial stability of our country. And we have no less credentials to do that than our friends on the other side of the aisle. I hope that, during my comments, we will be able to make a clear distinction about how we get to that point.

There are differences about whether we balance the operating budget or whether we include Social Security in the budget calculation, which, astoundingly, on the Republican side it has been part of a structure to include the balances from Social Security, the surplus—and I talk to senior citizens across this country—to use their trust funds, sacrosanct, committed, reserved for the time they need it. No, we are going to do some funny accounting to get to the point that we want to.

I come from the corporate side of the business world, as do many of my colleagues. I know one thing: If I were to project sales and earnings for my company over the next 5 to 7 years and I said, ''We are going to make lots of money and here is how much we are going to make, we are doing this in revenues and here is how much we are going to do,'' and I failed to tell the public that I am going to include the employees' pension fund that my company does not own—it is the employees'—in the figures—and I said this in the Budget Committee—you would be led out with a raincoat over your head and hands tied behind your back, escorted by U.S. marshals.

So, first of all, we get to a balanced budget using some smoke, some mirrors, and some significant gimmicks. We try to remove the Social Security balance and say, let us fight for a balanced budget without that. Oh, no,

that could not happen. So there are some differences.

Americans, however, want to reduce wasteful spending in both parties, Democrat and Republican, have got the message.

So, as we work on this resolution, the budget issue has changed. Now the issue is not whether we reduce spending and move toward a balanced budget. The issue is: How do we do it? Whose benefits will be cut? Who will win? Who will lose? Because this is somewhat of a seesaw. As long as we stay within the parameters of balance, when one side goes down, the other side goes up. And, most fundamentally—and I put this board up—the question is: Whose side are we on? Whose side is the Government on?

This is the issue that, unfortunately, continues to divide our two parties. We Democrats believe that Government must stand on the side of ordinary, middle-class families, on the side of senior citizens who worked to build this country, who presented us with perhaps the best half century or four decades that this country has ever seen, not by just their participation in World War II, Korea, the other wars that have come by, but at the same time building this country's fundamental structure.

The other part is children. Two sides: One is to take care of the future, invest with and in our children, but at the same time not forgetting our obligations to the senior citizens; and on the side of those who really must struggle to survive.

But the new majority has a very different philosophy, and a different constituency. The Contract With America, as it is commonly called, is a contract with the most powerful, wealthy members of our society. It would provide huge benefits to millionaires and special interests, and it would force the ordinary American to foot the bill.

Perhaps nothing illustrates the differences between our two parties more than the Republican proposal for massive Medicare reductions to pay for tax cuts for the rich. I think it is outrageous. And I intend to fight it as hard as I can, just as I did during the Budget Committee's deliberations.

Mr. President, the average Medicare beneficiary has a rather modest income and, conversely, at that stage in life, typically, they have very high medical expenses. Seventy-five percent of those folks have incomes under $25,000—75 percent, incomes under $25,000. Not much to live on, especially if you live in higher cost areas. Thirty-five percent have incomes under $10,000.

These folks cannot afford massive cost increases. And they should not be forced to give up their own doctor or to sacrifice the quality of their care.

Over the past 2 weeks, Republican leaders have tried desperately to justify huge Medicare cuts by pointing to projected shortfalls in the HI trust fund. But the argument is bogus. If we need to shore up the trust fund, that does not mean that we need to take a whack at Medicare recipients.

There are other places in the budget to find savings. It is only a question of priorities.

These are my priorities. Before we burden more of our struggling seniors, we ought to go after special interest tax breaks, we ought to eliminate funding for the space station, we ought to terminate unnecessary weapons systems, we ought to abolish special subsidies for the timber industry, the oil industry and the gas industry and the ranching interests, and we ought to eliminate an array of other wasteful or low-priority spending.

Of course, Mr. President, there can be debate about the specifics, but there should be no disagreement about this priority, this principle. I enunciate, we should not be cutting Medicare just to fund tax cuts for the rich.

In the Budget Committee, I offered an amendment to shift funds from tax cuts for the wealthy to restore funding for Medicare and Medicaid. My amendment was defeated when every Republican opposed it, without exception. We just heard from our distinguished colleague from Washington who said that there was not a Democrat that joined the Republican majority when the Budget Committee denied amendments and passed this budget resolution. But I ask, if the same speech that is made on the floor of this Senate would be made in a town meeting back home in whatever the town and whatever the State, and look in the faces of the senior citizens and say, ''Listen, we're going to make it easy for you by adding more expense to your already burdened budgets in hopes that if we give a tax cut to the rich, if we give a guy earning $350,000 a year a $20,000 tax reduction that he is going to invest it in some way that will stimulate our economy.'' We just have to hope he does not put it in some dormant tax-exempt bonds, or something like that, because that is not going to help.

To justify their opposition to some of these things, the Republicans, once again, said, ''Oh, no, not us, that's not what we want to do.''

So I pointed out that the Republican leadership in both the House and the Senate did support such cuts and did support the House bill that essentially was in the works. This was no secret. The House had passed the bill giving a $20,000 tax break to those earning $350,000 in a year.

I went a step further. I said, ''OK, if you're really not going to cut Medicare to pay for tax cuts for the rich, let's put it in writing and make it enforceable.'' So I offered an amendment that would have made it out of order to consider any bill that cut Medicare or Medicaid to pay for tax cuts for the rich.

Under the amendment, I suggested it would have taken a supermajority, 60 votes, to take up that kind of a proposal. Simple enough to say that if you wanted to offer tax cuts and decided to cut Medicare or Medicaid, that it would take this supermajority 60 votes to do so. What do you think? Every Republican on the committee voted against that, too. Why? I do not know. Obviously, they think tax cuts for the rich are more important than other priorities, the thing we were discussing on the floor here.

Mr. President, it should be obvious to everyone that the Republican Party really does plan to cut Medicare, to cut Medicaid to pay for tax cuts for the rich. But they go out of their way to obscure what is really going on. So we have developed a nomenclature for the reserve that CBO is likely to put up once this budget is believed to be balanced. It is called an economic dividend. It is called a fiscal dividend. They do not say that it is for tax cuts. Just a wink of the eye. Everybody knows it.

We have heard some of our colleagues from the Republican side who have declared their intention to run for President demand that tax cuts be included. One suggested that a filibuster would be in order on the floor of the Senate to make sure that tax cuts are in place. Our distinguished majority leader did say in a speech that he made that tax cuts are in order in terms of a budget resolution. So we ought to call it like it is. Make no mistake, the fiscal dividend is really disguised, but down deep it is simply a tax cut for the rich.

There should be little confusion about this. We know that CBO will score the indirect benefits to the Government of reconciliation. We know that these benefits can only be used under this resolution for a tax cut, and we know that the House already has passed a bill giving a $20,000 tax break for wealthy individuals in a year.

This is what it looks like. The Republican budget. The winners: The rich—$20,000 tax break, corporate subsidies protected and tax loopholes saved. The fix is in. There is a tax cut for the rich in this resolution. It is a huge tax cut financed by drastic reductions in Medicare, or increases in Medicare costs and Medicaid subsidies. Do not let anybody fool us.

Mr. President, I go back now to the larger question posed by this budget resolution. This debate, like few others, is about to force each of us to make a very fundamental decision, a decision about what we stand for, a decision about whose side we are on.

I want to take a look for a minute at who wins and who loses under the Republican proposed budget. The winners: The rich—$20,000 tax break, corporate subsidies are protected, tax loopholes are saved. The winners are clear: Rich, corporate interests and their lobbyists.

Meanwhile, let us see who loses under this resolution. First, there are the Medicare cuts. It will cost an average couple over the 7 years proposed to get us to a balanced budget $6,400, and in the last year of the 7-year cycle, we are looking at an $1,800 cost for that couple. These, by the way, are people who

already pay a substantial out-of-pocket sum for health care. It is estimated that it runs about 21 percent. So if the average beneficiary is getting $16,000 a year, it costs them $3,000 more for medical care, for health care.

On top of that, there are education cuts proposed. On top of that, there are tax increases scheduled for hard-working American families. That is a substantial one, too. By eliminating the earned income tax credit, the Republicans not only will increase taxes on working Americans, but they will reduce needed incentives for people to move from welfare to work. It does not make sense. It really makes one wonder, Mr. President, how can the Republicans cut taxes for the rich, on one hand, and with the other hand turn around and increase taxes for working Americans, people making $28,000 or less?

That may be the Republicans' perspective of fairness, but it is not mine. It is just plain wrong.

But one thing is becoming quite clear, and that is the sharp difference between the two parties' perspectives. The Republican Party is willing to lay down for high-income special interests, while we stand up for the working people in this country.

So, yes, Mr. President, we are going to do a lot of fighting about this budget resolution. In most of these fights, we Democrats are going to be joined together in the fight, because while we disagree with each other about a lot of things, there is one thing that unites us; that is, our commitment to serving ordinary people, middle-class families who work hard, who struggle to keep their homes together, who struggle to keep opportunity available for their children, who struggle to take care of the elderly and the disabled—the people without lobbyists, the people without the big bank accounts and without the connections.

Most of us came to the Democratic Party because we believe that Government should stand with these people. I point out, Mr. President, immodestly perhaps, that I came out of the business sector and helped create an industry as well as a company. I am one of the people who was fortunate to be perhaps in some of the higher income brackets. But I believe that my security as a citizen, that my family's security, my daughters', my son's, my grandchildren's, that my security depends on the stability of our country, not on how much more money I give or leave my children. It depends on whether or not we have a society that believes we are all together and does not feel like the largest part is left out of the loop. So I would rather invest in our people, invest in the children who are going to lead this country tomorrow, provide the skilled work force that we need to have in order to complete; that is why I came to the U.S. Senate.

Perhaps our party has lost its way in recent years, and we can admit that up front. We were reminded about that very sharply last November. But now the chips are down. We know where the public stands. We know what people are concerned about. We know they are worried. The battle is now beginning in earnest. And there is no question—I said it earlier—about whose side we are on. That is what this debate is really about. I wish it were not so. But when you get right down to it, this budget is designed to decide who is going to be on the side of the working people and who is going to take care of those who already have a lot. It is a direct assault on ordinary Americans and a sop to the most wealthy and powerful interests in our Nation.

That is not what I stand for, it is not what the Democratic Party stands for, and it is not what America needs now.

In conclusion, we Democrats may not have the votes to win in this battle. We probably do not. But we are going to try and we are going to insist that the votes that take place here will reflect how each one of our friends on the other side, as well as on our side, feels about whose side they are on, and whether it is the veterans, or the disabled, or the women concerned about breast cancer, about research for Alzheimer's, or AIDS, we are going to be deciding now whether or not those funds that are freed up as a result of the schedule to balance the budget go to tax cuts for the rich, or whether we continue to serve the interests of the ordinary people. At least since the debate will be conducted here, the American people will have a chance to see us discuss it, to look at the RECORD after the votes are cast, to be able to say to their Senators and their Congress people when they go back home, ''What did you vote for?'' ''Why did you do it?'' and ''Whose side were you on?''

I yield the floor.

Mr. EXON. Mr. President, I think we have been moving along quite well in total cooperation. I believe Senator ABRAHAM would be next under the usual ruling. I have several Senators on this side who have been waiting and are not asking for any other consideration other than some time.

I ask unanimous consent that we would now go to Senator ABRAHAM, and following him, we would go to Senator ROCKEFELLER, who wants 12 minutes, followed by Senator KENNEDY, who wants 15 minutes. Is that agreeable so that we could have everybody know the flow?

Mr. ABRAHAM. Mr. President, we would agree to that if we can then have Senator HATFIELD, who would like 15 minutes, and Senator GRAMM who would like 10 minutes.

Mr. EXON. That would be satisfactory.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ABRAHAM. Mr. President, I yield myself such time as I may need.

Earlier this year, the Senate failed by one vote to support a constitutional amendment requiring a balanced budget. At the time, opponents told the Senate that balancing the budget did not require amending the Constitution. All we needed, we were told, was to make the tough choices and cast the hard votes.

Mr. President, the hard choices are here. The budget resolution before us makes those choices and balances the budget by the year 2002—without raising taxes and without gutting national security. It accomplishes this task by slowing the growth of Federal spending from 5 percent per year to a more reasonable 3 percent per year. In dollars, that means Federal spending, under this budget, will increase from $1.6 trillion next year to $1.9 trillion in the year 2002.

Let me repeat that. Federal spending will increase from $1.6 trillion to $1.9 trillion over 7 years.

Only in Washington would a $300 billion increase in spending be called a cut. Clearly, while the budget presents us with tough choices, allowing spending to increase 19 percent is not an impossible or even unreasonable goal. Nevertheless, some do not agree with this objective. As Labor Secretary Robert Reich said on Meet the Press earlier this year, balancing the budget is not a priority of the Clinton administration. The subsequent budget proposal only serves to reinforce that admission. According to CBO, deficits will rise under Clinton's budget from $177 billion to $276 billion in the year 2000. Under the Clinton budget the national debt will grow by $1.2 trillion over the next 5 years.

Mr. President, what does this neglect mean to future generations? Consider the consequences of adopting President Clinton's budget for fiscal year 1996. Under that budget, by the year 1999, the total debt will hit $6.4 trillion, or $27,700 of debt for every man, woman, and child in America.

In the year 2000, interest payments on the debt will be $305 billion—more than we spend on defense, more than we spend on all other discretionary programs combined, and more than we will spend on Medicare.

In the year 2010, entitlements plus interest will consume all Federal tax revenues, which means we must either slash spending, print more money, borrow more money, or enact draconian tax increases. In my judgment, they are all bad options.

In the year 2030, spending for entitlements will consume the entire Federal budget. That means nothing will be left for defense or any other discretionary program, including those targeted at children and the poor, and it means we would not even be able to finance the interest payments on the debt.

On the other hand, balancing the budget is not just an exercise in good government. Eliminating the deficit will pay big dividends to Americans in the form of lower taxes, lower interest rates, higher economic growth, and the bottom line, a higher standard of living. Here are some of the projections:

Most economists agree that balancing the budget will result in significantly lower interest rates, thereby saving the average homeowner up to $500 per month on their mortgage payments.

According to the CBO, these lower interest rates will result in a so-called fiscal dividend to the Treasury of around $170 billion between now and 2002. I believe that this dividend should be returned to the American people in the form of tax cuts. I will support efforts on the floor to do so.

Finally, according to the GAO, if we balance the budget by 2002, the average American will enjoy a real growth in their incomes of 36 percent by the year 2020.

Given the costs of doing nothing and the benefits of taking action, I believe it is obvious that balancing the budget is in everyone's interest. That leaves the question of how we get there. The budget before us shows the way.

At the beginning of the budget process, I set out five priorities that I hoped would be embraced by the Senate budget resolution:

First, privatize; second, eliminate waste and duplication; third, return the operation of various Government functions to the States with block grants; fourth, eliminate outdated programs; finally, fifth, reduce Government bureaucratic overhead. I am pleased to say this resolution includes all five.

First, it assumes we will privatize those areas of Government that are better left to the private sector, including the naval petroleum reserve, the Uranium Enrichment Corporation, and the Alaska Power Marketing Administration.

The naval petroleum reserve is a good example of why we need to privatize. The reserve was created to ensure that we had sufficient supplies of oil in the event of a crisis. As President Clinton recently acknowledged, however, that is no longer the case. As the President stated, the reserve's function of producing and selling this oil is a commercial, not a governmental, activity.

Mr. President, there are many other naval petroleum reserves out there. This budget identifies them and moves them out of the Federal Government.

Second, the budget consolidates Federal departments and agencies that are duplicative and wasteful. The GAO reports that the Department of Commerce alone shares its mission with at least 71 other Federal departments, agencies, and offices. In other functions, the Federal Government operates 163 separate job training programs and has at least 10 agencies devoted to promoting international trade.

Obviously, there are savings to be made by ending this wasteful duplication and focusing these efforts. This budget takes advantage of those savings.

Third, we need to return government to the States. We need to revive the 10th amendment which says ''the powers not delegated to the United States by the Constitution, nor prohibited by it to the States are reserved to the States respectively, or to the people.''

In my own State of Michigan, Governor Engler is out in front on important issues like welfare, Medicaid, and education reform. I know Governors from other States are equally as innovative.

This budget takes advantage of the tremendous talents outside the beltway by utilizing block grants, to replace the hundreds of Federal welfare, housing, and education programs.

These block grants will provide Governors with the resources and the freedom they need to carry out these reforms. Returning these programs to the States is both an exercise in good government and a means of reducing costs and increasing efficiency.

Fourth, this budget eliminates outdated programs. Programs like the Interstate Commerce Commission, the honey program, even the Department of Commerce are targeted. All told, 59 programs, 25 statutory boards and commissions, and 63 agencies are soon to be terminated under this budget.

Let me just cite some more of the program terminations assumed in this budget: The Small Business Administration tree planting program; the Swine Health Advisory Committee; the Board of Tea Experts; the Technical Panel on Magnetic Fusion; the Dance Advisory Panel; the honey program; the Fastener Advisory Committee.

Mr. President, some of these programs might be useful, but we simply cannot afford them, given our exploding national debt.

Finally, we have reduced overhead. The President stated that over 100,000 Federal jobs have been eliminated toward the goal of trimming the Federal bureaucracy by 250,000 positions. A vast majority of the personnel reductions come out of the Department of Defense. Other areas of the Federal bureaucracy have barely been touched. This budget addresses this imbalance by reducing Federal overhead accounts by 15 percent, eliminating hundreds of political patronage jobs, and expanding the ability of Federal departments to work with less expensive private contractors.

Having focused on what this budget does, it is just as important to focus on what it does not. First, this budget does not abandon Medicare. In their 1995 annual report, the Medicare trustees announced that the Medicare trust fund will be insolvent 7 years from now. The trustees conclude that the ''HI program is severely out of financial balance and that the trustees believe that the Congress must take timely action to establish long-term financial stability for the program.''

This budget embraces the call of the trustees to action by addressing both the short- and the long-term insolvency of the Medicare program. First, it allows Medicare to continue to grow at a 7-percent rate per year. This reform enables Medicare to pass the trustees' short-term solvency test while still growing at twice the rate of inflation.

Second, the resolution includes a call for a special commission to address the long-term stability questions facing Medicare and to advise Congress on how to keep Medicare's promise for future generations.

Another group this amendment does not abandon is the American taxpayers. As I previously mentioned, balancing the budget by 2002 will, according to the CBO, provide $170 billion ''fiscal dividend'' from lower interest costs.

Senator DOMENICI has stated that this dividend will be used to pay for tax cuts. I believe that we should enact tax relief for the middle-class working families of this country and tax incentives for savings and investment. We can and should balance the budget and provide American families with real tax relief.

Mr. President, if we look at Federal outlays of the span of this budget, the Federal Government will spend in excess of $12 billion between now and 2002. A significant portion of that amount constitutes a redistribution of dollars from those who work and pay the taxes, to those who are elderly, sick, homeless, and have low incomes. Federal programs targeted at the poor and the needy are the result of a truly compassionate society, and we should continue to support them.

I resent the implication that is often made here on the floor, and made occasionally during our committee hearings, that somehow we are not a compassionate Nation. This budget will spend $12 trillion largely for the purpose of helping people who are less fortunate in our society. That is 2½ times the average GDP of America. I think that is an important investment, and hardly one to be described as lacking in compassion.

Now, based on that, it is my opinion that if, after we go through this process of bringing the budget into balance, and if, after we go through the process of spending $12 trillion over 7 years on so many important programs, that any fiscal surplus created by this budget should go to those who have made the surplus and our compassionate programs possible—the hard-working taxpayers.

Moreover, the surplus or dividend only constitutes 1½ percent of the $12 trillion we will spend over the next 7 years. To me, it only seems fair to allow those who pay the taxes to keep this tiny surplus or dividend so that they can invest it in their families and in our Nation's economic future.

Finally, this budget also avoids the ever-present temptation to gut defense. Real defense spending has declined by

37 percent since 1985, and while I believe there are many money-saving reforms possible within the DOD, I believe the savings should stay within defense to provide for our substantial security. No other responsibility of Government is as important.

This budget recognizes the importance of our national security by maintaining the current level of spending and establishing protections against using defense cuts for other spending proposals.

In conclusion, Mr. President, I should point out that without the assistance of the minority, Republicans have stepped forward and proposed the changes necessary to cap out-of-control Federal spending. In successfully reporting this budget resolution, the Senate Budget Committee has taken a historic step toward reducing the deficit and balancing the budget.

Before the Senate today is a resolution that makes the tough choices, slows Federal spending and brings the Federal budget into balance by the year 2002.

Many people doubted it could be done, and it is a credit to Senator DOMENICI that he set this goal and stuck with it. If we are successful in moving this budget through the entire budget process, I believe there is no better present we can give the future generations than a debt-free Government.

The benefits of balancing the budget far outweigh temporary effects caused by reducing the growth of Federal spending. This is truly a long-term approach to fiscal sanity, and I thank Chairman DOMENICI for giving me the opportunity to make my first budget a balanced one.

Mr. President, we will hear much talk during this debate and the hours remaining over the winners and the losers and so on when we debate this budget resolution. But it is my strong belief, and as I have traveled through my State during both the campaign last year and in the days since the content of our revolution has become a matter of public debate, I find that people from one end of my State to the other believe strongly that what we have to do here in the Senate is finally step up to the plate and accept responsibility and handle this budget deficit now.

They understand that if we continue to wait, if we continue to say that every program must continue to grow at the speed and the pace that has America $4.5 trillion into debt, we are not just saddling our children with even more debt and indebtedness, we are setting the country on a course that absolutely will lead to a crisis we cannot reverse in just a few years—15 years to be specific, according to the Entitlements Commission.

For that, only, I look forward to working, certainly, with Senator DOMENICI and with anyone else who is committed to the notion that we should bring the spending giant in Washington under control. I believe it is the most important thing I can do for my small children, for the children of Michigan and the children of this country.

I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). Under the previous order, the Senator from West Virginia is recognized for 10 minutes. Is that the amount for which the Senator from West Virginia asked?

Mr. ROCKEFELLER. Mr. President, under the order I believe it was 12 minutes. I was trying hoping to slip it up to 15 minutes.

The PRESIDING OFFICER. The Senator is recognized for 12 minutes, and if he is in control of the floor he can yield himself additional time.

Mr. ROCKEFELLER. Mr. President, I cannot help but note for the Presiding Officer in the chair, in the last week even, the bipartisanship which has reigned on this floor. The Presiding Officer, the distinguished Senator from Washington, and this Senator and other Senators from both sides of the aisle worked together to craft a product liability tort reform bill which was slim, disciplined, and effective. People said it could not be done. It was done.

Last night the Senator from Massachusetts, Senator KENNEDY, this Senator, Senator CHAFEE from Rhode Island, Senator DOLE, and Senator PACKWOOD—there was quite a flap about a very important but not necessarily attention-grabbing subject called Medicare Select; whether it was to be expanded from the present 14 States to 50, for how long, and who would decide and all of this. And this Senator objected to its being taken further, so there was a climate of momentary controversy. But then both sides came together and worked out a bipartisan compromise which was passed. And that was very heartening. It was important; heartening.

Now we are at a very different stage and it is saddening to me, but it is terribly real because I do think it has come to where we define what these two different parties that sit in this Chamber stand for.

Mr. President, I will be offering tomorrow, an amendment on Medicare and long-term care to the Republican-sponsored Senate budget resolution. The amendment will take $100 billion in funds reserved for tax cuts for the wealthy and put that money back into vital health care programs.

The Senate Republicans have proposed the single largest Medicare cut in the history of the program, $256 billion over 7 years. The House Republicans have proposed an even larger cut, $288 billion over 7 years. House Republicans need to cut Medicare more because they have an even larger tax break for the wealthy that they have to pay for. The House tax cut totals $345 billion. Money reserved for the Senate tax break totals $170 billion.

These Medicare cuts would not be necessary—would not be necessary—if Republicans did not need to pay for their tax cuts. The Contract With America tax cut would provide a $20,000 tax break to the wealthiest 1 percent of the population.

The amendment I will offer tomorrow, along with my colleague from New Jersey, who will join me in that, and the Senator from Massachusetts, Senator KENNEDY, will take $100 billion out of the $170 billion the Republicans have reserved for tax cuts for upper-income Americans and shift it to Medicare and Medicaid—very simple. It is a simple amendment. What is it about? It is about setting priorities. It says we are not going to balance the budget by whacking health benefits that seniors depend upon. It says we are not going to increase what seniors have to pay out of their own pockets ad nauseam for health care so we can put more money into the pockets of the rich. It is simple—clear. The difference between the two parties.

The Republicans have argued—will argue that the $170 billion they have reserved for tax cuts is their special dividend, their own pot of gold. I find that a particularly offensive statement. It is not their money to spend. It is the money of the taxpayers. They want to spend taxpayer money on more breaks for the rich.

Democrats, through this amendment and other Democratic amendments that will be offered later on in the process, say let us keep our priorities straight. We have already committed those dollars to the Medicare Program.

Instead of worrying about the effects of such tremendous Medicare cuts on seniors, I was significantly struck by what Bill Kristol, who speaks for the Republican Party, had to say earlier this week. And what he basically said was that since—not what he ''basically said,'' what he said—that since the elderly tend to vote for Democrats, it just was not a constituency that the Republicans needed to worry about.

Again, straightforward and simple. And, again, the difference between the two parties. Frankly, I find that statement cynical and dangerous but not surprising from the same person who advised the Republicans last year to oppose, sight unseen, any health care proposal that came from this side of the aisle.

We have heard a lot of talk over the past few months from the Republicans about the solvency of the Medicare trust fund. Republicans are desperately, in this Senator's judgment, trying to disguise their huge Medicare cuts as a way to save the Medicare Program from bankruptcy. We have heard a lot about that. They plan to cut $256 billion, by hiking Medicare premiums and beneficiary cost sharing and cutting reimbursement rates to hospitals and doctors.

It is a very interesting phenomenon. I just got off two radio talk shows this morning where people were phoning in questions to me. I had five hospital administrators from two States call me. I only represent one State. They were all

scared to death about what was being proposed here because they said the only way to do that would be to shut down services. In some cases they talked about increasing prices, which of course would exclude some, laying off people and the rest. All of them talked about closing the emergency room.

The Republicans say they are going to improve trust fund solvency. Yet there is nothing in this Senate budget resolution that would guarantee even one more additional year of solvency.

Over the past 2 weeks we have heard health experts, health economists, physicians, and hospital representatives testify before the Finance Committee about the consequences of putting the Medicare Program in a budget straitjacket.

Dr. June O'Neill, the new Republican-appointed head of the Congressional Budget Office—why do I say that? Traditionally it has been a bipartisan appointment. This year it was not a bipartisan appointment, it was a Republican appointment. I resent that. I think it is dangerous for the country, not because she is a Republican but because it is not bipartisan. Anyway, Dr. June O'Neill, the new Republican-appointed head of the Congressional Budget Office said that quality will suffer. That is what Bob Reischauer also said before her: Quality will suffer.

She said seniors will have to pay more to maintain the current quality of their health care.

Dr. Reischauer disputed Republican promises headlined in the New York Times a few weeks ago that, cuts in Medicare ''will be huge but painless.'' He testified that cutting Medicare in the short run is not painless and improvements in quality will be slowed down.

The president of the American Hospital Association testified that ''Americans believe deeply that Medicare is Social Security. That sentiment cuts across all age, income, geographic and gender boundaries.'' He is right. Medicare is part of the Social Security law.

Those proposed spending reductions may in fact be reductions in the rate of growth and not cuts in the spending, but let us be very clear. To people who rely on Medicare for their care and for people who provide their care, the spending proposals being considered are very likely to translate into cuts, cuts in services, cuts in personnel, cuts in quality. To the people to whom we provide care, these slowdowns in the rate of spending translates into real cuts.

Over the past year, during debate on the balanced budget amendment, and now on the Senate budget resolution, I have tried to get my colleagues to focus on the consequences of budget cuts. I really do believe in that. I think budget cuts simply are not done for numerical reasons. They are done for the condition of the country as a whole, and within that condition of the country of the whole are many factors to consider, and some of those are the effects on people. I come from the State of West Virginia, and I cannot do anything—nor will I ever do anything—without considering the effects on the people that I represent.

To think about the people that will be directly and immediately affected by these budget actions, we need to move beyond the strictly mathematical. But for those people who like math, I have a simple addition problem for them.

Millie Wolfe lives in Preston County, WV. She is 83 years old, and she lives alone. She still drives a car. She lives on her monthly Social Security check of $593 a month. She spends $175 a month on rent, $93 on her medigap policy, $8.30 cents on her heart medicine. That leaves her with a little over $300 a month to pay her phone bill, her heating bill, her electric bill, gas and maintenance for her car, to buy groceries, and any and all other living expenses.

She is worried she may no longer be able to drive herself to the grocery store and to the doctor's office and might soon need help with transportation. And at 83 she has a right to begin to worry about that. But she is very, very worried and very upset about having to pay $700 to $900 more per year in Medicare costs as she would under the proposal that lies before us. She is already, Mr. President, paying $1,200 a year out of pocket for her medigap coverage and her heart medicine, not counting the $46 that is automatically deducted each month from her Social Security check for her Medicare part B premium.

People who live on fixed incomes like Millie Wolfe will have to subtract what they can spend on other essential living expenses in order to pay for the increased costs of health care that will be required under this budget resolution.

Millie Wolfe lives alone, but she is not alone in West Virginia. She is not alone in this country. There are 9 million seniors who live alone in this country. A lot of seniors in West Virginia live on fixed incomes. Rarely does one run into a senior in West Virginia, as the Senator from Massachusetts would know, with an income that might be more than $10,000, $12,000, $13,000 or $14,000 a year.

Asking those folks to pay more than they already are paying for health care in order to save the Medicare trust fund is, frankly, offensive to me. Why? Because it directly hurts them. When you say everybody should pay more, I take you back to Millie.

Mr. President, over half of the seniors in West Virginia live in rural areas. That makes them even more vulnerable to the severe consequences of the Republican budget that is before us. Rural seniors will not only have to pay more under the budget resolution, but they may wind up losing their access to health care altogether. Medicare cuts of this magnitude will severely threaten the solvency of many rural hospitals, as I have indicated, forcing many of them to close their emergency rooms, if they have them, cut back on other services, and, yes, as has happened before in West Virginia, some will shut their doors.

We will hear protests by the Republicans that if we do not act right away, there will not be a Medicare Program. Mr. President, I can guarantee you that if they implement their budget plan, there really will not be a Medicare program. Benefits will disappear, quality will deteriorate, and access will be hard to obtain, or will become nonexistent for people in my State, who I will fight for.

One word about Medicaid and I am finished. They are going to cut $160 billion to $190 billion out of Medicaid. You see, people do not care as much about Medicaid because they say that is for the poor, and, therefore, it does not get the attention. Well, it gets the attention from this Senator. The likely impact of the budget resolution cuts on Medicaid, will mean that 5 to 7 million kids will lose health coverage, 800,000 to 1 million elderly and disabled beneficiaries will lose coverage, and tens of millions will lose benefits. For example, all preventive and diagnostic screening services for children, home health care, and hospice services would be eliminated as well as dental care if the $190 billion were cut.

There is a difference between the two parties. There was not last night. There was not within the past week as we worked out our differences. On this one, our differences are going to be very hard to work out because there are fundamental priorities and principles at stake here.

I do not intend to be shy in defense of the people I represent from the State of West Virginia. They work hard. They have had few breaks, and they need help where help is justified.

I, along, I suspect, with many colleagues from this side of the aisle, and I expect none from the other side of the aisle, are going to do everything we can to help them. I regard this as a moral issue.

I thank the Chair, and I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized for 15 minutes.

Mr. DOMENICI. Mr. President, I ask before the Senator starts his comments if I could make one observation. It will take me 1 minute.

Mr. KENNEDY. I withhold, Mr. President.

Mr. DOMENICI. I thank the Senator.

I note that about 4 years ago, for insurance policies for Americans working for various companies the premiums were going up 14 percent a year. Then they went to 11. And, lo and behold, today they are down to something like 3.5 percent. I would just ask, for all the people whose premiums have gone down because there is competition and modernized delivery system, I wonder

if they are all out in the streets without health care. I wonder if the hospitals which treat them are closing up because there is no money to treat them. I think quite to the contrary. They are getting the same kind of services they got before. It is just costing people less for the same kind of services.

I do not know that is impossible for seniors in America. I hope it is possible. For otherwise we cannot afford the insurance, and we cannot afford to cover them in the future. I just lay that on the record.

We will have a lot more to say about Medicare. We choose now to let everybody speak, and we are delighted there are so many on our side. There are more. We have three listed. If there are more Senators, start giving us your names.

I thank the Senator from Massachusetts for yielding.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, my response to my friend from New Mexico is the premiums are going down, but what he is not saying is what is happening in terms of the copayments and the deductibles, because the copayments and the deductibles are going up, and the Senator has not commented about the coverage, about whether there has been a reduction in coverage.

These are the kinds of issues that we ought to be talking about, not just these massive figures, about how many billions of dollars more we are going to spend on people. That is the question, that premiums can go down if your copayments and deductibles go up, if you are reducing the kinds of coverage and the range of services.

So if we are going into full debate about what is going to happen in terms of real health care costs, we would welcome that debate and how we are going to get a handle on it. I would agree with my good friends from West Virginia and Minnesota, and others that the only way we are ever going to get a handle on health care costs is within the totality of the health care system rather than just a quarter of the health care system.

I wish to commend the Senator from West Virginia and also the Senator from New Jersey on an excellent presentation on the importance of trying to preserve the Medicare system in our country. It is a part of Social Security, make no mistake about it.

We will have more chances to talk about it. The direct payments under part B of Medicare are right under the Social Security system. When you see a reduction in terms of the Consumer Price Index, reduced as in the formula of the budget, you are going to see further reductions in terms of the recipients of Social Security. We will come to that at another time.

I commend the Senator from West Virginia, talking about Medicaid affecting children. Eighteen million children in this country are covered under Medicaid. Medicaid is primarily for seniors, long-term care, and people with disabilities, but there are also 18 million children covered under Medicaid. And as the Senator points out, 5 to 7 million of those will lose under the proposal of the budget resolution. The fact is, of the 18 million, half are children of working families. We have heard all about trying to have a system that is going to be fair and equitable. But here you are, saying to the sons and daughters, the children, we are going to be cutting back on that program—there is no protection for them in this program.

The Senator was quite correct in stating the terms of what is happening. Never mind the millions of other children, the 14 or 15 million other children who do not have health insurance. And the increase, as a Carnegie report has shown, in the last 15 months of an additional million poor children not covered by health insurance. Those numbers are going up. They are increasing dramatically.

I wish to ask my friend, just taking a few minutes here this afternoon, because there are many others waiting, as we are talking about the whole issue of Medicare, to review with me exactly where we are as an institution and where are our senior citizens. I have a chart here. We hear the question of fairness. I am talking now about the health care for Members of Congress versus the health care for senior citizens.

The Senator from West Virginia has pointed out that over the next 7 years, Medicare couples will pay out $6,400 more, and then that will go up at $900 a year.

Let us look at where we are as a base as Members of Congress, as the Senator pointed out. The average senior citizen is making $17,700. The average Member of Congress, $133,000. The monthly Medicare part B premium per individual: here it is $46.10; Member of Congress: $44.05. So senior citizens are paying more under Medicare on the part B. The deductibles: Members of Congress, $350. That includes the doctors and hospitalization, $350. Theirs is $816—more than double. These are the people who are making $17,000 a year. Their deductible is more than double ours. Hospital care: Member of Congress, unlimited. Theirs, the senior citizens, is limited. Prescription drugs: We are covered, small deductible, about $50. They are not covered. The program does not even apply to prescription drugs. Any Member of Congress who goes into any senior citizen home and asks: How many of you are paying $50 a month or more for prescription drugs? Sixty percent of the hands will go in the air. You ask them how many of you are paying $25 a month for prescription drugs. They all laugh. They are amazed. They wonder why you do not know that 85 or 90 percent of them are paying more than $25 for prescription drugs.

We are covered, Members of Congress are covered. But they are not covered.

On the dental care, effectively, we are covered; they are not covered.

On the preventive services, screenings for cervical and prostate cancer, some benefits are covered.

And look, out-of-pocket limits: $3,700 for Members of Congress, none for senior citizens.

Does the Senator from West Virginia and the Senator from Minnesota remember all those wonderful speeches we heard at the start of this Congress: We are going to have equity, fairness; the laws that apply to the country are going to apply to Members of Congress. We all lined up and we all said yes. That was something that was initiated by the Democrats in the previous Congress, blocked by the Republicans in the other Congress. We all supported it. We heard speeches about that.

What we did not hear from our Republican colleagues, all our newer Members that came to the Senate, ''We are getting a good benefit package for health care and we want to make that available to the American people.'' We have not heard that.

We ought to be debating that issue, but, no, we are talking about making what our senior citizens pay more equitable, make them more equitable with the Members of Congress. We are undermining and making their benefits cost more, $6,400 for a couple—more. And $900 a year annually after that—more.

What is the answer that we will hear for that? Well, Senators, we will hear it in the course of debate, I expect. Do you know what we are doing? We are capping the Members of Congress now, to go up at the Consumer Price Index rate. I remember when we were talking about a cap last year. That was price fixing. That was the heavy hand of Government fixing prices and costs.

The Senators from West Virginia, Minnesota, and Washington remember: We will never tolerate that; we will not go along with that.

Nonetheless, that is going to be the answer. And they are fixing it to benefit us, to protect us. We are basically putting billions and billions of dollars, in additional out-of-pocket expenses on our elderly. For what? For the tax cut. For the tax cut.

It was going to be difficult enough to try to bring about some changes in the Medicare system, to try to encourage preventive health care, to try to provide prescription services for our senior citizens, to try to provide home care, to try to provide community care for our seniors, and to try to strengthen the quality of health care. We proposed some changes and adjustments in the Medicare system last year. And after the seniors had a chance to review it, they basically supported it with its expanded choices.

Not under this program. Not under this program. And the Members of Congress ought to be ashamed of themselves, to come out here and say we are

saving the Medicare program by all of these cuts and at the same time providing and utilizing those savings, or $170 billion of those, in order to provide tax cuts for other individuals. At the same time they are not even addressing the kind of inequity and unfairness that exists. All of these statements are being made here by Members of Congress who have their benefit package all set; we have ours. And we are back in a regrettable situation where we are going to administer to people who are not in this body, the senior citizens of this country. That is basically wrong and unfair and unjust.

Mr. President, I would like to be notified when I have 3 minutes left of my 15, if I could, please.

Mr. ROCKEFELLER. One of the things, I would say to my good friend from the State of Massachusetts, we heard this constantly during the health care debate was, ''You can lose your right to pick out your own doctor.'' But now what is it that the budget resolution and the whole course of events is doing for senior citizens in Medicare? We are talking about managed care, more and more managed care for Medicare.

And so all of the sudden my colleagues on the other side of the aisle are saying, this terrible fee-for-service system which we have for Medicare, and it is only for Medicare, only they have a fee-for-service system, so we have to move to managed care. And what happens then, of course, is they do not have the chance to choose their own doctor. But if they want to choose their own doctor, then let them pay more.

Mr. KENNEDY. The Senator is exactly correct. They will say we are enhancing choices but effectively, given the financial burden, there will be none and seniors will be forced into managed care. The cost for the fee for service will be so expensive it will be out of reach. It will not even be there as a possible choice.

And yet, I am sure, in the course of the debate, we are going to hear, ''Oh, well, we are providing these range of services.'' It is going to be very important for the American people to listen and listen carefully about this.

So, Mr. President, it is important, as we are going to hear all of these speeches about how we are really doing our senior citizens a favor, people ought to be asking—I hope our senior citizens are going to ask—''Well, just do for us what you have done for yourself. Don't do us any other favors.'' That is a pretty good question.

It always troubles me, when we try to do that, that our colleagues vote it down and then take advantage of their existing coverage. And this coverage, which is for Members of Congress, and available to 10 million of our Federal employees, but is not available to the senior citizens, our Medicare recipients. And they are the ones that are going to get shortchanged.

Mr. President, just this final thought. As we are addressing this budget, I think it is appropriate for American people to understand that working families are paying for the GOP tax cuts for the wealthy. What we are going to see, as I mentioned, under this budget, is some $6,400 more that they are going to pay over the period of the next 7 years. That is, effectively, as has been pointed out, a tax. The working families, will pay some $1,400. That is the increase with elimination of the earned income tax credit. Out there, for men and women who are playing by the rules every day, going to work, trying to provide for their families, they will get an increase in their tax. That is included in this budget. They get a tax.

And then there are the students of America. Those are the sons and daughters of working families that are going to our schools and colleges. They are the hope of our future. The way that program has been reported out of the Budget Committee will mean anywhere from a 28- to 45-percent increase in the amount of the interest that they pay. That is the equivalent of about $3,000 for those who are going to college. It will be more if they go to graduate school. They are going be paying.

And that does not even get into the costs of the reductions in Head Start, the title I programs, or the cutback in the help and the assistance to local schools in the area of technology, as we are going to an information age. It does not even include those kinds of programs which are going to be further attacked.

Mr. President, the first amendment that will be offered is an amendment by Senator LAUTENBERG from New Jersey and Senator ROCKEFELLER dealing with Medicare that just cries out for support.

We hope that the American people will pay attention to this debate and to this discussion, and let us know how they feel. I believe we are on their side. We need to hear from them and I hope they will let us know what their good judgment is on this issue.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-four seconds.

Mr. KENNEDY. Mr. President, I see my friend from Minnesota. I yield him whatever time I have left.

Mr. WELLSTONE. Mr. President, might I inquire—I am not trying to get the floor—are we rotating, I ask my friend from New Mexico?

Mr. DOMENICI. We are rotating, but not one on one. Your side has had a number of speakers in succession and the unanimous consent was—Mr. President, maybe you can say it—I think it was Senators HATFIELD and BOND on our side and then back to you.

The PRESIDING OFFICER. Under the previous informal order, the next person who would be recognized who is now on the floor is the Senator from Missouri.

Mr. WELLSTONE. I thank the Chair.

Mr. DOMENICI. Do we have only two Republicans, or three in a row?

The PRESIDING OFFICER. There was no order for how many.

Mr. WELLSTONE. Might I inquire, do you have any other names listed on that unanimous consent?

The PRESIDING OFFICER. There are no other names listed at this point.

Does the Senator from New Mexico yield to the Senator from Missouri?

Mr. DOMENICI. How much time would the Senator desire?

Mr. BOND. Twenty minutes.

Mr. President, I am happy to yield to Senator HATFIELD.

Mr. DOMENICI. Mr. President, as I understand it, our informal agreement was actually that Senator HATFIELD would proceed if he were on the floor and then Senator BOND and then back to the Democrats.

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Oregon?

Mr. DOMENICI. I yield 15 minutes to the Senator HATFIELD.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I thank the chairman of the Senate Budget Committee for yielding for a few moments of presentation.

I would like to begin today by reiterating some of the remarks that I made during the debate on the balanced budget amendment. I think the American people elected the Republican Congress with the expectation that we would show leadership and a willingness to make difficult decisions. In my view, the public shares the point of view that Government has grown bloated, ponderous, and too expensive. The programs of the New Deal and the Great Society put safety nets in place for those who are in the greatest need, but those nets now strangle the Federal Government by tying up precious funding in a knot of regulations and poor management.

I believe that a balanced budget can come only through leadership and compromise. This compromise must come from each one of us. More importantly, it must come from those we represent. In the end, there is no easy answer. If there is a political will to create a balanced budget, we will create one, and if there is will to avoid one, we will avoid it.

Senator DOMENICI, the chairman, and the Senate Budget Committee members have proven that this Congress is willing to make difficult decisions and that there is a political will to balance our Federal budget. It was an enormous task to construct this budget resolution and I congratulate the Senator from New Mexico and the committee for its work, and the work of the extraordinarily competent staff that they have assisting them.

Like others, I think that the budget resolution cuts in the wrong places, targeting programs which are an investment in our future, such as medical research and educational assistance

to our college students. When we look at the data related to the National Institutes of Health, particularly, we have convincing evidence that every Federal dollar invested in biomedical research yields $13 in cost savings and productivity to society. Few other Federal programs can claim a similar track record.

Mr. President, at the same time that we see substantial cuts in investment programs, we continue to see other portions of the budget continue to grow at alarming rates. In comparing spending in 1995 with the proposed spending in 2002, we see that nondefense discretionary spending will decrease almost 11 percent, defense spending will remain flat—and I will believe that when it happens—and entitlement spending will grow 45 percent. These numbers show that Congress must continue to review the entitlement programs of this country to ensure the long-term solvency of the Federal Government.

Let me spend just a moment on the issue of our national investments. This budget presents us with a tragedy in the making regarding our ability to provide a high quality of life to all Americans. The Senate budget resolution represents the worst of three terrible options for the future of the National Institutes of Health.

Option No. 1—the President's budget request calls for reduction in the NIH funding by 10 percent, beginning in the year 2000. I call this death by water torture.

Option No. 2— the House budget resolution calls for an immediate 5 percent reduction from 1995 levels for the NIH for the next year and then level funding for the next 5 years. This is death by the hangman's noose.

Finally, option No. 3—the Senate budget resolution calls for a 10 percent reduction in 1995 levels for NIH for the next 7 years, a total reduction of nearly $8 billion, $1 billion in 1996 to begin with.

In addition, the Senate resolution protects certain agencies from budget cuts. In other words, they have seen to it to exempt within NIH certain programs, the Centers for Disease Control, the Indian Health Service, the Substance Abuse and Mental Health Service Administration, and all AIDS-related programs.

These exemptions mean the actual cuts to all other NIH programs will be around 16 to 20 percent, not 10 percent. This is death by the firing squad, and it means the end of our growing medical research enterprise as we know it.

Let me give you a couple of examples. We are now halfway through on the decade of the brain. Mr. President, we have in the first 5 years of that commitment spent a proportion of that time necessary to bring together over 130 great and tested scientists in this common, integrated, and united effort. It did not happen overnight. And as a consequence, if you start taking a 15- to 16- or 20-percent reduction in that kind of neurological and brain-related disease, you are not only reducing the funding levels, you are destroying the infrastructure. Let me analyze that.

The Presiding Officer at this moment is my colleague from the State of Washington. We both have a very major timber economy in our States. You take a small sawmill, or any sawmill, and if there is an interim of no supply of timber resource, that sawmill closes. You lose the chief sawer, you lose the greenchain people, you lose all these technological people necessary to make a sawmill function, and then you get a supply a month later. It will take an inordinate amount of time to reconfigure that team of technology that is required to operate a sawmill.

Now look at what it means in terms of high technology, the high specialization of a brain strategy to conquer the diseases of the brain. You lose that team, you lose that kind of an infrastructure and you do not rebuild it 6 months later or the next budget period.

Bear in mind, I believe that every dollar we have appropriated for AIDS is fundamentally required, but we cannot afford to get into this business of playing one disease against another disease and which one has the greatest political clout gets the most money. And that is what we are embarked upon.

Why exempt AIDS? What about cancer? What about heart disease? What about Alzheimer's? What about all the other diseases that we are concerned about in our overall strategy of war on disease? It is a dangerous precedent to make that exemption and start playing these advocate groups one against the other.

I think as we move to balance the budget, we should not randomly cut programs in our midst. We must cut judiciously, but at the same time safeguard our long-term investment programs. Through the promise of medical research we will find the treatments and cures we need to eradicate disease and disability.

Let me take another example. I think it is very interesting that Substance Abuse and Mental Health Services Administration has been exempt. These are the services coming out of the mental health programs and commitments. Mr. President, at the same time that we are going to continue these services at presently $2.1 billion, we are cutting $630 million of fiscal year 1995 out of mental research. Now how can you sustain a service program delivering the best quality of mental health services if you have cut off the research part of it or you have crippled it or you have brought it to such a place where they lose their personnel, and so forth?

I think we know that only through the promise of medical research will we find the treatments and cures to eradicate disease and disability and reduce our health care costs. Medical research is a central mechanism for controlling the costs of health care in this country. That is, a cure and better treatment. After all, a cure is the ultimate in cost control.

We found that fluoridation saves the country approximately $4.5 billion each year in preventing dental cavities; psychoactive drugs which actively reduce hospitalization for mental illness saves us $7 billion a year and allows patients to return to productive lives; a $20 million investment in influenza B vaccine resulted in a savings of over $400 million a year by preventing cases of childhood meningitis.

In other words, Mr. President, all of these things concern me so much that I intend to offer an amendment during the course of debate on the budget resolution to restore the cuts, at least in major part, for the National Institutes of Health.

I expect to be joined by a bipartisan group of colleagues, all of whom believe that severe cuts in this area are shortsighted at best. We are not alone in this task. Public opinion polls have shown massive public support for making health research the No. 1 Federal science priority.

At the same time, I think it is interesting that we have frozen at current levels the research in the energy budget, and that has a major focus on nuclear matters of research.

Mr. President, this gets us down to a priorities problem again, and a value problem. I believe it is more important to protect people from disease by finding the solutions and the preventive actions to take rather than to protect our bombs. That may not be the value system that others hold but, in my view, I would hate to go home and explain to my constituents how we are going to cripple the research for spinal meningitis or for Parkinson's disease or for many of the other diseases that everybody, agewise, will face one way or the other and say, ''Oh, but we have sustained our commitment to the research requirements to protect our bombs.''

I want to make sure that I add this point: That any type of restoration of $1 to this budget resolution has to be offset, and we are working on a bipartisan level now, working with the chairman of the authorization committee, the chairman of the Subcommittee on the Labor-HHS of the Appropriations Committee, we are working with our Democratic colleagues to try to come up with the offsets to deal with the restoration that we seek for the NIH budget.

I wanted to also say, I know of no person in this body who has a greater commitment to medical and health problems that we face in this country than Senator DOMENICI, the chairman of the Budget Committee. I imagine that he has probably lost more sleep than any of us at this point in crafting this budget resolution. So lest anybody attempt to make a personal matter out of this disagreement, I want to certainly disabuse them of that. We want to work with Senator DOMENICI's staff,

we want to work with the Budget Committee in proposing this amendment, but I have to say, we are determined—we are determined—to save the future of this Nation's medical research and its infrastructure that is required to find the solutions to these diseases.

As we continue with this debate, it is important that we remember that long-term fiscal responsibility should not only depend upon cuts in spending. It demands a radical transformation in the way we do business as a government. I know as an appropriator I will focus on how the American people can get more out of fewer federal dollars. That is the goal of the private sector of our society, and it should be the same of the Federal Government as well. I hope that the authorizers will also look to the innovators at the State and local level to see how they are making limited resources go further. I think each one of us can look to the local governments and advocates to glean ideas of how to make success government's goal, as opposed to an obsession with paperwork and feeding the bureaucracy. I hope this Congress takes the fact of fewer Federal dollars and turns it into an impetus to allow the innovators to rise to the top as shining examples of Government at its finest.

I would also like to take this opportunity to ask my colleagues from the other side of the aisle to join in this effort in eliminating the budget deficit. We have all come to the floor time after time to discuss the impact that continuing budget deficits have on the economy and the allocation of Federal revenue. In 1995, 15 percent of all Federal revenue will go to paying the interest on the debt, and that amount will continue to grow if this problem is not addressed. I think many Americans will be surprised that even if we balance the budget in the year 2002, the Federal Government will still spend $279 billion in that year to pay interest on the debt. Imagine what that amount will be if we do not make those tough decisions now.

As a Member of the Senate that believes that the Federal Government can still play a vital role in addressing societies' needs, I can think of a number of ways to allocate that $279 billion in the year 2002, rather than simply paying interest on the national debt. Our Federal budget deficit is a national problem which deserves bipartisan attention. Bipartisan negotiation, leadership and compromise have been the cornerstones upon which we have built all effective decisions on tough issues since the formation of our government. I hope the Congress does not miss this opportunity to address the real issue of balancing the budget, and that is the issue which is before us in this Budget Resolution.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, the Senator asked if he might propound a unanimous-consent request. I will be pleased to listen to it.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask my colleague from New Mexico, might I first congratulate, if you will, sing praise of my colleague from Oregon. First of all, I very much appreciate his remarks and want to be a part of this effort.

I know last night my colleague from Oregon was given recognition that he richly deserves from the Parkinson's community for his work in introducing the Morris Udall legislation, and as the son of two parents who had Parkinson's disease, I would like to thank my colleague from Oregon for his work and also for, I think, a very eloquent statement. We want to make sure one group of people struggling with a disease is not pitted against another group.

Mr. President, I ask unanimous consent that after my colleague from Missouri is finished with his remarks, that I then be able to speak for 15 minutes, followed by my colleague from South Carolina, Senator HOLLINGS, for 15 minutes as well, and then I understand we will rotate back.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. How much is the Senator going to use?

Mr. BOND. I will need 20 minutes.

Mr. DOMENICI. So that will be 20 minutes, to be followed by 15 and 15.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri is recognized for 20 minutes.

Mr. BOND. Mr. President, I thank my colleague from New Mexico who has presided over a very difficult, but a very, very important effort in the Senate Budget Committee. I think the tremendous effort he made deserves a great deal of praise and thanks not only by us, but by future generations and a lot of people who may not really understand the full impact of what Senator DOMENICI has led us to achieve for the health of our economy and for future generations.

In the next few days, we are going to have the historic opportunity to move through Congress a budget plan which will actually get this Government's books to balance. How many times have we talked about it? Everybody decided that it was the ''holy grail,'' that we could never get there. Well, through Senator DOMENICI's leadership, we have come up with a plan. Nobody said it would be easy. With his leadership and the willingness of Members to stand up and vote for action instead of just talking a good game, this Senate can take that first step.

Make no mistake, the step is a big one. For the first time in 25 years, the Congress has an opportunity to pass a budget which will get us into a surplus rather than keep adding to our debt. The budget is tough. It sets priorities and recognizes that Government cannot do it all. It makes a statement that the time has come for leaders of today to start paying attention to the economic devastation that is being created for tomorrow's generations because we cannot live within our means. We have heard many speeches about the need to cut spending, reduce the deficit, and get our Nation's books into balance. Everyone who looks at our nearly $5 trillion debt recognizes the need to do something so that we do not keep piling on that debt for our children and grandchildren.

Over the next few days, the American people will have a rare opportunity to see exactly what the political leadership's visions for our country's future are. I have a chart, and you have seen it before in different colors, with the same message. The vision of this Domenici budget shown here in blue is that by taking us from $176 billion on a glidepath to 2002, we can reach a surplus by 2002. It is a bold plan. It scrutinizes every program in the Federal budget from agriculture to welfare, and already the dollar has strengthened because we did something.

The Washington Times reported last Friday that on Thursday, May 11, the dollar jumped in its biggest 1-day advance in 4 years. That was the same day that the House and Senate Budget Committees approved our plans for reducing the deficit to zero by 2002. It is no coincidence that the dollar strengthened the same day we made an effort to restore fiscal sanity to the Federal books.

Earlier this year, by contrast, when the Senate failed, by one vote, to pass the balanced budget amendment, we showed that some were willing to sacrifice U.S. global competitiveness for short-term political gain. The message was heard loud and clear in the global markets, and the dollar fell to record lows against the Japanese yen and the German mark.

Why is that important? Well, Mr. President, it is important because the international monetary markets can tell a country when it is sick. They told Mexico it was sick because the peso started declining and nothing was done. Mexico got in big trouble. The international markets were taking a look at our fiscal policy, our inability to control our spending and saying that the United States is sick. And when we failed to pass the balanced budget amendment, they recorded their votes in the way that is most effective. They placed their convictions with money behind their views. They said we are in danger of going downhill.

The dollar devaluation does not just impact big banks and big industry. It has an affect on each and every American. The dollar's low value means that U.S. assets are less valuable, imports are more expensive, and that the threat of foreign competition and lost jobs is greater than ever.

Passage of this budget resolution, which would get us to balance by 2002,

is critical to the health of the dollar and to the American economy. Bold changes are in store. We have proposed dramatically to restructure several Cabinet agencies and the programs under their jurisdiction. We propose the elimination of programs, new and old, which will outlive their purpose or are too expensive for the supposed good they do.

We have heard very passionate speeches, sincere speeches, on this floor, about how we need to be spending more in all of these areas. That is precisely how we got into this fix. We did not get into this fix spending too much money because we were spending it on things that were low priorities. We wanted to spend more on everything. That is what has led us to the fix that we are in today.

What we are seeing, in essence, in this budget is that we cannot spend more on everything. We have to make some choices and we have to slow the growth. We have told agencies they have to buy smarter, travel more cheaply, and squeeze out the last nickel in their operating budgets.

Let me deal with one particular charge, or one particular allegation, that I am afraid was based on misinformation. One of my colleagues, earlier today, was told by NIH that if funding was cut by 16 percent, the researchers would not get any new grants. There was talk of the success rate. Currently, the success rate for health research is one in four. That means one out of four new applications for research gets granted. The NIH apparently told my colleague that under this plan only 1 out of 100 new grant applications would get NIH funds. Our staff looked into it and we found out that that was totally unsupportable.

First, NIH got the numbers wrong. The budget resolution assumes a 10 percent cut in NIH; NIH assumed a 16 percent cut. They came up with some figures that were not the figures we used and took totally different assumptions. So, No. 1, their overall figure was wrong.

No. 2, NIH decided, in that classic of all Washington moves, to ''close the Washington Monument.'' They were going to hit the thing with all of the cuts that are most important, and that is the research dollars. The ''Washington Monument syndrome'' is when any agency's budget is cut, they shut down the most visible thing that they do. They said, ''That cheap Congress would not give us the money to keep it operating.'' So NIH said that 70 percent of the cut would come from research grants. If I were a researcher out looking for grants, I would ask the folks at NIH: How come you do not want to cut money out of the overhead, the bureaucracy, the buildings, the Washington, DC, efforts? I think that is a pretty good question. In any event, they gave us that assumption.

Finally, NIH assumed they would take all the money from new grants. NIH gets 34,000 requests for new grants each year, and they assume they would cut all the money designated for new grants. In fact, this resolution would cut NIH funding by $1.1 billion. The Senate Budget Committee staff asked the NIH if they distributed that 10 percent cut equally among the bureaucrats, Washington researchers, new grants and existing grants, what would they get? First of all, NIH had two responses. They said they would do it differently. That is cause for us to worry. They said, ''If the cuts were distributed equally, one in six researchers would get new grant money''—in other words, one out of six instead of the current one out of four. Not one out of 100. This, I think, is important to set the record straight. This budget plan is not going to gut NIH.

In addition, this budget is going to say that we are going to save Medicare. Medicare is broke; it must be fixed. The public trustees are right. The people who were appointed as public representatives and the President's Cabinet members said that Medicare, part A, is on the verge of collapse. It will go into the red in 1997 and start spending more money than it takes in and, by 2002, the trust fund will be broke.

If the trust fund is broke, then under the terms of the law, no more money can be paid. In other words, the system shuts down. I do not think it is responsible to walk away from that.

The President has decided to sit back and make a political game out of Medicare. Worse, he is talking out of both sides of his mouth and saying, ''You cannot claim to protect Medicare when it is cut.'' But he has no plan for saving it.

The fact that Medicare part A is on the death spiral was revealed by the President's own Cabinet members. The President knew back in February when he said there would not be one penny cut out of Medicare, that Medicare was on the path to first insolvency and then bankruptcy. He set up a status quo budget with no changes, no plans for saving Medicare.

We stepped to the plate to fix the crisis, and he says that we are trying to kill Medicare.

Second, the President conveniently forgets that he proposed similar cuts in Medicare himself. When the President, in 1993, needed to finance his Government-controlled, top-down health care plan, he proposed spending reductions in Medicare and Medicaid to pay for them.

He said Medicare and Medicaid are going up three times the rate of inflation, and all we propose to do is let it go up two times the rate of inflation, and he said that is not a cut. When he said specifically that is not a cut, how come it gets to be a cut now when we propose to save Medicare by doing about what he proposed to do in 1993?

Mrs. Clinton, the First Lady, has said that she is confident we can reduce the rate of increase in Medicare spending without undermining the quality of Medicare recipients. We know we can get savings. That is what she said. Perhaps the best evidence of the political game that is being played here comes from the architect of the Clinton health care plan, Mr. Magaziner, who said, ''Slowing the rate of growth actually benefits beneficiaries considerably because it slows the rate of growth of the premiums they have to pay.''

It seems to me that those great arguments of a couple years ago cannot be ignored when they come out and try to attack our efforts to save Medicare now.

Under the Senate budget resolution, Medicare will still be the fastest growing part of the Federal budget. Solvency would be guaranteed for 10 years. Medicare spending will continue to grow at more than twice the rate of inflation well into the next century. That is just the first step.

Let me move now, Mr. President, to one other example of the kinds of reforms that this budget tackles. That is, reforming the Department of Housing and Urban Development. I happen to be the chairman of the subcommittee that handles the HUD appropriations. We are responsible for trying to stop the train wreck.

This year, we began holding hearings to get at the funding crisis at HUD. This is a crisis that not only threatens the programs which millions of people depend on for the very roof over their head, but threatens to squeeze out needed dollars for other important programs.

We have found in our hearings and in our investigations that HUD is a dysfunctional agency that requires a complete reevaluation of its mission and a major reform of its program and program operations.

The Department has grown from an agency responsible for about 50 programs in 1980 to well over 200 programs now. It has neither the capacity nor the political will to administer all these programs.

Frankly, we have got to make some serious changes. It is this crisis that led me to advocate and propose a dramatic restructuring of HUD, which is to be incorporated in this budget plan. That is why I argued so strongly for the passage of the rescission package which begins the major surgery HUD so desperately needs.

In particular, the budget anticipates the creation of block grants for public housing. It assumes that the actual projected costs of section 8 contract renewals, that some of this assistance should be given in block grants to the States. The States would get broad latitude to redesign their programs so that they could use State housing finance agencies to manage their program to contract out the responsibilities and to get that program under control.

Unfortunately, when the President indicated he would veto the disaster relief supplemental bill with the rescissions in it, he not only took the money away from the California earthquake

and the victims of the Oklahoma City bombing, it also took over $6 billion in cuts for future year spending from HUD.

Let me make this point again. The bill that we passed out of the conference committee the President said he would veto provides vitally needed funding for disaster relief. The House and the Senate also passed and we passed by an overwhelming majority in this body, a measure to cut spending in HUD so that we will face not quite as serious a problem next year.

We still have a funding problem for HUD that is unbelievable. The President's budget asks for $20 billion in budget authority and $14 billion in outlay increases for HUD over the next 5 years. Even those first are suspect. We have to have the rescission bill to cut off the authority now or we will add more commitments to HUD that they will have even greater trouble funding in the future.

Now, to me, that effort for fiscal responsibility is one of the first and most important steps we can take. The President has come out with some kind of gobbledygook, saying that this bill that we pass contains pork.

Does he want more cuts or does he want less cuts? Items that he objected to in the rescissions bill were items that had been passed by Congress and signed by the President in past years. Now he objects because we have not cut the right things? What does he want Congress to cut?

We stepped up to the plate and gave him some cuts that were carefully worked out in this body and in conference with the House. He wants to veto that rescission bill.

Two things happen if that veto goes through and it is upheld: No. 1, we do not have the money for the emergencies; No. 2, the money that is not rescinded, the budget authority that is not rescinded, will go into effect. We will be on an even steeper incline in our rate of spending, and it will be more difficult.

The President told us back in 1993 he wanted to see us end the deficit. What happened? Did he forget what he said in 1993? He raised taxes to start what he said was the process. He said the second step is cutting spending. Where has he gone?

Frankly, after the President raised taxes and cut defense, he has decided that that was enough. So what if the deficit goes up every year on his budget reaching $276 billion by the year 2000. So what if another $1.2 trillion are added to the debt?

Well, I think there are some serious consequences. No. 1, it will hurt our economy right now. It is going to be a real problem for those who are making a living in our economy today. We are going to see the potential of inflation coming back much more strongly. That is what happens when the value of our dollar falls. We are going to see our costs of goods go up. Most of all, we are going to see debt added to the credit cards of our children and our grandchildren.

Can we afford to say that we are for our children, we are concerned about children, when we want to walk away from fiscal responsibility and add another $1.2 trillion to the $5 trillion we have already put on their backs? Mr. President, I do not think so.

Mr. President, we have heard a lot of fancy speeches and we will hear a lot of fancy speeches, but when it comes right down to it, this is what we say back in Missouri: ''Show me'' time.

Are we for cutting spending? Do we want to balance the budget? Or do we want to leave that spending machine going full throttle? I think we will get a fairly clear indication, because when the votes start, we will find out who really is serious about the financial stability of our economy today and the total economic security of our future generations.

Do we have the political will? Are we willing to stand up to face the music and to vote for a tough budget? I believe we will. I will urge my colleagues to support the effort to get the budget deficit to zero and move it into surplus in the year 2002, because it is essential for our economy now. It is essential for the well-being of future generations.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. GRAMS). Under the previous order, the Senator from Minnesota is recognized.

Mr. DOMENICI. I wonder if the Senator will yield for 1 minute to the Senator from New Mexico?

Mr. WELLSTONE. I would be pleased to.

Mr. DOMENICI. Mr. President and fellow Senators, I do not want anyone to think that we already have ruled out a vote for tonight. Senators asked, are we going to vote tonight?

Frankly, we have to use 10 hours of this budget resolution up tonight. We started at 12 clock and we are working to see if we cannot accomplish that, but clearly we would like to enter into an arrangement where we would vote tomorrow, at least on a Domenici amendment and on a Democrat amendment. But I have no agreement, nor does the majority leader, that we are not to move one of those up to tonight unless we can arrange somehow to get 10 hours out of today's work. Because we still have 30, and that would be 30 for the days of Monday, Tuesday, and Wednesday, and our leader has said we are going to be finished on Wednesday, which will mean very long hours next week.

I want to compliment Senator BOND, not only for his remarks today, which I think were right on point, but actually you cannot get a budget resolution out on the floor without a lot of Senators helping you and a lot of Senators voting for it.

The Senator has been a staunch supporter and formidable proponent of the balanced budget. I want to thank him here in front of all the Senate.

I yield the floor and thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, when I come to the floor sometimes I just like to respond to what my colleagues have said. Sometimes that ends up being debate. And then sometimes we come back to it later on.

My colleague from Missouri is a friend. I think I enjoy working on the Small Business Committee about as much as I enjoy working on any committee. But when my colleague said the attitude in Missouri is, ''Show me,'' and he talked about children, I would remind him and I would remind my good friend from New Mexico that we have not had a lot of discussion about children yet. I am going to have several amendments on the floor eventually. But in talking about the health care cuts, there has been more of a focus on Medicare and less of a focus on Medicaid.

My understanding—and maybe these numbers are a little bit off—but my understanding is that with the proposed Medicaid cuts, we would be capping the per capita growth rate for expenditures under that program at about 1.4 percent. That is compared to a growth rate of about 7 percent projected for private expenditures? Am I wrong about these figures?

Mr. DOMENICI. I do not know what the 1.7 is. I do not know what that is.

Mr. WELLSTONE. The per capita growth rate for Medicaid expenditures—after the proposed cuts—would be about 1.4 percent.

Mr. DOMENICI. For Medicaid? I would not know that. I have not figured it that way.

Mr. WELLSTONE. OK. I ask my colleague, at some point in time during the debate it would be helpful to get those numbers.

Mr. DOMENICI. Fine.

Mr. WELLSTONE. The reason I mention that is that there are, I think, today in our country about 11 million children who have no health care coverage whatsoever, I say to both of my colleagues. And, every year since 1987, employment-based health insurance coverage has been dropping.

Do you know what has filled the gap? Medicaid. That is what has filled the gap. I think in Minnesota—I say to my other colleague who is presiding—there are about 200,000 children or thereabouts who are covered by Medicaid. I have to say, as long as we are talking about children, when I see these kinds of dramatic, I think draconian, reductions in reimbursement I have to wonder what the effect will be on those children. That is my first point.

My second point, and we can come back to it in debate, but I think it is a point well worth making because these statistics all mean something. My colleagues know this. I am not intending to be self-righteous. I am just saying we need to understand the faces behind the statistics.

The second point about Medicaid is that I have heard some discussion

about the power of the senior citizen lobby. The majority of Medicaid expenditures in Minnesota, and I am sure other States as well, go toward nursing homes, covering nursing home expenses for elderly people who by definition are in nursing homes because they are frail. Many of them are struggling with diseases and illness. They are hardly powerful. I would say to my colleagues, I do not quite know what we intend to do with the dramatic, draconian cuts in reimbursement, Medicaid-wise.

I met with a good number of people from southeast Minnesota last Saturday and there was one man who runs a hospital nursing home in one of our smaller towns in southeast Minnesota. He almost had tears in his eyes. Maybe this is melodramatic. His question was, ''What is going to happen to these people? Will the State pick up the costs? What is going to happen to them?'' That is just a question that I raise.

As long as my colleague from Missouri was talking about children, let me make another point, and I would like to commend Senator MOYNIHAN from New York for his powerful voice dealing with the issues of race, poverty, gender, and children in America. As I understand it, in this budget proposal we are talking about something like $20 billion in reduction for food stamps. I would not want any of my colleagues to believe, if they do believe so, that by going after fraud—and there are some, I am sure, abuses that take place—that is how you get a $20 billion reduction.

I ask my colleagues, Democrats and Republicans alike, not to be ahistorical and to understand that we had a lot of exposes, a lot of studies on these issues. There was a Field Foundation study. There was a CBS ''Hunger USA'' documentary. And what did those studies point out? What did we see on television? What we saw was that in the United States of America there were children who were suffering from scurvy and rickets, distended bellies, malnutrition, and hunger. As a matter of fact, the expansion of the Food Stamp Program, which is one of the really true safety net programs, led to a dramatic reduction in that malnutrition and hunger among children in America. Are we now going to turn the clock back? I would like to know where the evidence is that says that we can have those kinds of cuts in a major food assistance program without having a serious effect on children, the poorest of the poor in America.

So many of my colleagues keep talking about, ''for the sake of children in the future.'' How about the children now? Every 30 seconds a child is born into poverty in America. One out of every four children—poor; one out of every two children of color—poor. What about those children now?

I just mentioned two programs with dramatic reductions, draconian reductions. I know we will have time for debate. I have not seen anybody stand up yet. I know that we will have this debate and it should be substantive debate. We respect one another. Tell me how we are going to do that without harmful consequences to those citizens; in this particular case I am talking about children.

We ought not to be doing deficit reduction based upon the path of least political resistance, that is to say targeting those with the least amount of political clout.

Second, and maybe last point, because I only have 15 minutes today. When I heard my colleague from Missouri—and I am sorry he is not here now for purposes of debate—talk about some of the comments that the First Lady made and Ira Magaziner made about how we could reduce Medicare costs, that is true. But that was in the context of overall health care reform and cost containment systemwide.

I say to my colleagues, there are not only consequences to the words that we utter, the words that we speak, there are also consequences to the proposals that we lay out here on the floor of the Senate.

I can explain very briefly why in fact the Medicare Program, which is a benefits program passed in 1965, which has made the United States of America a better country, and not just for the senior citizens but for all of their children and their grandchildren, has had increasing costs. I can explain why.

We have to invest a significant amount of resources into financing Medicare because a larger and larger percentage of our population are over 65, and a larger and larger percentage of the over-65 population are in their eighties. With that comes more illness and higher health care costs. That's why it is important to look at per capita numbers when we are talking about cuts. We finance it as a nation because it says a lot about who we are.

That is what Senator Humphrey from Minnesota meant when he said the test of our country and our society and our Government is how we treat people in the dawn of their lives, the children; the twilight of their lives, the elderly; and those in the shadow of their lives, disabled people struggling with illness, and of course the poor people. I do not think this budget meets that standard laid out by the late, great Senator from Minnesota, Hubert Humphrey.

Mr. President, I heard some reference to comments of the President and others about health care reform. But the first thing I would say to my colleagues is this will not work. If you single out one sector, one group of people, you can talk to any of your providers and they will tell you out front and up front that they will shift the cost. They have to. It is a shell game.

We should have learned this in the debate on health care last time. And by the way, I say to my colleague who is now presiding, that in Kings County, NY, Medicare pays $646 per month per enrollee to an HMO, whereas in Hennepin County, MN, HMO's get $362 per month per enrollee.

What will happen is, if our reimbursement is already rock bottom low, especially for those States that have done a good job of keeping the costs down, then the providers have no other choice but to shift the cost. They then shift the cost to the employers and the private insurance companies that then raise the costs, and then it gets shifted back to the employees, and more people are forced to drop their coverage because it's unaffordable.

Mr. President, it will not work if we just shift costs. Talk to people in rural America, not just senior citizens. Talk to the care providers, talk to the nurses, talk to the doctors, talk to the public health people. It will not work.

Mr. President, the essential problem with some of these proposals is, A, they do not meet the standard of fairness; B, I do not believe that they are fair just in terms of where the most vulnerable citizens fit in or do not fit in to this equation, and on the Medicare front and the Medicaid front, as public policy, they do not work. Welcome to health care reform.

Tomorrow, when we have our amendment out on Medicare, we will have an opportunity to really debate this at great length.

Finally, Mr. President, as a former teacher, I really do believe it is extremely shortsighted to make a lot of these cuts. As a matter of fact, I think what I might do in the course of the debate is bring out the Kasich budget which was passed by the House of Representatives so we could have a vote on that on the floor of the Senate since I think it does an even more draconian job when it comes to cutting higher education. But I would just argue today that it is myopic, it is shortsighted not to invest in young people and not to invest in their education.

I could boil it down to the following kind of analysis in less than 2 minutes, I hope. If you want to have real welfare reform: A good education, a good job, and decent health care. If you want to reduce poverty: A good education, a good job, and decent health care. If you want to reduce violence: A good education, a good job, and decent health care. If you want to have a stable middle class: A good education, a good job, and decent health care. If you want to compete in the international economic arena: A good education, a good job, and decent health care. And if you want to have a representative democracy with men and women who can think on their own two feet and understand the world, the country, and the community that they live in, what they can do to make it a better world and a better country and a better community, keep your focus on a good education, a good job, and decent health care.

This budget moves us precisely in the opposite direction. It is profoundly mistaken for our Nation.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

Mr. DOMENICI. I wonder if the Senator will yield for 30 seconds.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Thank you very much. Could I ask unanimous consent that following Senator HOLLINGS, Senator BENNETT be in order for 15 minutes?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. I certainly agree to that. I ask after Senator BENNETT, could we have Senator MURRAY recognized for 15 minutes?

Mr. DOMENICI. Could we have Senator SANTORUM immediately following Senator MURRAY? That would give us five.

Mr. President, I so request.

The PRESIDING OFFICER. Senator BENNETT, 15 minutes; Senator MURRAY for 15 minutes; and Senator SANTORUM for 15 minutes, following the Senator from South Carolina.

Without objection, it is so ordered.

The Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished chairman.

Mr. President, in the brief moment that I have, I would like to voice a note of sobriety with respect to this debate, and to agree for starters about the bigness of Government.

I have played this budget game for 35 years. As Governor 35 years ago, I balanced the budget in the State of South Carolina, and earned a triple-A credit rating. Some 27 years ago, in 1968, I worked with George Mahon, then chairman of the Appropriations Committee, and we balanced the budget.

Mr. President, when we hear the hue and cry to get rid of big Government, we ought to focus on what it is about government that is really big. In 1968 when President Lyndon Johnson balanced the budget, he faced gross interest costs on the national debt of $14.6 billion. That is after almost 200 years of history. Through 36 Presidents, Republican and Democrat, the Revolutionary War of 1812, the Civil War, the Spanish-American War, Mexican, all the wars, World Wars I and II, and Korea, a good part of the war in Vietnam, the mandatory spending of interest costs was only $14.6 billion.

If my colleagues listen to nothing else, let them listen to this fact. According to the Congressional Budget Office in February of this year, the mandatory spending of gross interest costs is estimated at $340 billion.

Oh, boy, has the size of Government increased. How did it grow? Let me go right to the heart of the matter and quote none other than the chairman of President Reagan's Office of Management and Budget, David Stockman. I quote:

> The root problem goes back to the July 1981 frenzy of excessive and imprudent tax cutting that shattered the Nation's fiscal stability. A noisy faction of Republicans have willfully denied the giant mistake of fiscal governance, and their culpability in it ever since. Instead, they have incessantly poisoned the political debate with a mindless stream of antitax venom while pretending that economic growth and spending cuts alone could contain the deficit.

Mr. President, we are watching history repeat itself as Republicans today make the same mistake of insisting that the deficit can be conquered through spending cuts alone.

Lord knows, I have tried. I have worked in a bipartisan way for a balanced budget. As chairman of the Budget Committee 15 years ago, I worked closely with Henry Bellmon, then the ranking Republican.

In 1980, contrary to what some of the weekly magazines would have you believe, Senator Bellmon and I presented a balanced budget. In 1985, Senator GRAMM, Senator Rudman, and Senator HOLLINGS presented a balanced budget, planned over 5 years rather than 7 years. We were supposed to have balanced the budget by 1990, but then Congress pushed back the goalposts and eventually repealed the fixed deficit targets.

I worked with Republican Senators Boschwitz and Danforth on a value-added tax, 5 years ago. In the Budget Committee, some eight members voted for a value-added tax. Why? Because we needed it. But unfortunately today, the charade continues.

The truth of the matter is that cutting taxes as they say by some $350 billion over 10 years, actually increases the interest costs or taxes on the gross debt. It has been said that there are two things in life that you cannot avoid, death and taxes. Actually, there are three things, death, taxes, and interest taxes on the national debt.

So when they talk in a blasphemous fashion about cutting taxes, it comes time for the sober truth. They can try to get away with this charade, but the fact is that they are increasing taxes.

Now, there are two-ways, Mr. President, to approach this problem. One is a balanced plan of freezing spending, cutting spending, closing tax loopholes, and increasing revenues.

But the other way, of course, is the Vietnam approach—destroy the Government in order to save it. It gives you the image, it gives you the headline, it gives you what they are talking about, a balanced budget.

But I ask the Members to turn to page 7 of the Senate budget resolution. There it plainly says that in the year 2002 we will have a deficit of $113.5 billion. That is just the real deficit. If we turn to page 9 where the annual increases in the public debt are listed, in fiscal year 2002 the debt increases $177.7 billion. The distinguished occupant of the chair on the other side is a very successful businessman. He knows. Look at page 9. Fiscal year 2002, the debt increases $177.7 billion.

So, yes, President Clinton has a budget where the deficits go up as far as the eye can see. The Republican budget now that we have before us, unfortunately, has deficits of $177.7 billion as far as the eye can see. That is the truth. Those are the facts.

We hear a lot of talk about reducing the deficit, but if we want to fathom the true depths of their sincerity, we ought to turn to page 74 of the resolution.

I am reminded of the story about the days when we had the literacy test. Poor black men would come to the polls to vote and would be given the Chinese newspaper. They would be told, ''Boy, read that.'' The black man would take the paper, look at it one way then turn the paper around and around. When he would finally be asked what it said, the man would reply, ''It says ain't no black gonna vote in South Carolina today.''

Now, I read this one on page 74, five little words: ''For legislation that reduces revenues.'' Do you know what that means? It means we are going to allow for a $350 billion tax cut, just like they are doing over on the House side.

You have to know the tricks of the trade. The real problem is that those tax cuts are going to be written in stone. The spending cuts will never occur. Part of them will occur. But the bottom line will be we will be up, up and away with deficits and increased spending for interest costs.

We need to cut out this total fraud that you can do it with spending cuts alone. We have to get serious. You could eliminate all of the nondefense discretionary programs—all $275 billion of them—and we would still be in the red because of the $340 billion that we have to spend on interest costs. It is Alice in Wonderland: To stay where you are, you have to run as fast as you can. To get ahead, you have to run even faster.

The ox is in the ditch. We have to get to work seriously here and cut out the monkeyshines with Social Security, as they did during debate on the constitutional amendment, and as they do now. The provision that John Heinz and I put in the law, section 13301 of the Budget Enforcement Act, says: '' Thou shalt not use Social Security trust funds for the deficit.'' We asked them to obey it in the Budget Committee and, to my shock, 12 Republican Senators voted against that law in the Budget Committee.

Now, if I had Hollings Enterprises as a business and I went to file my annual statement to the Securities and Exchange section, and I was using my pension fund to mask the size of my deficit, I would be in jail. They would haul me off to the hoosegow.

We need to stop, look, and listen and get away from this gamesmanship. Republicans talk now as if they are the only ones interested in the deficit. Perhaps they have forgotten that President Clinton came to town and cut it $500 billion through a balanced approach of spending cuts and tax increases. He followed that up with an effort to reform Medicare and Medicaid that fell upon deaf ears as Republicans claimed that there was no health care crisis. Now, all of a sudden they are sounding the alarm and citing the need for decisive action to save the HI trust fund from bankruptcy. How ironic that

the Contract With America calls for taking $25 billion out of the Medicare trust fund.

Mr. President, they are playing games with you. They talk as if they are so interested in this year's report from the Medicare trustees showing that the fund would be in the red by 2002, but last year the very same report showed that Medicare would be bankrupt by 2001.

And now they say, ''We never knew this. We have to go to work.'' Last year, they said there was not any trouble with health care; Medicare was fine.

Can you imagine, $256 billion out of Medicare? We cut $56 billion the year before last. The President offered another $125 billion last year which you called fantasy. And now you come along with $256 billion and say you need a commission to find it? That is what I call passing the buck. That is punting.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. Senator BENNETT, under a previous order, is recognized for 15 minutes.

The Senator from Utah.

Mr. BENNETT. Mr. President, I am interested in the various references that are made from time to time on this floor about business practices; comments such as, ''Why, if we did this in a business the way we are doing it in Government, we would go to jail. We can't do that on a filing for the SEC.''

Mr. President, as you may know, I have run a business, run several. I have filled out forms for the SEC. I have signed 10 Q's, I have signed 10 K's. I understand the requirements of honest accounting. And I assure the Chair and this Senate that what I am about to say is honest accounting. I am not trying to mislead anybody as to what we are facing as a Nation. I am not trying to make rhetorical points on fine shavings of definitions within committee language. I am trying to be as direct and straightforward as I know how.

I will start out with a chart that we have seen before and we will no doubt see again but which we need to keep in front of us throughout this whole debate.

The information, Mr. President, on this chart comes from the Entitlements Commission which shows that if we listen to all of the rhetoric that says, ''Why, you can't do this. This will hurt this group. You can't do that. It will hurt this group,'' which ends up being ''You can't do anything,'' the present trends are simply not sustainable.

I remind the Chair and the Chamber, once again, that if we do nothing, we let things go as they are going, within 10 years, by the year 2006, we will be in a circumstance where the cash outlays and the cash revenues of the Government comes to the condition that everything we spend as a Government will have to be borrowed.

That which we do not have control over in the budget, which is in the red bar—entitlement spending and interest—we have no control over that. We are contractually obligated to that. The entitlements, by law, have to go out. The interest, by law, has to be paid. That means everything else—which includes the Defense Department, includes building highways, includes everything else the Government does—will have to be borrowed. This is the reality with which we live. It is real.

I see the distinguished chairman of the Entitlements Commission on the floor. I thank him for his work and his courage.

This is the situation in which we find ourselves. Let us not kid ourselves by saying, ''Oh, this particular phrase of the budget document does not apply here and we will look at this.'' This is cash outlays.

I have managed a business. I will tell you the most important way to manage a business is on cash flow. You may have a balance sheet that says you have a whole lot of money, but if that money is all tied in inventory and receivables and you do not have the cash with which to pay your bills, you are in trouble. And you can go to the SEC all you want and say, ''Oh, this is the way I keep my books.'' You pay taxes, you pay wages, in cash. And this is the cash picture of what happens if we do not do anything.

Now, we are told, ''Oh, we can't hurt this group. We can't hurt that group. Look at these terrible cuts.''

I give you the second chart prepared by the Budget Committee on the terrible cuts that we are talking about in this budget.

What are the terrible cuts we are going to inflict on Medicare? Well, actually, you know, Medicare is going to go up by $105 billion.

I am a businessman. In my vocabulary a $105 billion increase is not a cut. I had to come to Washington to learn the definition of ''cut.'' It means you spend more this year than you spent last year, but you just spend less than somebody else promised you would in some previous year. That is the Washington definition of ''cut.''

All this reference to business; I am a businessman. This, to me, is an increase. Put it on a per capita basis right now, Mr. President, and we are spending per Medicare recipient per year just under $5,000. That is today's figure, 4,900 and-some-odd dollars.

Under the budget proposed by the Budget Committee, by the time we get to 2002, that number will be $6,450. So we are going to punish the Medicare population by raising their per capita expenditures from $4,900 to $6,400. That is how we are going to punish them. To me, that is not a cut.

Now, we talk about trends. ''Oh, but the Medicare population is growing. The Medicare population is so big we have to spend more than that. That will not work.''

As I say, that is a per capita number, Mr. President, from $4,900 to $6,400 per capita.

But what is the overall number?

Here is the chart I used in a previous statement I made on this subject. Medical expenditures, where the distinguished minority leader had said, ''You know, our problem is that public funds are growing at the same rate as private funds,'' and I said, ''No, that is not true.''

I got the information from the Congressional Reference Service of the Library of Congress. Here are the trends. The dark figures are the percentage of increase in public expenditures for medical activity. This is combined Medicare and Medicaid. The light figures are for the private rate of increase.

Here we are, the worst year, 1990, public expenditures in health care went up 13.2 percent that year. The private rate of increase was 10.6. Still unsustainable. In the private sector, they went to work on that, brought it down, cut it in half the next year, in 1991. Public expenditures came down from 13.2 to 12.6.

The following year, they could not hold it down on the private side. It came up to 9.9, then 7.2, and then last year, 1994, brought it down to 5.3. The public expenditures came down from 12.6 to 10.8 to 8.5, and last year, 7.8.

That is the level, Mr. President, at which this budget calls for it to stay—a 7-percent annual rate of increase in Medicare is what this budget is talking about. We have done it in 1994. Can we not do it for the next 5, 7 years?

I will say, this combines both Medicare and Medicaid and, therefore, that overall figure is misleading and it is not proper for me—I said I am going to be honest in my accounting—it is not proper for me to say that applies directly to Medicare because Medicare at the moment is closer to 10 percent and Medicaid is the lower figure, and that is why the average is there.

But that is the target we have to have, that is the target we do have in this budget and that is the target I believe we can meet.

The Senator from Wisconsin says, you cannot do it to our older population, you cannot balance this by attacking one segment of the population, you cannot single out one sector. And then he talks about education, you cannot single out education. And pretty soon, if you follow that logic, you end up with no sector at all that can be cut.

I go back to the other chart. I referenced this before strictly on the Medicare side pointing out that we are talking about a $105 billion increase in Medicare. We are also talking about $146 billion increase in Social Security, a $36 billion increase in Medicaid, a $51 billion increase in other mandatory programs. The only thing that gets cut is domestic discretionary spending. Defense remains the same in this budget. Interest has to go up because the debt is coming up.

But what is the total? Nearly $1.9 trillion. I am reminded of the cartoon that appeared in the paper where the Republican was writing on the board the budget for 2002, $1.9 trillion, and the other person said: ''Is that all?''

Mr. President, I have been involved personally in the challenge of downsizing a company. I grant immediately this challenge is vastly greater, but the principles are the same. Time and again, I would say, ''We have to take something out of the overhead of this company.''

People would come in to me and say, ''I agree, we have to take something out of the overhead, but don't cut my department'' for this reason or that reason and how vital it was.

Finally, I had to get their attention, and I said: All right, I won't cut your department, I won't cut anybody's department. I'll let everybody walk out of here feeling comfortable, happy and wonderful right up to the point where you file for unemployment, because the company is going broke.

Oh. Well, now, you explained it to me. Maybe I can find something in my department to cut.

That was the company equivalent, Mr. President, of this chart. This is the chart I began with, this is the chart I come back to. This is the situation we are facing. Do we have the courage to recognize this is the situation we are facing and do what has to be done?

Mr. President, we celebrated this year a number of anniversaries relating to the Second World War. I am one who is old enough to remember the Second World War. I did not fight in it. I was just a little kid. My brother went over in the Second World War. He was in Okinawa when President Truman decided to drop the bomb.

Mr. President, may I inquire, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes 30 seconds remaining.

Mr. BENNETT. Thank you. The President of the United States came to the American people and said, ''This is the situation we are facing. If we do not do something about it, we are in serious trouble,'' and he demanded sacrifices from the American people. He was up front with them. He made no bones about the difficulties that we face.

How disrupting was that experience in the lives of Americans? Hundreds of thousands of them lost their lives. Millions had their lives disrupted. They did it because they recognized that there was a purpose for doing it and that their Government was being honest with them.

For far too long in this Chamber, our Government has not been honest with our people and, therefore, of course, they do not want to sacrifice, of course, they do not want to have their lives disrupted. I do not want to have my life disrupted. I want everything to go on as good as it has been going, but the time has come to recognize that we are facing a long-term crisis as severe as any we have faced, and we have to be as honest as we have ever been.

So I say, all right, you do not want to do this by restraining the growth of Medicare, even though the rate of growth of Medicare is not sustainable either in this circumstance or, frankly, by comparison to what is going on in health care in the private sector with this circumstance. All right, you do not want to do it with that one? What do you want to do it with?

This budget says we do it with everybody. This budget says we do not single out a single sector to balance the budget on the backs of any particular group. We say to everybody, the time has come to recognize the crisis with which we are dealing and deal with it evenhandedly.

I would say to those who are complaining about this budget, then give us your alternative that is equally evenhanded that deals with all political groups with the same courage with which this deals with political groups and let us get forward. But do not tell us we cannot adopt this budget because it disturbs this or that or the other sector in terms of their status quo because that kind of circumstance, Mr. President, is simply not being honest with the American people, and the time for honesty is here.

Mr. President, I yield back the remainder of my time.

Mr. DOMENICI. I was here and listened to all of the remarks. I want to congratulate Senator BENNETT. I believe he made an eloquent statement. I am sorry that he did not have more time tonight to talk about the realities of what we can afford as a people versus the wishful thinking and exaggerated promises that we have been used to making to the public of America, to our people.

I compliment him for it and thank him for his excellence, both in understanding and hard work and knowledge of matters such as this.

Mrs. MURRAY addressed the Chair.

The PRESIDING OFFICER. Under a previous unanimous consent order, Senator MURRAY is recognized to speak for 15 minutes, followed by Senator SANTORUM, of Pennsylvania, for 15 minutes.

The Senator from Washington.

Mrs. MURRAY. Mr. President, when I first came here, the Federal budget deficit stood at nearly $300 billion, and for 3 years in a row, we worked with common sense and clear purpose to reduce that deficit. I was not here when this deficit was run up, but I was not elected to bring home the bacon, and I know that politics as usual will not sell anymore. We must reduce the deficit. But I say to my friends, there is a right way to cut spending, to streamline Government and to reduce the deficit. I think the correct path was the one we started down in 1993.

On the other hand, there are radical approaches which might be effective at slashing spending and cutting programs, but we have to ask the question, at what cost?

The American people deserve a sound budget. They deserve proposals that meet their urgent needs and reflect their spending priorities. They deserve investments in our future. They deserve security for themselves and for their families, and I firmly believe that taxpayers deserve to get something back from the system that they are paying into.

I look carefully and critically at this Nation's budget to make sure that it adequately deals with investments in our basic American quality of life. Our children must be prepared for tomorrow. The health of our citizens must be secure and our neighborhoods and towns must be safe.

That is how I begin this process every year, Mr. President. I start from the premise that as Americans we have special rights and responsibilities, and this body must acknowledge them both. I believe in personal responsibility. I believe we must take charge of our own lives and live up to the obligations that citizenship in this country brings with it. But some Americans, some members of our society cannot make it on their own. There is a great deal of insecurity and a bitter loss of self-confidence out there. I saw it in the faces of my friends and neighbors when I was home in the State of Washington. I would hear it around my kitchen table every night: The middle class, average Americans feel that they are not in control of their own destiny. Machinists at the Boeing Co. tell me they feel their jobs are not secure in these days of corporate downsizing, and they feel there is nothing they can do about it.

Parents tell me they are worried about their kids' safety and violence in the streets, and they feel powerless. My own two teenagers and their friends, the so-called generation X, our future leaders, talk with me about poor job prospects, about never receiving Social Security, not being able to afford to go to college, and the sad and unyielding spread of AIDS. They feel they cannot make the future brighter.

Today, information flows through our society at such a rapid pace, technological innovations seem to be outpacing daily life. Average Americans feel overtaken by it. Bankers and economists warn me that in our interdependent world the dollar falls to record lows and derivative investments threaten our financial security and soundness. They feel the economic solution is beyond their control. Doctors and nurses and administrators in hospitals and community-based clinics tell me that entitlement programs do need reform. But so does the entire health care system.

If the severe Medicare and Medicaid cuts are kept in this budget, they will not be able to deal with the growing caseload of those who need help and have no means to pay for their own medical care.

Mr. President, imagine the hopelessness of a young family with a newborn baby diagnosed with cystic fibrosis. First, one parent has to quit their job to care for that child and their income drops dramatically; insurance runs out, and the young family is forced to spend down in order to get health care—Medicaid—for their child. That is the family I speak for in this budget process. That is the family I think of when I remember the simple truth our parents taught us: ''There, but for the grace of God, go I.''

That family could easily be mine or yours, Mr. President. I am raising two kids at home. I have elderly parents who are not always in the best of health. Like so many Americans, I am squeezed between my kids and my own parents. That is why I share with many Americans the grave concern about the Medicare cuts. How will the program be reformed? Many people have come to me recently and have told me they are afraid that these cuts will result in higher out-of-pocket payments for seniors who are already struggling. They believe cuts will result in limiting choices for seniors.

My parents have had the same doctor for years in Washington State; they do not want to lose their doctor because of a budget plan imposed on them from Washington, DC. From the rural eastern part of my State, I hear the rumbling of concern. Many Medicare beneficiaries live in these communities which often share a single hospital.

These cuts to the Medicare program have the potential to cause some of the hospitals to close—or to shift—a great amount of their costs to local taxpayers.

Mr. President, this brings me to a major concern. By simply cutting funds to Medicare, we are passing on the cost of care for our seniors—our parents—to the hospitals around the country, and those hospitals will pass on the costs to working families across this Nation.

I refuse to stand here on the floor of the U.S. Senate and talk about the budget as if it is just a bunch of numbers. There is a senior citizen and a child and an American family behind every number in this budget. I am afraid that in this time of great uncertainty, in this time of anxiety, we will be telling average American families, ''You are on your own.''

We in the Senate have a choice. We can build self-confidence, we can inspire hope, and we can restore trust in our Government and its ability to work for average Americans. And we can do this at the same time we reduce the deficit, if we do it with common sense. That is the right way.

(Ms. SNOWE assumed the chair.)

Mrs. MURRAY. Or, Madam President, we can feed into the Social Darwinist thinking of survival of the fittest. Serving the special interests who are up here writing legislation. Giving Goliath an advantage. And that is the wrong way.

I am hopeful that we will be able to work on a budget over the coming days, which keeps us on the right path.

I look across the aisle to Members of your party, and I see true champions of certain causes, and I have been pleased to support many of them in their efforts.

The distinguished chairman of the Budget Committee, the Senator from New Mexico, has always been a forceful advocate for funding mental health programs, and he has always looked out for Federal workers.

Madam President, I am proud to serve on his committee with Senators who have provided real leadership and hope to the American people on many issues.

I know that my friend from Maine, who is presiding over the Senate at this moment, has been stalwart on women's health issues. Senator GRASSLEY from Iowa has spent years defending the family farmer. My friend from Missouri, Senator BOND, has displayed real leadership by keeping programs like HOPWA from the rescissions axe. These are my Republican colleagues on the Budget Committee, and I am proud to serve with them. I have supported all of these efforts in the past, and I will continue to do so in this Congress.

So I hope that some of our colleagues on your side of the aisle, Madam President, will look with favor on programs that are important to me, especially the education of our children, both in their early years and in gaining access to college and vocational programs.

For my State, there are other important budget issues before us: The cleanup of Hanford Nuclear Reservation and the funding of the Eximbank; impact aid for educating the children of our men and women in uniform; help for fishers and timber workers who have been dislocated, and all programs that ease anxiety and restore hope.

Madam President, I know firsthand how much hope is needed out there. I know firsthand how much harm this budget will do to average Americans.

I am one of the millions of ordinary Americans who is worried about her elderly parents. I am one of the millions of average people who wants her children to be able to go to college. I am one of the people out there driving to work every day and just trying to juggle the pressures of everyday life for myself and my family.

But, Madam President, this budget adds to the pressure. It does so much harm to working people—I find it incredible that it cuts the earned income tax credit so severely. I find it incredible that this budget raises the taxes on our working families. Let average Americans make no mistake about it—Republicans are increasing taxes on working families.

In Washington State alone, this budget means an average tax increase of $1,400 over 7 years on nearly 180,000 working families.

I am a product of the Western United States. I was born in Washington State. I grew up there. I am one of seven children who learned from our parents that we should always pull ourselves up by our own bootstraps. But this budget steals our shoelaces.

So I plan to offer amendments on the floor, Madam President, that move this budget in restoring some common sense.

I will offer one amendment on impact aid, and I will offer another one to protect children from drastic cuts in Medicaid.

And, Madam President, let me make this clear, these are not frivolous amendments. They have been drafted carefully and I hope that they do pass. It is not my intention to embarrass anybody. My amendments are sincere attempts to improve this budget, and they reflect my highest priorities, for I believe we have the chance today to outline clearly our priorities for this Nation.

Each of us was sent to the Senate to serve the country and to articulate the specific concerns of our friends and neighbors at home.

So let me conclude here with just a few words of caution. No one doubts the need to put our fiscal house in order. But what I fear the most is that it will be done with an eye only toward today, without considering the consequences for tomorrow.

Deficit reduction is not an economic policy in and of itself. And under today's cut, cut, cut mantra, I cannot allow us to forget the word ''compassion.''

I worry that slash and burn politics will override common sense and fairness, especially for our children.

We are looking here today at the Wizard of Oz budget: No heart, no brain, no courage, and no home. And there is too much at stake.

At a fast and furious pace these days, polls tell us what Americans believe about an issue before they have even had time to really make up their minds about it.

I caution my friends—before you impose draconian Medicare and Medicaid cuts on the most vulnerable members of our society—do not be too hasty to legislate based on the shifting sands of current political popularity.

Let us keep things in perspective, Madam President, and let us remember the little guy.

Let us talk about priorities and plans, not just cuts and contracts. Let us use this budget process to restore hope, to ease anxiety, and to make the future brighter for average Americans. I look forward to this debate.

Thank you, Madam President.

Mr. EXON. Madam President, I would like to take a moment on my time to congratulate my friend and colleague from the State of Washington. Here is a teacher, a mother, someone that is really dedicated to the cause that we are trying to espouse on this side of the aisle. I thank her for her excellent remarks.

I yield the floor.

UNANIMOUS CONSENT AGREEMENT

Mr. DOLE. Madam President, I ask unanimous consent that prior to the close of business today, Senator DOMENICI be recognized to offer a substitute amendment, the text of which is President Clinton's budget; that no other amendments be in order during the pendency of the Domenici amendment; that a vote occur on the amendment at 10:45 a.m. on Friday, May 19, 1995, without any intervening action or debate; and that the time between 10:15 a.m. and 10:30 a.m. be under the control of Senator EXON, and 10:30 a.m. and 10:45 a.m. under the control of Senator DOMENICI.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. Reserving the right to object, Madam President, and I will not object, I have a parliamentary inquiry.

The PRESIDING OFFICER. The Senator may state the inquiry.

Mr. LEVIN. If the substitute offered by Senator DOMENICI is agreed to, is the resolution as amended by the substitute further amendable?

The PRESIDING OFFICER. Only with the amendments that are mathematically consistent.

Mr. LEVIN. So that the numbers may be changed.

The PRESIDING OFFICER. That is correct.

Mr. LEVIN. I have no objection.

Mr. DOLE. I add further, if the substitute is adopted, I will be out of work.

Mr. LEVIN. Was that a parliamentary inquiry?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Madam President, I further ask that following the disposition of the Domenici amendment, Senators LAUTENBERG and ROCKEFELLER be recognized to offer an amendment relative to restoring the Medicare funds; that no amendments be in order to the amendment; that no amendments be in order to the language proposed to be stricken; and that a vote occur on the amendment at 3:15 p.m. Monday, May 22, without any intervening action or debate.

Mr. DOMENICI. Reserving the right to object, and I will not, do I understand that neither of these consents waive any Senator's right to make a point of order?

The PRESIDING OFFICER. That is not correct. They would indeed waive the right to make a point of order.

Mr. DOMENICI. On either?

The PRESIDING OFFICER. On either.

Mr. DOMENICI. I do not know whether there would be a point of order, but I usually make this proposal before every amendment, and I just forgot this evening. Nobody is waiving the right to the point of order. It is not that urgent, let it go.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I thank the Senator from South Dakota for his cooperation.

Let me just explain to my colleagues, then, the Senator will lay down the amendment tonight, and it is my understanding at the end of the day there will be 40 hours left in today's session.

Then hopefully tomorrow we will be in long enough to take 10 more hours, and after tomorrow there will be 30 hours left. So we start Monday with 30 hours. We would like to complete action on this bill on Wednesday so we can take up the President's request on the antiterrorism bill and pass that before the recess.

So there will be one vote tomorrow. And first vote on Monday will be at 3:15. There may be votes after that vote on Monday.

So I urge my colleagues to not leave on the assumption that there will only be one vote on Monday. There could be several votes on Monday. I assume after the disposition of the Lautenberg-Rockefeller amendment, there will be an amendment offered on this side. I assume we are going to rotate back and forth.

So there could be several amendments, because again we will be in session at least 10 hours on Monday, maybe longer.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the minority leader.

Mr. DASCHLE. Madam President, I share the understanding of the distinguished majority leader with regard to the schedule for the next couple of days. Even though there is only one rollcall vote tomorrow, we have a very important debate that will begin immediately after that vote. It will be on the issue of Medicare. And I urge my colleagues to use this time to the fullest benefit. That time will be lost, if we do not use it tomorrow. It is very important that all of our colleagues appreciate the time that we have available to us tomorrow and Monday to debate this important issue.

So I encourage our participation, and certainly hope that you will take full advantage of the hours that are available to us following the disposition of the first vote at 10:45 in the morning.

We will have another vote on Monday. It will be on the Medicare amendment, and between now and then I would hope that all of our colleagues will fully avail themselves of the opportunity that we now have to debate this amendment to the fullest extent possible.

So I think this is a good agreement that gets us off to a good start. I would certainly hope that between Friday morning and Monday afternoon we have no quorum calls, and that we use every moment available to us to participate in the debate on the Medicare amendment.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Madam President, I ask unanimous consent that following the conclusion of the remarks by the Senator from Pennsylvania that the Senator from Kentucky, Senator FORD, be recognized on this side for 20 minutes, and then we will continue the usual process of going back and forth.

I do not know who is scheduled. Senator LOTT will be scheduled after that for 15 minutes. Following the conclusion of the remarks by the Senator from Kentucky, Senator LOTT will be recognized for 15 minutes. Following that, Senator BUMPERS on this side will be recognized for 20 minutes. And then, if there is a speaker on that side, they will be next following Senator BUMPERS on this side, and Senator KERREY will be recognized after that for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I wonder if the distinguished minority leader might just engage in a little discussion with me about amendments.

We already are asking Senators on our side to submit amendments to me as floor manager to just see where we are. I know for many it seems early. But, frankly, time is going to be really moving. I think it would be helpful to all of us the sooner we knew. I am not asking for details. But the sooner we know, more or less, where we are, we will finish at a point certain, at a time certain. Everybody knows that. If there are amendments that we have debated, they will get a vote, if they want one. But there will be no discussion. The sooner we know maybe the sooner we might accommodate in some realistic way the Senators who desire to have a little time to speak.

Mr. DASCHLE. If the Senator will yield, the Senator is correct. I think it would be very helpful for all Senators to share with us their intentions with regard to amendments as soon as possible. We already have a list we are compiling. We would be happy to share it with you. I think it is our intention following the amendment relating to Medicare to offer an amendment relating to education, and following that an amendment relating to the EIPC. There will be an amendment relating to Medicare, and EIPC, and education.

So the order for our side will be that, and we will be able to give you more information as we go through the list.

Mr. DOMENICI. Thank you very much.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 15 minutes.

Mr. SANTORUM. I had the opportunity, Madam President, to be on the floor for just a few minutes when the resolution was laid down, and spoke about what a historic time this was for our country, and that a majority of Senators from the House and from the Senate—the House having passed their budget resolution earlier today—had the courage to come forward and present a budget resolution that brought our Federal budget into balance.

That is not an easy thing to do. If it was an easy thing to do, it would have

been done at least 25 times over the last 25 years, but it has not been done once.

I give a lot of credit to the Senator from New Mexico for his tremendous work on crafting the legislation; the Congressman from Ohio, JOHN KASICH, for the work he has done on the House side; and to all of the Republicans who are standing shoulder to shoulder to push this effort forward for the future of this country.

This is a historic time. This is a great opportunity for America as a country to face the realities of the future, to stop the endless political games of promising what we cannot deliver on, and letting other generations of Americans pay for our political expediency.

I am excited. I am excited to be here during this time. I think this will be one of the great debates in history. I think this will be one of the great defining moments of our time.

It is just unfortunate, it is truly unfortunate, that at one of these defining moments where the country can really face the future, it is going to be done without the Chief Executive Officer of this country. He has decided that he is going to take absence without leadership, AWOL on this issue. He has decided that he does not want to participate in the process. He has decided in debates with himself that he is not relevant to this process, and that he is going to sit on the sidelines and throw whatever he can at those who are trying to move this country forward to balance the budget.

It is a great disappointment to me and I know to many Americans that the Chief Executive Officer, the President, has decided to take this course.

What I have decided to do is to remind everyone here of the President's action or inaction on this effort. Starting today, the first day in which the budget resolution was laid down here on the Senate floor, I am going to bring this chart to the floor every day between now and October 1 of this year, when the next fiscal year starts, and going to tell the American public how many days it has been since the Republicans laid down a balanced budget resolution to get this country to balance, and how many days it has been since Bill Clinton has decided to leave town when it came to this issue.

The Senator from Massachusetts, in the last election for President had the rallying cry of ''Where's George?'' Well the question today is ''Where's Bill?'' I guess on day one, the answer is, as the Senator from Kansas the majority leader has said, he is AWOL. Absent without leadership.

Today is day one. I suspect, although I hope it is not the case, that over the next 135 days between now and the end of September, that I will be putting up day after day, numbers on this chart to show that the President truly is not serious about leading this country, about moving forward in a direction that will preserve this country's not just financial future but future as a society.

I am actually fairly sad to have to come here and do this. I think it is in a time of great courage that we are seeing in the Congress, a very sad state of affairs that we have a President who has decided not to participate.

By the way, this is the same President who in 1993 he and his budget directors and many on the other side of the aisle, were clamoring about how the Republicans were not putting up their plan.

Where was their plan in 1993 to reduce the deficit? We are not talking about just reducing the deficit here. We are talking about getting to a balanced budget. Something which the President's plan does not do.

I want to quote the President in February of 1993. The President's demand to the Republicans in Congress, ''Not hot air, show me where.''

Well, Mr. President, ''Not hot air, show me where.'' If the President wants to lead, lead. That means the President has to propose, just for some instruction. The President has to propose something in order to lead somewhere.

The situation is the President being absent from this debate is not unusual when it comes to the budget this year. We have a President who has refused to put forward a balanced budget resolution, has refused to put forward anything that is going to reduce the rate of growth in the deficit. In fact, according to the numbers of the President, modest numbers he wants us to use, his deficit goes up over the next 7 years up to $267 billion by the year 2002, according to the nonpartisan Congressional Budget Office of which the President said we should use in determining his numbers.

And his first chance this year, his first chance this year to put a downpayment on the deficit, is a $16 billion rescissions bill, which yesterday in the Washington Post he said that he was going to veto; a $16 billion rescissions bill.

There is a President who simply wants to preserve the status quo, and all you will hear over the next 5 days are people who created this Government here in the Congress and who want to defend every program, and if we touch a hair on one of them, the sky will fall, the Earth will erupt, and life will never be the same again here.

Well, let me just suggest that, if we do not touch some of these programs, literally thousands and thousands of programs, if we do not start consolidating, eliminating, reducing the rate of growth of some of these programs, truly the sky will fall and the Earth will open up because we simply will not have a future for our children. We will leave nothing for them.

So I would suggest that when you hear the gnashing of teeth that you will hear, you will hear about how hopeless things are in America—the previous speaker was talking about, the Senator from Washington, talking about how hopeless people are if not for some Government program that is going to help them through their hopelessness, or how fearful people are, if it was not for the Government to take care of them.

I would just suggest that our job here in Washington is to provide opportunity and hope for people, to give them the chance to succeed.

I will tell you the best way that I believe you can give people a chance to succeed is by letting them keep the fruits of their labors, but not taking all of it from them, and when I hear this debate, it absolutely blows my mind. I do not know what budget they are working on. I hear all of this debate all day long, and from the White House how we are cutting Medicare, cutting all of these programs to pay for ''tax breaks for the rich.'' I know a lot of you heard this. A lot of you have heard this.

Let me tell you what the budget resolution says. This budget resolution—I do not know what budget resolution they are talking about. It is not this budget resolution. It is not this budget resolution. In this budget resolution is a provision that 90 percent of all tax cuts must go to people under $100,000; 90 percent.

I do not know. We may be redefining wealthy in America; and, that is, that people under $100,000 are wealthy. People who make under $100,000 are wealthy. Those are wealthy. But when you have 90 percent of any tax cut provision in this budget as it appears on the floor of the Senate today, going to under $100,000, I do not know how you make that statement. I do not know how you make the statement the Senator from South Carolina made a few minutes ago that they are going to cut taxes now, and the spending cuts will not come until later. I do not know what budget he is looking at.

This budget, almost all of the cuts in taxes that occur come the last 3 or 4 years after we have shown that we can get on a glidepath, after we do cut spending first. Why does that come about? Why do we get this $170 billion? It is a very important point. Why is it that the Congressional Budget Office gives us a bonus of $170 billion? Let me explain why. It is very simple.

Because they believe, as I am sure every economist in this country would believe, and you can see it by what is happening already to the dollar and how the dollar is rebounding since we have introduced this resolution, how interest rates are coming down since we have gotten serious about balancing the budget here in this Chamber—the Congressional Budget Office believes accurately that, if we have in place a mechanism to balance the budget over the next 7 years, interest rates will come down; therefore, the cost to refinance the debt will come down, inflation will come down, and the economy will grow faster.

Those are all assumptions the Congressional Budget Office made in calculating this bonus of $170 billion of

which we were going to take that bonus and return it to the people who work very hard to pay those taxes.

Think about this. Getting to a balanced budget will create more growth. That means more jobs. That means for opportunity, lower interest rates, which means lower payments on mortgages, more affordable housing, and other programs, lower debt costs which means lower deficits. This is what we are focused on, growth, low inflation, low interest rates. But that is a pretty good plan. That is how we get the deficit even further reduced.

What we are saying is that once we have established the plan to get us to zero, if we do get that bonus, if we do get that savings, then we are going to give you the dividend. You, the taxpayer of America, boy, I will tell you. By the way, 90 percent of that will go to people under $100,000.

I do not know, folks. I do not know what budget they are reading over there. But if that is cutting Medicare to pay for tax breaks for the rich, tell the Congressional Budget Office because that is getting it right, balancing the budget, causing positive effects on the economy and letting people who work their tails off in this country keep some of the money they worked hard for.

You would think that the only people who care in this town are people who want to take your money and give it to somebody else to help them; that those of us who believe caring sometimes can mean letting you keep some of the money you worked hard for. No. That is not caring. That is tax breaks for these bad people who work; or these people who succeed.

I happen to think that rewarding people for doing what we all, everyone in this Chamber, want people to do in this country—work —is a good thing. It is a good thing.

So when you hear about these nasty things that we are going to do about, you know, helping the wealthy, substitute every time you hear ''wealthy'', substitute ''taxpayer.'' If you are a taxpayer, you are the one they are after. They do not want to give you any relief up there. No, no, no. Those of you who pay taxes, you are bad. We have to make sure that you give us the money that you worked hard for so we can spend it, where we, of course, know best. That is just absurd. It is even an absurd statement here in Washington DC.

This is a good budget plan. This is a fair budget plan. I will talk over the next few days about how we are doing. I went to town meeting after town meeting after town meeting in the last 4 or 5 years. I was in Congress before being in the Senate this year. And every place I went, the comment I got was whether you want to get to a balanced budget but do not single out anybody, do not single out any group, spread it around. You know. Make it fair. We are willing to take our share. We understand we have a problem. We are willing to pitch in. This is America. When we have a crisis in this country we are willing to step up to the plate. We are not going to run and hide. ''Oh, no don't hurt us. Don't touch us.''

That is what the other side would have you believe. We have a bunch of people who are not willing to sacrifice or put forward their piece to solve the problem. Of course, they are. Of course, you will. Do not let these people appeal to your weaker side. Appeal to the better angels of your nature. Appeal to the side that says America is a great country, if we all pull together and we stand shoulder to shoulder to solve problems.

That is what this budget does. It bridges us all in, everybody. It says let us all pull together. And we are not talking about radical stuff here folks. We are not talking about enormous pain here.

We are not talking about enormous pain here. We are talking about Government growth at 3½ percent a year, increasing at 3½ percent a year. Under this budget resolution, spending goes up 3½ percent a year. Some pain. Three and a half percent a year, that is just draconian; it is horrible. Again, the sky is going to fall if the Government only goes up 3½ percent a year.

This is the right medicine. It is absolutely crucial medicine. It is absolutely crucial that we pass this resolution and that we move forward to put this country back to where my grandfather, who came to this country back in the 1920's, before the Depression—he lived in a company town, in the hills of Appalachia, in Pennsylvania. He was a coal miner. And he came here not because he did not have a good job. He had a great job in Italy. That is where he came from. He had a great job. But he left there because he wanted freedom. He wanted to be able to collect the fruits of his labor, and most importantly he wanted to leave his sons and daughter better off than he was.

That has been the dream of every American who came on our shores. They came here because they wanted to leave the next generation better off and with more opportunities than they had.

We are sitting here and standing here as Members of the Senate, and we are looking at a future that will do just the opposite if we do nothing. If we fail, the next generation will not have what we have, will not have the opportunity to succeed. As I look around and see people in the gallery with their children, I know their one hope is that those children will be better off than them; that they love them so much.

Well, folks, love them enough to do the right thing. Love them enough to set this country straight and balance this budget so they can have a better future.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Under the previous order, the Senator has 15 minutes.

Mr. FORD. I think we are swapping back and forth. I have 20 minutes and then the Senator has 15 minutes. I think that is correct.

The PRESIDING OFFICER. Under the previous order, by a unanimous-consent agreement, the Senator from Kentucky is recognized for 20 minutes, and then the Senator from Mississippi for 15 minutes.

The Senator from Kentucky.

Mr. FORD. Madam President, while the Senator from Pennsylvania is still in the Chamber, I would like to make a couple remarks.

I have been in this Senate for 21 years now. In all of the hot debates, in all of the effort that is made here, I have never heard or seen the office of the President of the United States degraded like it has been here today. Never in 21 years have I heard Gerald Ford called Jerry, Jimmy Carter called Jimmy, Ronald Reagan called Ron, George Bush called George, and I have never heard a First Lady called by her first name. I think it is time we have some respect for the office if we do not have respect for the individual who holds it.

Now, when the Senator says ''Bill'' here, we have never done that. The Senator can smile if he wants to, but there is some decorum by people who have been here for a long time. This is an institution that has respect for the office if not for the individual. I would hope that the Members on the other side would be a little careful about the remarks they make and how they put forward their effort in this debate.

So I just call attention to the Senate that I hope from now on it would be ''the President.'' I have never heard the majority leader in the Chamber refer to his party's President by his first name. I never heard him refer to the Democratic Party's President by his first name. It has always been ''the President.'' So I would hope that we would refrain from using the First Lady's first name in the Chamber and that we be very careful about that.

Madam President, I hope that I say this constructively because I do respect the office of the President, even though another party from my choosing would be the occupant. I felt it important that I say that.

Madam President, what a difference 6 months has made. And I go back to November 6, 1994. ''President Clinton and Vice President Gore are resorting to scare tactics, falsely accusing the Republicans of secret plans to cut Medicare benefits.''

That was from the majority leader of the U.S. Senate, quoted in the Washington Post of November 6.

> The outrage, as far as I am concerned, is the Democrat's big lie campaign that the Contract With America would require huge Medicare cuts. It would not.

Haley Barbour, Republican National Committee Chair, CNN's Late Edition, November 6, 1994.

The GOP budget speaks for itself. The GOP Senate budget plan includes

$256 million in Medicare cuts. We go back to what the chairman of the Republican Party said, and he has been in the meetings here. He has attended the meetings when this budget was developed and the statements were planned. He said it is a big lie campaign. Six months later, it was the truth.

The GOP House budget plan includes $286 billion in Medicare cuts, and the House budget includes and the Senate budget provides funds for GOP tax cuts that would give $20,000 a year to the wealthiest Americans.

I heard the distinguished Senator from Pennsylvania say that this will reduce interest rates; that things are going to get better.

Well, in 1993, we struggled, and if I recall, after we passed that budget bill without a Republican vote, 50–50, in the Senate, and the Vice President broke the tie, the Fed had to increase interest rates six or seven times in order to cool off the economy because we reduced the deficit by $600 billion. We reduced or eliminated 300 programs. And how many Republican votes did we get? None. Zilch. Zip. None. And we did pretty well.

When you say that we have not done the right thing, I think you have to go back and look at the 1993 votes. And if you also want to say something about 6 months later, there was a Congressman in the House that said it very well. ''If we had come out with this budget in our contract, they wouldn't have voted us in.'' You would not have been elected. At least, he was honest. He was honest in making his statement.

Madam President, last year, the Census Bureau reported the widest rich-poor gap since the Bureau began keeping track in 1947. Business Week magazine suggested that ''If this trend persists, it could tarnish America's image as the land of opportunity.'' In fact, it was a Republican strategist who said, ''This stratifying starts to make us into a different country. It goes to the American notion of fairness.''

And that is exactly why, when Democrats hammered out an economic plan last Congress, we made sure it not only dramatically cut the deficit, but also helped create an environment for strong growth, proven by the interest rates that we were called on to pay and increased by the Fed. We provided resources so all Americans—and I underscore ''all''—could obtain the skills necessary to compete in a global economy. We accomplished those goals amidst the first investment-led recovery with low inflation in 30 years.

Today, Senate Republicans have put forth a budget that also looks to eliminate the deficit. But the similarities, Madam President, stop there. While Democrats sought to put in place an economic plan to further empower the hard-working families of this country and their children, the Republican plan appears to be driven almost entirely by the desire to cut taxes for America's most well off.

Middle-class Americans understand that balancing the budget requires the Henry Clay tactic—compromise, mutual sacrifice, negotiated hurt, as Henry Clay would have said. But while they are being forced to accept the biggest rate hike in Medicare history, those Americans making $300,000 or more are walking off with a $20,000 a year tax cut, low-income Americans are being forced to pay more taxes.

While low-income Americans are being forced to pay more taxes when the earned-income tax credit is slashed, those millionaire Benedict Arnolds spit on the flag, renounce their citizenship in the United States—we tried to prevent it and we could not because the votes on the other side would not let us—so they can get out of paying U.S. taxes. As we say down in western Kentucky, ''Something about that ain't right.''

And while middle-class Americans are being forced to pay thousands more to send their children to college, loophole after loophole remains intact for America's richest.

There is not a single Senator here who supports the status quo—not a single Senator. But on this side of the aisle, we do not want to see America's image as the land of opportunity tarnished. We want a budget that is balanced, not one that sends middle-class Americans home emptyhanded so that the richest Americans can pocket a $20,000 a year goody.

While the 1 percent of Americans are trying to figure out how to spend their extra 20,000 bucks, middle-class Americans are trying to figure out how to care for their elderly, sick parents when Medicare is slashed by over $250 billion. While the 1 percent of Americans are trying to figure out how to spend their extra 20,000 bucks, middle-class Americans will be trying to figure out if their dreams to send their children to college are impossible to obtain. And while the 1 percent of Americans are trying to figure out how to spend their extra 20,000 bucks, those hard-working families struggling to become middle class will try to figure out how to do so now that the earned-income tax credit that they enjoy is slashed and their taxes are raised.

Medicare: What are the cuts really for?

Madam President, there are 585,000 Medicare beneficiaries in my State of Kentucky. I hope many of them will follow this debate, follow it closely, so we can consider the Republican proposal to cut Medicare by $256 billion over the next 7 years. I hope many of them will try to figure out what those cuts are really for. Why are they in this budget? Why $256 billion?

There are $170 billion in proposed tax cuts in this Republican budget, although they have tried to hide them in something called a tax reduction reserve fund. If these tax cuts are anything like we have seen from the House of Representatives, we know that they will primarily benefit well-off Americans with high incomes.

Our colleagues on the other side of the aisle deny that Medicare cuts are being used to offset these tax cuts for upper income Americans. They have suggested that the Medicare trust fund is going broke and that we have a crisis. They have also suggested they do not know what specific steps should be taken to make the trust fund solvent, and that we should set up a commission—a commission—to recommend changes in the Medicare program to make it solvent.

I hope Republicans are prepared to answer the questions the 585,000 Medicare beneficiaries in my State have for them.

First, if we cut Medicare by $256 billion, how much longer will the trust fund be healthy? Answer that. We have yet to hear the answer. If we are truly reacting to a crisis, then what will $256 billion in cuts do to affect the crisis? If the proponents of these $256 billion in cuts do not know the answer, this would appear to be further evidence Medicare cuts are being made to offset tax cuts for upper income Americans.

Second, and more puzzling, if Republicans are cutting Medicare to avoid a crisis in the trust fund, and if Republicans do not know yet what specific steps to take until a commission tells us, then how do they already know the specific amount to cut? If we need a commission to tell us how to make the trust fund solvent, do we not need to add up the changes they recommend before we know the total amount of cuts?

How can we know that $256 billion in cuts are needed to make Medicare programs solvent? It sounds suspicious to me and a lot of Americans. Either Republicans already know what Medicare changes they will make and they will not tell us, or $256 billion is simply the number they needed to offset the tax cuts.

I hope the 585,000 Medicare beneficiaries in my State will hear answers to some of these questions. Madam President, we have a Medicare crisis today and we had an even greater Medicare crisis in 1993 and 1994. The Medicare beneficiaries in my State want to know where the Republicans were then.

In 1993, the Medicare part A trust fund was projected to go broke in 1999, only 6 years out. Let us not forget how tough some of those decisions in the 1993 deficit reduction package were. More than $1 out of every $5 in deficit reduction in 1993 went to shore up Medicare. We cut $56 billion in spending for Medicare over 5 years in the 1993 deficit reduction package. These cuts included $23.3 billion in payments to hospitals, $15.7 billion in payments to doctors, $9.1 billion in payments involving both hospitals and doctors. These were tough cuts, and we did not get a vote from the other side of the aisle to make those cuts.

We also lifted the cap on wages subject to the payroll tax which funds

Medicare part A, and increased the amount of Social Security benefits subject to taxes on those making over $44,000 a year. A tough choice, but we dedicated every penny of increase of revenues to Medicare. They went to Medicare. These were painful changes, hard votes. We made them; they did not.

Consider together they shored up the Medicare Program by more than $100 billion over 5 years, and how many Republican votes did we get to help shore up Medicare? Not one. Zilch. Zero.

In 1993, when Medicare was projected to run out of money by 1999, how many Republicans said, ''There's a Medicare crisis?'' Not one. Zilch. Zero.

In 1994, when health care reform was being considered and Medicare was projected to run out of money by 2001, how many Republicans said there was a crisis in Medicare? None.

In fact, last year, many went out of their way to stress that there was no crisis—no crisis—in health care. More than $1 out of every $6 spent in this country in health care comes from Medicare. In fact, over 40 percent of health care expenditures nationwide comes from the public sector, and this is primarily Medicare and Medicaid.

When the Medicare trustees' report came out earlier this year, it actually extended by 1 year the projections of when the Medicare trust fund would run out of money.

Yet, my Republican colleagues, none of whom recognized the Medicare crisis in 1993 and many of whom denied the existence of any health care crisis last year, seized upon the trustees' report to justify now a crisis, a crisis worthy of $256 billion in Medicare cuts.

I have 585,000 Medicare beneficiaries in my State. They should look behind these numbers. There are a lot of unanswered questions. How do we know from reading the trustees' report that $256 billion in cuts are needed?

Let us take a look at what the report says. Part A pays for inpatient hospital care, skilled nursing facility care, home health care, and hospice care. Most Americans 65 or older are automatically entitled to part A protection. There are over 36 million beneficiaries nationwide, and Medicare part A is financed by the Federal hospital insurance trust fund. According to the trustees' report, at the end of 1995, the part A trust fund will have an all-time record balance of $134 billion, which will grow slightly in 1996. However, the balance will decline, thereafter, to the point where the fund becomes dangerously close to being insolvent by the year 2002.

The trustees also reported on Medicare part B. Part B of Medicare is voluntary. It pays for doctors' services, other medical and health services, like laboratory and outpatient services, and some home health care services not covered by part A. Part B is financed by the supplemental medical insurance trust fund.

According to the trustees' report, this part B trust fund will have a balance of $26 billion in the year 2002, even larger than the balance today and an all-time record. So if there is a trust fund crisis, it is in part A.

Yet, we do not know where the $256 billion in Medicare cuts in the Republican budget will come from. Do our Republican colleagues view a crisis in part B, as well? How will the $256 billion in cuts be allocated among part A and part B?

Madam President, I do not know what we need a commission for, but if we are to have one, this raises even more questions:

What will the instructions to the commission be? Could the Medicare crisis commission recommend tax increases, raising the current payroll tax used to fund part A? If so, are our Republican colleagues saying they will support those tax increases? What if the commission recommends less than $256 billion in Medicare cuts? Will Congress be required to cut $256 billion from Medicare anyway to offset the tax cuts for the very rich and the Benedict Arnolds in the Republican plan? Madam President, how do our Republican colleagues know that $256 billion in Medicare cuts are needed?

They are very precise in this budget. They are very precise. Our Republican colleagues tell us Medicare is in a crisis. They tell us it needs to grow by 7.1 percent per year—not 7 percent, not 8 percent, but 7.1 percent per year.

They tell us we need to cut Medicare exactly $12 billion next year, then $22 billion, then $27 billion, then $36 billion, then $44 billion, then $53 billion and, finally, $62 billion in the year 2002.

These are very precise levels of Medicare cuts year by year, yet we need a commission to tell us what to do about Medicare.

Let me talk a minute, if I have any time left, about education.

The PRESIDING OFFICER. The Senator's time has just expired.

Mr. FORD. I was pretty close to it then, was I not, Madam President? I will have another day and another time, and I want to talk about education and the cuts in that. I hope I will be able to have maybe 10 minutes then just to talk about what the Senator from Pennsylvania was talking about, our children. We want our children to be educated, and if they are not educated, they will never make the middle class.

So I yield the floor, and I thank the Chair for her patience.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi. Under the previous order, the Senator is recognized for 15 minutes.

Mr. LOTT. Madam President, I am very pleased to rise in support of the concurrent resolution on the budget for 1996, and I would like to begin by congratulating the distinguished chairman of the Senate Budget Committee, Senator DOMENICI, of New Mexico, for all the hard work he has done and all of his staff work that has been involved in putting this package together.

It is large, it is complex, and it is a very complete document. Also, I want to commend the Budget Committee members because there were a lot of meetings, a lot of discussion, a lot of give and take. But in the end, we came together, worked together, and produced a budget resolution that, in my opinion, is a very critical document.

It will take the Federal Government to a balanced budget by the year 2002. Frankly, I had my doubts that we would ever bring a budget resolution to the floor of the Senate that would do what we said we would do, and that would be to get us to a balanced budget. But this document does it.

Is it perfect? Probably not. There never will be such a thing. Obviously, I would like to add some additional tax relief for the American people into this budget resolution. But this budget resolution does take us to a balanced budget in the next 7 years.

Let me respond just a little bit to some of the comments we have heard in the last few moments.

First, I think we should emphasize that it does not matter which party presents a balanced-budget plan, as long as it is done. The American people want us to get on with the job of controlling deficit spending and, some day, some day maybe even deal with the debt of this country. They want us to think about the future of our children and the future of our country. They understand that we cannot continue to have this profligate spending forever, without somebody paying the price, and they know that somebody is going to be our children.

Now, we have tried it other ways. I have been in Congress for 22 years. I have seen Republican Presidents, Democrat Presidents, Democrat Congresses, lots of those, and a Republican Congress, finally. Well, both parties have failed in allowing these deficits to go up year after year after year. But it is time for us to bring that to a stop.

(Mr. FRIST assumed the chair.)

Mr. LOTT. The American people do not want the status quo. They want us to get the budget under control. I will say this: This budget resolution shows the fundamental differences between the two parties. Oh, yes, we had a budget resolution in 1993 that not a single Republican voted for that the Democrats passed. Do you know what that budget resolution was? It was little more than monstrous tax increases.

This is a budget resolution that gets us to a balanced budget by cutting spending and by controlling the growth of programs throughout the Government. Surely, that is the preferred way to do it. The American people do not want us to raise taxes on them anymore. They want us to control the growth of Government, control spending—and, by the way, even let them keep a little bit of their hard earned tax money—their money. In Washington, when the people are allowed to keep their money, it is called a tax expenditure. The Government is giving it

away. Well, to the people that is their money that is being taken away by the Government.

One of the things that happened in that 1993 budget that I still have not gotten over—and the distinguished Senator from Kentucky mentioned it a while ago—was that it had a provision that raised taxes on Social Security recipients, and not just the wealthy. At one point, I think it was all the way down to $19,000. We forced it back up to a little higher level. It raised the Social Security earnings threshold on people who are not wealthy, middle-income retirees, and moved the money over into other programs. The explanation was that this would help fund the inadequacies of Medicare.

Well, my colleagues, we all know that Social Security and Medicare are not the same. They are two different programs. When you raise the taxes on Social Security, it ought to go for Social Security if it is taxes are to be raised—and they should not be raised at all. At least the money should not be moved over and put into other programs.

The point was made in the past few minutes here about this terrible rich-poor gap. Well, why has something not been done about it? The party of the Senator who was speaking has been in control of the Senate for all but 6 of the last 40 years. Their party has been in control of the Congress. Obviously, their programs have not worked. They have failed. The rich-poor gap is there, it is bad, and we need to do something about it. But what we have been doing has not worked. It has failed. It is time for change. That is what this budget resolution will help move us toward.

One final thing. Gripe, gripe, gripe. Not this, not that, not mine, not yours, nobody's, do not cut this or that. I have heard everything about this budget resolution. You cannot cut this, you cannot touch that. We do not like your budget. I have been through that Kabuki dance before. We have been guilty on occasion where we have said, ''We are not going to offer our budget resolution; we will just attack yours and offer amendments.'' And we were made fun of by the other side. Sometimes, though—and last year we did it—we were challenged and asked, ''Where is yours?'' Even while in the minority we said, ''Here is what we will do.'' And it was a tough, good budget.

Here is what I have to say now to those that are whining about what is or is not in this: Where is yours? Put it up. Let us see what your approach is. Well, we know. It is just to raise taxes. Well, we tried that and it does not work. It just makes the gap between rich and poor worse.

Now, Mr. President, what I really wanted to address today—except I got so fired up from what I heard from the previous speakers that I got a little off my plan—was why we need to do this resolution, hopefully in a bipartisan way. Why are we making these tough choices? I think it is because we really need to do it. We need to do it for our country, for our economy, and we do need to do it for our children. We have serious problems hanging out there that we cannot ignore.

Now, we have come up with a plan here to balance the budget, without touching Social Security or raising taxes. We limit growth in spending and cut needless Government waste.

We limit growth in spending. I keep emphasizing that. We have found a tough, but fair, course that takes us toward zero deficit. When I go home, people say, ''When are you guys going to get that deficit under control,'' or ''When are you going to do anything about the debt?'' Well, this does it.

If you look at this chart that I have here, spending versus revenues, 1974 through the year 2004, as a percent of gross domestic product, you can see that we have had a chronic problem of what we spend exceeding what we take in. This cannot continue. Yet, it will unless we do something. The gap between what we are taking in and what we are spending is going to continue to grow. Every businessman, every individual, rich, poor, middle class, you cannot live like this—not even the Federal Government. This is the problem and this is what we are trying to address.

We must balance our books. It is that simple. This should be at the top of our agenda, along with returning resources and power back to the States, communities and families, ending useless programs, and fixing those important programs that need fixing.

Now, I know you are going to hear, ''You could have cut some of these programs out in the past.'' Yes, maybe we could have or should have, but we did not. Now we have another chance. This is a time we should come together and make the difference. The problem is overspending that saps our country's strength and harms our families. If we do not stop spending, the problem will get worse. This budget resolution is the way to fix the problem. It will stop the Nation's slide into insolvency and preserve the American dream for us and our children.

We are in the last generation—and maybe this is the last Congress for a while—that can really make the changes we need to make. It has been a generation since this country has had a balanced budget. In the 1960's, deficits averaged about $6 billion a year. In 1969, I think almost by accident, we had a balanced budget. In the 1970's, deficits averaged $38 billion a year. Now, in the 1990's, deficits are averaging $259 billion a year. Again, we have gone from zero balance to hundreds of billions of dollars in the red within a generation.

Why do we have this problem of deficits? What is the Government spending all this money on? It is not defense. We are going to have a tremendous debate on that. ''Cut defense more; that is the solution.'' No, defense has been cut. Defense spending has been halved—cut in half—over the last 30 years and has been going down every year for the last 10 years. Domestic discretionary spending has declined, too. It is not foreign aid. A lot of people think we can cut some of the foreign aid and solve the problem. There is not enough there. We do need to cut back on it even more, but it is a minuscule part of the budget.

The culprit—the culprit—is the Great Society programs—overblown, costly programs and bureaucracies that too long have been resistant to helpful change. These are well-meaning programs. They were at the time, and many of them still are. They are just not well-run. Many have outlived their usefulness and are bloated, inefficient, and they do not serve the people as well as they could or should and, without change, they will destroy our future. It is uncontrolled bureaucracy. I am talking about spending frivolously. These programs, combined with interest rates on the national debt, are a major part of our budget. This part is getting bigger, while everything else is shrinking.

In 1963, entitlements and interest were just 24 percent of the budget. Now they comprise over 56 percent of the budget.

If we do not slow the rate of growth of these programs and interest payments, Great Society spending and interest on the debt will take up 69 percent of the budget by the year 2003. And it gets worse.

Around the year 2011, all Government revenues will be taken up by just five things: Social Security, Medicare, Medicaid, Federal retirement benefits, and interest on the debt. All the revenue would go for just those programs.

That means no money for anything else. Our borders would be unprotected, our children untaught, our roads unrepaired, there would be no school lunches, food stamps, or farm programs. We have to get this under control. Even these five programs I mentioned will be in trouble if we continue to run deficits.

Clearly, we are heading down the wrong road. So we face the possibility if we do not change of only having enough money to pay interest on a huge national debt. We will not have enough money for much of anything else.

This might seem far-fetched. It might seem like we are using scare tactics, and I know we will hear a lot of scare tactics in the next few days. We do not need to make up stories to frighten parents and working people. The facts are scary enough.

We want to get the facts out to show the American people that we must change. The people said they wanted it last year. The President of the United States ran on that, and was elected in 1992—change. Now, we have a chance to really get it.

This budget resolution begins the change. If we look at this next chart, Federal budget deficits, President Clinton's budget versus Republican budget,

we see that the budget resolution I am discussing will get to a balanced budget in 7 years, while the President's budget runs up deficits in the range of $200 billion as far as the eye can see.

Here is President Clinton's budget proposal for the year. It goes out to the year 2001. And here is the budget we are talking about here on a steady decline down to a balanced budget by the year 2002.

Now, the administration paints too rosy a picture. As we see in the next chart, Federal budget deficits, Clinton budget versus Republican budget, the purple line shows the Clinton budget actual, and then here is what he is claiming, and here is what the budget we are talking about here does.

The Congressional Budget Office revealed that the Clinton budget will actually lead to annual deficits of almost $300 billion. This, of course will lead to bankruptcy, and I mean soon.

Now, that is gloom and doom talk, I admit. But deficits do have an effect on our lives today, too, not just in the future. Some people will say, what do they really mean? These billions and billions of dollars seem unreal. Deficits seem like something in Washington that those guys talk about and worry about.

Here is what it does: The Nation's debt hurts personal living standards now. Each American's share of our $4.9 trillion debt is $18,500. That is what it means for each one of the American people. According to the President's budget, this debt will rise by 1999 to $6.4 trillion or $23,700 a person. That is what every American will owe if we go with the President's budgets.

Deficits have lowered family incomes. A Concord Coalition study revealed that if the United States did not have deficits or a large national debt, average family income would be $50,000 instead of $35,000. Let me say that again. If we did not have these big debts, the average American family would be making $50,000 instead of $35,000.

That is what it means to individuals. I am trying to bring this down to numbers that we deal with on an everyday basis, not the big $1 trillion debts. Because we have not controlled spending, each family in this country has lost $15,000 smokes.

Deficits raise interest rates, too, making buying a home or a car more expensive for all Americans. If we balance the budget, the prestigious Wharton School of Economics says interest rates would drop 4 percent. The average homeowner would save $500 per month on their mortgage payments. So we are talking about savings on interest.

Deficits cost Americans jobs. Maybe this is the cruelest part of all. We have lost 3 million jobs due to deficit spending over the last 10 years. Not putting that on either party, it is just a fact.

Most importantly, deficits put a penalty on our children. Our children are another reason and the main reason for reducing this deficits. The National Taxpayers Union found that a child born today will have to pay over $100,000 in extra taxes.

Mr. President, if my time is expiring could I ask for an additional 5 minutes of time?

Mrs. HUTCHISON. Mr. President, I yield 5 minutes to Senator LOTT.

Mr. LOTT. That is $100,000 in extra taxes over the course of his or her life, just to pay the interest on the debt.

Also, every new $200 billion in deficit spending, and President Clinton has that or more every year, in the budget a child has to pay an additional $5,000 in taxes to pay the interest costs. Children would have to pay 90- to 100-percent tax rates to pay this kind of deficit spending.

We cannot do it. It is not right for our children to face these deficits for what we have not done. So, now it is time for us to really do something. What we are talking about is slowing the rate of Federal growth. This is how it really works. We do this, by the way, by 2002, without touching Social Security. We ratchet down the deficit by $30 billion a year by slowing spending to 3 percent overall from 5 percent.

Spending will actually grow 3 percent a year. We just slow it down 2 percentage points. Spending will actually increase $1.9 trillion in the year 2002. I have had people ask me why do we not do it sooner? Why are we waiting so long? Why do we allow all the spending to go up? The point is spending will continue to go up even though we are controlling the rate of growth.

In this budget, we shrink bureaucracy, over 100 departments, programs, and agencies are prudently eliminated. We consolidate, terminate, and improve efficiency, and we do protect our senior citizens by preserving the Social Security COLA and saving Medicare.

I would like to allow senior citizens between 65 and 75, who would like to continue to work if they make under $30,000 a year, without having the earnings test kick in and take part of the money away from them.

This budget returns America to fiscal reality and will bring back prosperity and embolden, I think, the American people.

Let me digress by saying I think that the most egregious fear tactic I have heard employed so far on this was the suggestion that Republicans want to do damage to Medicare. Actually, the reverse is true. We want to preserve and improve and protect it. I have heard speeches on the floor that sound like speeches of a captain on a sinking ship, begging the passengers stay on just a little while longer, saying nothing is going wrong, knowing all the time Medicare has problems we have to deal with. There is a lot of hot rhetoric in this particular area.

Medicare will be bankrupt in 7 years if we do not do something about it. The President's own Medicare board of trustees have said this. And on that board are Cabinet Secretaries Reich, Rubin, and Shalala. The President's own people say that Medicare cannot sustain its spending growth of over 10 percent a year. It is growing at 10 percent a year or more.

The care that senior citizens count on will not be there in 7 years unless we do something. Workers will have higher taxes, providers will be reimbursed less, seniors have to pay higher premiums and they get fewer benefits.

This will happen if we listen to the other side and do nothing. Do nothing. We want to preserve Medicare. What we will do is to call for reforms, and we would slow the growth to 7-percent a year. Still, more than twice the rate of inflation.

So instead of growing at 10 percent a year, through honest reforms that would make the program better, I think, and give some more options to our senior citizens, they would still have a 7-percent growth. And we can save Medicare by doing that.

We have identified the problem. Deficit spending and debt. We know what will happen if we do not change—bigger debts, less prosperity, and national bankruptcy. We have identified a solution. Slowing the spending growth starting with this budget resolution.

It does not matter which party does it as long as we do. We should fix it without so much finger pointing. We should balance our budget. We have a chance to do it. Many people then will be the beneficiaries if we will get away from the status quo.

So, Mr. President, I want to conclude by saying that I urge my colleagues on both sides of the aisle to look seriously at this budget resolution. Let us come together and support it. We have a unique opportunity, one that I have not seen in 20 years or more. If we let this opportunity go by, we will not have another one probably for 10 or 20 years, and the damage will be devastating. This is about our future. It is about our children. I worry about my own mother, 82 years old. She depends on Social Security and Medicare. I care about her. But I worry more about my 27-year-old son and my 24-year-old daughter. Will these programs be there when they need them? If we do not pass this budget resolution, if we do not know what to do, what needs to be done today, then the answer is no. These programs will not be there.

We have this golden opportunity, and we should seize it.

I yield the floor, Mr. President.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, first I want to pay tribute to my good friend from New Mexico, Senator DOMENICI, chairman of the Budget Committee, who has indeed made a monumental effort to bring a balanced budget to the floor of the Senate. I consider Pete DOMENICI a good friend. We seldom vote together, but we banter back and forth in a friendly way. And what he did in bringing this budget to the floor was not easy.

If you ask the American people, ''Do you understand this budgeting process?''—the answer would be no. It is a very arcane procedure. People in the U.S. Senate do not understand it, let alone the 260 million people in America. But if you would also ask the people of America, ''What do you want more than anything else?''—they would say, ''We would like to hear a lot less partisan bickering between Democrats and Republicans. We would like to see those two parties hold hands for a change and provide a final budget.'' That is a nonnegotiable demand by the people of this country, and it is a legitimate demand.

But we have two parties. The reason we have two parties is because we do not agree.

I consider this budget to be a virtual assault on the most vulnerable, exposed people in America. It is an assault on education. It is an assault on working people. And above all, it is an assault on the elderly people who depend on Medicare, and who are terrified. When they hear us continue to talk about it, they wonder: Do they have a future? Is their health care going to be provided for, or is it not?

Before I go any further, Mr. President, I want to also say something to my friend, the junior Senator from Pennsylvania. I have never, in the 20 years I have been in the Senate, heard a Member of the U.S. Senate say, ''Where is Bill?'' ''Where is George?'' ''Where is Ron?'' I consider that to be the exemplification of the growing incivility of the people in this country towards each other, the lack of respect that people have for each other. Nobody could have disagreed with Ronald Reagan more than I did, and I stood right here in this spot. But you never heard me say, ''Where is Ron?'' The President of the United States deserves the respect of everybody. The office and the man who holds it deserve our respect. And, above all, he deserves not to be called in a denigrating way by his first name on the floor of the U.S. Senate.

He has been a good friend of mine for 20 years, and I might occasionally say ''Bill Clinton.''

But it would benefit all of us to show more respect for the Presidency of the United States.

Mr. President, I might also say to the Senator from Pennsylvania, who was saying, ''Where is Bill?''—Where was the Senator from Pennsylvania when he was a Member of the House of Representatives in 1993, when President Clinton was cajoling, begging, pleading with both Houses of Congress to cut the deficit by $500 billion which, incidentally, turned out to be a $600 billion cut? Where was the Senator from Pennsylvania? Where was every single Republican in the House of Representatives and every single Republican in the United States Senate? Well, to coin a phrase, AWOL. You could not find them with a search warrant.

They said, ''You are raising taxes.'' Everybody jumped under their desk on that side. And the Vice President had to come and cast the deciding vote. Every single one of the 44 Republican Senators voted no.

Do you think I enjoyed voting for a tax increase? I did not even enjoy voting for the budget cuts. But had it not been for the courage of President Clinton and the Democrats in this body and the House of Representatives, we would be here not debating a $1 trillion cut between now and the year 2002; we would be debating a $2 trillion cut.

Where were they?

Here we have this draconian budget which, as I say, is an assault on the most vulnerable people in America: Our youngsters who want to be educated, lower-class working people, and the elderly. Even Medicaid. Of the roughly 25 million people in this country who are eligible for Medicaid, 10 million to 12 million of them are blind, disabled, and elderly.

Oh, yes, and the Republicans are lining up the votes to cut those programs. Why? To preserve the Contract With America, in the House, which would cut taxes by $371 billion by the year 2002, and in the Senate bill, $170 billion very carefully set aside for a tax cut for the wealthiest, not for the people we are assaulting, but for the wealthiest in America, those who do not need our help.

We are always hearing what the American people want. Here is a poll by USA Today taken December 20, 1994: ''If Congress is able to cut spending, where should it go?'' Seventy percent say deficit reduction, 3 times more people than say they want a tax cut. It just shows you the American people are not selfish. They want a balanced budget. They would like a tax cut, of course. But given an option between the two they will take a balanced budget every time.

I heard the same arguments in 1981 that I have heard here all day today. In 1981, they said we will balance the budget by cutting spending, cutting taxes, and raising defense spending. And I said about an hour before we voted on that, ''You pass this and you will create deficits big enough to choke a mule.'' And I was wrong. They were big enough to choke an elephant.

Senator BRADLEY of New Jersey, Senator HOLLINGS of South Carolina, and yours truly were 3 of only 11 Senators who voted for the spending cuts and against the tax cuts.

Mr. President, we would be sitting here tonight enjoying not only a surplus but drawing interest on it if 51 people in the Senate had voted that way. The herd instinct was flowing through this body like I have never seen it before. And so what happened? We voted to double defense spending. We voted to cut all other spending. We voted a massive tax cut, most of which again went to the wealthiest people in America. And here is what happened, the deficit exploded.

At the time we debated the 1981 resolution, the deficit was $65 billion. And the Republicans said that if we would just adopt their resolution, in 1983, no later than 1984 or 1985, we will balance the budget.

That was the promise. That was $3.5 trillion of indebtedness ago. The deficit went completely out of sight. And so today we have a $4.6 trillion debt because that siren song was irresistible.

The Democrats have been criticized, and with some legitimacy, for not offering an alternative. We could offer an alternative. It would not pass. It would be defeated. But we have four important amendments. I will make an offer to that side of the aisle. You adopt our four amendments, which will still give us a balanced budget by 2002, and I will vote for your budget resolution. I will vote for that resolution. Put that $170 billion that is very carefully set aside for a tax cut, and put it back in Medicare, Medicaid, student loans, and the earned income tax credit, and I will vote for it. And I will worry about reforming everything else later on. Now, if that is not a fair proposition, I do not know what is.

I heard a Congressman the other day say we are going to give welfare recipients a chance to become productive citizens by cutting them off. You tell me how you make productive citizens out of the 20 percent of the people in this country who are on welfare and who are dysfunctional, unemployable. You think you have a lot of homeless people in Washington, DC, right now? Wait until you pass this budget. Wait until you pass welfare reform as it is being proposed here. It is a death sentence for a lot of people.

These Medicare cuts, what do they do? They fall on the people who are totally dependent on Medicare. They fall on the rural hospitals in my State, which are totally dependent on being at least adequately reimbursed. And they fall, Mr. President, on the doctors who are also going to have to assume a good piece of the hit.

We all know Medicare reform is necessary. Everybody knows Medicare is going to have to face up to reform. But to cut Medicare to make room for tax cuts is absolutely heartless. Look at the capital gains tax cuts that have been passed in the House; 76 percent of the cuts go to people who make over $100,000 a year. Is that what we believe as a people in this country, that 76 percent of a tax cut should go to people who make over $100,000 a year?

Look at this chart. Here is the average tax cut per household by income category. If you make between zero and $30,000 a year in a family of four, you get a whopping $124 a year. That is a pizza every third Friday night. If you make over $200,000 a year, you get a tidy little sum of $11,266. Who here believes that is what America is all about?

Somebody once said that a progressive tax was something Karl Marx dreamed of. Unhappily, they did not

know about Teddy Roosevelt. He was the person who gave us a progressive tax system. You want me to vote for a bill that provides that kind of relief to people who make over $100,000 a year and $124 a year to people who make $30,000 a year and in the process take away the earned income tax credit from them?

I am not going to embarrass anybody by reading quotes, but the last two Republican Presidents and the majority leader of the Senate today have all said the earned income tax credit is the best program ever invented to keep people off welfare.

Do you want to save the Government $21 billion? Raise the minimum wage to $5.15 and you can cut a lot of that investment tax credit out. But this is a tax increase on people who are making $28,000 a year or less, while we give a cushy $11,266 a year to people who make $100,000 a year or more. It is heartless.

Education will take the biggest cut in its history. I would not be standing here, Mr. President, if I had not put in 3 years in World War II and gone to school on the GI bill. My father could not have afforded to send my brother to Harvard Law School, a classmate of the distinguished Senator from Rhode Island, who is standing in the Chamber tonight. He could not have sent me to a prestigious law school where the tuition would have been totally out of the question. So I am a champion of student loans and Pell grants.

The managers of the bill say, well, this does not cut student loans; this does not cut Pell grants. What does it say? You will cut a certain amount of money in these functional areas. And when you analyze that requirement, student loans and Pell grants are the only places you can find that amount of money within a particular functional area. CBO has said if you borrow the maximum of $17,000 for undergraduate studies on student loans, your fees and interest rates will probably cost you an additional $5,000. Mr. President, kids who have borrowed money to go to school are so saddled with debt they cannot breathe. Now we are going to sock another $5,000 on them.

What else does this bill not do? This bill says you may not touch defense. There is $255 billion next year that is off limits. It does not make any difference how much of it is squandered. Every person in the Senate read the lengthy article last week saying that for the past 15 years the Defense Department has spent billions and billions without knowing where it went and cannot until this day be traced—overpaid contractors without knowing what they were paying for. One of the saddest things I ever read in my life. We are not talking about $700 coffee pots and toilet seats. We are talking about checks written that should never have been written, people being overpaid, nobody knows what for.

So what will this budget do? It will cut school lunches. It is going to cut AFDC payments for the poorest of the poor, eliminate the investment tax credit which is an effective tax increase on the lowest income people in America, and there is a firewall around defense. You cannot take a penny. No matter how lousy a weapons system may be, you cannot kill it and put that money into student loans. You cannot put it in school lunches. Of course, if you want to put it in some other weapons system, that is just Jakey.

A House Member last week was quoted as saying he was not going to vote for any more foreign aid. You want to hear applause? Just say you are opposed to foreign aid and you will have people applauding. Most people just think if we eliminated foreign aid and welfare, we could balance the budget. Foreign aid is less than 1 percent of the budget. But the House Member said we give this money to Third World countries and they buy weapons and starve their own people. What are we doing, focusing attention on foreign aid when it is less than 1 percent of the budget?

What else did we not touch in this budget? Why, the space station. The biggest single boondoggle in the history of the world. We have spent over $11 billion on the space station as of this moment, headed for $100 billion—yes, $100 billion—while we cut student loans, student lunches, AFDC, investment income, raise the taxes for people who make $30,000 or less by reducing the earned income credit, and we leave the space station fully intact. The senior Senator from Texas was quoted in the paper the other day as saying, ''Yes, I am going to go for a tax cut. I am going to offer an amendment to cut taxes in the Chamber.''

We have not even begun to cut as much as we need to.

The other day I said to the junior Senator from Texas that I am not going to offer an amendment to kill the Space Station on this bill. But do not get too comfortable, because I am going to offer it later.

Mr. President I ask unanimous consent for an additional 5 minutes.

Mr. EXON. Mr. President, I yield an additional 5 minutes to the Senator from Arkansas.

Mr. CHAFEE. Mr. President, I wonder if the Senator could keep it to a couple of minutes.

Mr. BUMPERS. I say to the Senator, he has not waited nearly as long to take the floor as I did.

Mr. CHAFEE. You go ahead.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. So the space station, which costs $160,000 per job, is safe and secure. It is only the most vulnerable, the elderly, the blind, the disabled, and the children, they are the only ones who bear the brunt of this.

What else was not touched? Why, mining laws. In 1988, I started trying to revise the mining laws of this country to keep the U.S. Government from selling billions of dollars worth of gold for $2.50 an acre and here it is 1995 and they are still selling America's land for $2.50 an acre that has billions of dollars worth of gold and platinum under it. And what do the taxpayers of America get out it? Zip. Not a penny.

Whoever is tuned into C-SPAN in America tonight would not believe that. It is a fact.

The Secretary of the Interior as recently as 6 months ago was forced by the courts to deed $11 billion worth of gold to the Barrick Mining Co. for the princely sum of $9,000. It is not mentioned in this budget. You talk about corporate welfare.

I can remember 3 years ago when the mining companies would say, ''We might be able to afford a 2 or 3 percent net royalty,'' even though to private land owners that they mine on they pay 18 percent. They might find it in their heart to voluntarily pay 2 to 3 percent on Federal lands. That was when gold was $333 an ounce. That was when platinum was $354 an ounce.

And in this day, 1995, gold is $384, $51 an ounce more than it was then. Platinum is $427, almost $75 an ounce more than it was when they said they would pay 2 to 3 percent.

Today, guess what the argument is? They will still go broke if you impose a royalty on them.

Mr. President, that is the worst, egregious form of corporate welfare I have ever seen in my life. And yet I never get more than six Republicans to vote with me to stop the most outrageous practice going on in America.

The people who are assaulted by this budget cannot afford $1,500 for a ticket to Washington, DC fundraisers. Do you know who they depend on because they cannot afford the 1,500 bucks? They depend on me. They depend on you. They expect you to be concerned about them. They expect you to see that they are treated fairly.

Why do we not drop this $170 billion nonsense called the tax cut for the middle class which goes to the wealthiest people of America and keep faith with the people who sent us here to do their business?

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. Under a previous order, a Republican Senator was to be recognized next.

Mr. EXON. Mr. President, I ask for 1 minute.

I just wanted to take a minute's time to compliment the excellent remarks, right on the point, by two of my best friends in the U.S. Senate with whom I have had the opportunity to serve with as a former Governor of Arkansas and a former Governor of the State of Kentucky. Governors, who have been through these difficult decisions of balancing budgets, should be listened to more than they are sometimes.

I just want to say to my friend from Arkansas and my friend from Kentucky, well done, well stated, and I hope that the American people are listening.

I thank you, Senator, and I thank you, Senator FORD, who will be back on the floor in a very short period of time.

I yield the floor.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I yield 3 minutes of my time to the distinguished Senator from Rhode Island, Senator CHAFEE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator from Wyoming for yielding me 3 minutes.

Mr. President, the challenge facing the Senate over the next few days is whether we will be able to muster the courage—there has been a lot of talk about courage out here tonight—but the question is whether we will have the courage to pass a budget resolution that, for the first time in three decades, 30 years, will bring the Federal budget into balance. It is a monumental debate involving the single most important step we can take this year to markedly improve this Nation's future.

We cannot continue on the path we are currently on, which is spending more money than we take in and sending the bill to our children.

Think of it. Of every dollar the Federal Government spends, 13 cents is borrowed. That is what is going on right now in this Nation of ours. Our current deficit, what we are budgeted for this year, is $200 billion more—$200 billion more—spending than we are going to take in. And this debt, this deficit, unless we take dramatic steps, will not stay at $200 billion a year. It will grow to $400 billion a year 10 years from now.

Because of the horrendous $5 trillion debt our Nation has, 15 percent of our budget is solely devoted to paying the interest on the debt. Fifteen percent of all the expenditures, taxes, that are raised in this Nation go to pay the interest on the debt. Not a penny of that for principal, all of this for interest.

Interest currently constitutes the third largest expenditure in our budget. First is Social Security, second is defense, and third is interest on the debt. And that last item, interest on the debt, is going up steeply.

The resolution before us represents a fundamental shift in the manner in which the Federal Government is going to run its finances. Seven years from now, as a result of this budget, if it is adopted, we will end the practice of pushing the cost of today's Federal spending onto the backs of our children and our grandchildren. They are the ones that are going to have to pick up the tab.

I commend the chairman of the Budget Committee, Senator DOMENICI, for what he has done and for his excellent work. This budget does what he said he was going to do. It balances the budget by the year 2002, in 7 years. There is nothing dramatic about steep declines. We have 7 years in order to bring this thing into balance. Senator DOMENICI has done this without resorting to any tricks or gimmicks. The Senate and the whole country owe Senator DOMENICI a deep debt of gratitude.

And I want to congratulate him for standing firm against any tax cuts.

There has been a lot of talk, the Senator from Arkansas was talking about the cuts, tax cuts that we are providing.

In this resolution, there are no tax cuts. This budget provides a mechanism which allows us to consider tax cuts only after we have enacted a viable and enforceable balanced budget.

I personally believe we are in too deep a hole to even think about embarking on any sizable tax cuts. If we do realize an economic benefit that comes from balancing this budget—in other words, there is going to be lower interest rates in the future; if, and most economists agree, this budget is adopted, that will occur—then we ought to use that to pay back our debt. Why use it for a tax cut, in my judgment, of any sizable nature? Instead, use it to reduce the debt.

Mr. President, I support the resolution that is on the floor that the Budget Committee has brought to us. Do I agree with every aspect of it? No, I do not. No one does, but it is very, very good in its totality. I obviously have grave concerns about the level of the Medicaid cuts that might have to occur if we adopt the rules, the duties that are imposed upon the Finance Committee. I am concerned about the cuts in Amtrak, for example.

But for those on the other side of the aisle who criticize what we are doing, come up with a better proposal. Do not just criticize what we are suggesting. Do something better.

When we debated and voted on the constitutional amendment on the balanced budget, they all said: ''We do not need it; the true test of deficit reduction is our resolve. All we need to do is balance the budget if we have the courage.''

Well, this side is showing the courage to do it, Mr. President. Here we are. We are taking these steps that are long overdue, and I am just happy to be part of this effort. I hope when all is said and done that this budget, or something very close to it, will be adopted by this Senate.

I want to thank the distinguished Senator from Wyoming for letting me proceed.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH). The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank my colleague from Rhode Island. At the end of this very first day of debate on the budget resolution, I come to the floor to offer a few observations. I do not think any one of us on either side of the aisle exaggerate when we say that we have the deepest respect for Senator PETE DOMENICI. I have heard my good friends on the other side say just that. We have a great mutual respect for him.

I go on to say that the budget resolution crafted by my respected friend could well turn out, in my mind, to be one of the most historic and important and statesmanlike measures voted on during my 16-year tenure here in the U.S. Senate.

The chairman of the Budget Committee is one remarkable legislator. We here have long known him for his expertise, his integrity, and his dedication to lessening the burden on posterity—our children and grandchildren. So it is a pleasure to see so many here and out in the land giving a long overdue to this man and his work, and he is one of the most hard-working men I have ever met in my time in this place.

So the measure he presents to us would bring the annual deficit of the United States down to zero by the year 2002. People say, why 2002? I answer, because we may never, ever have another chance to do this.

In the future, we could see a war, God spare us, or a recession, and then the retirement of the baby boom generation. That is where the hit comes, the identifiable hit. If we cannot balance the books during this fleeting window of opportunity, I feel very deeply that it will never be done again. We would simply be consigning our children—''kids'' is the phrase used here all day, those kids everybody is always talking about on the other side and our side all day long, the kids—the kids will receive nothing. We will not have to worry about cuts. There will not be anything. We will be consigning those kids to mounting deficits, crushing interest rates, and payments of fiscatory tax rates, payroll taxes. You talk about balancing something on the backs of someone, their backs will break from the tax load that comes if we cannot get this done.

Earlier this year, we voted on a balanced budget amendment, a very exciting debate, vigorous, spirited. Over and over in this Chamber, I heard the opponents of that amendment say, some in high-pitched endeavor, that we did not need an amendment to the Constitution of the United States; all we need is some political courage, some guts to do the job. Oh, magnificent speeches, they ring in my head.

And guess what? Now it is time to do the job, and now we shall see who has the political courage. Oh, indeed, we shall. I cannot wait for the debate.

I am very proud that the majority party in this body is coming forward and proposing a solution to this growing crisis. If you want a good definition of business as usual in Washington, DC, I would say it was the practice of assuming that the public will punish us if we did what was right and then pulling our punches accordingly.

The strategy on the other side seems to be to assume that business as usual will still prevail, to sit on the sidelines, chuckle, do high-fives, and criticize and whoop it up and hope, and, more

importantly, pray that our earnest effort to solve this problem will be punished by a furious and angry electorate.

That is a depressing and cynical view of the American citizenry, I believe, and I, for one, do not ascribe to it. We Republicans are, indeed, making a historic gamble. We are betting that if we do what is right, unheard of in itself in this city, if we, indeed, move toward a balanced budget, that the shrieking, and wailing and howling of the various special interests will be drowned out by the chorus of praise—yes, praise—from the vast majority of at least thoughtful Americans who are sick and tired of seeing the burdens of debt pile higher and higher and higher on them and on their children.

And who did it? We did it; we in Congress did it. Do not blame it on Ronald Reagan. Do not blame it on George Bush. Do not blame it on Jimmy Carter. Do not blame it on Bill Clinton. Blame it on us. We have performed superbly for the last 50 years. We have acted like pack horses in dragging the money back to our districts and preening our feathers to tell our constituents: ''What did you want? We heard you and we went and got it for you, even though now it is 5 trillion bucks worth of debt.''

Columnist George Will, a very bright and articulate man, made a rather telling observation, I think it was Sunday before last, on a national television performance. He noted there seems to be a key in the word processors in the Democratic offices on the Hill that automatically types: ''We will not balance the budget on the backs of,'' and then you just leave the blank. ''We will not balance the budget on the backs of,'' and then you fill in the blank: Senior citizens, the children, veterans, farmers, teachers, welfare recipients, ''Masterpiece Theater.'' You name it, if it is affected by serious deficit reduction, and every form of spending must be, then the Democratic Party will oppose it. Guess what, folks; that is exactly why we have $5 trillion in debt.

I am one who is going to balance the budget to get the debt off the backs of the children and the grandchildren. Curious adventure. I think that is what we should do when we are talking about what is on or off the backs. The debt will crush them. Washington must really be the last place in the world where it is realized if you want to get out of debt, you simply can keep spending more and more and more. Washington is also the only town in the world where you cut spending and it gets bigger.

I come from Wyoming. We must simply use a different language out there. We call it English. In that language, a reduction means something gets smaller, not bigger. So anyone who is watching this debate needs to remember that when we are attacked for savage cuts, we are indeed talking about increases in spending only. Only increases, however, that are not as big and as demanding of your hard-earned money as those or some of those in the other party would like.

Earlier today, I saw a chart brought out by the Senator from Massachusetts, my old friend, Senator TED KENNEDY. He and I do a little facing off every day. We do not get paid for that. It is purely a nonprofit activity. We do not agree on all things, but I enjoy him very much. He brought out a chart—a powerful chart—that said ''working families pay for tax cuts for the wealthy''—a sinister preparation. Very interesting, and especially so, since there are no tax cuts in this budget resolution submitted by our colleague. There is not a tax cut in a car load, nowhere. The President, however, still wants $63 billion in tax cuts, and we do not hear too much about that.

So all that we have done is said that if we succeed in balancing the budget, and if this produces a dividend perhaps in the form of declining interest rates, then that money should go to the taxpayers and not for us to spend.

Now, I have personally come out very strongly to say ''no tax cuts'' until the budget is balanced. But I find it extremely odd that Democratic detractors believe that tax cuts are irresponsible even if the budget remains balanced. That is the most curious view of budgetary responsibility that I know. But it is historically so with some of them. But here are the facts about the budget before us. With this budget, we achieve a balanced budget by the year 2002. In which category in this budget does spending grow the fastest? In Medicare. In the budget Senator DOMENICI is presenting to this Senate, the largest growing item of spending in this budget is Medicare; 7.1 percent per year, going from $178 to $283 billion. No other program in the entire budget is dealt with more generously than Medicare.

It is astonishing that even this huge rate of growth is greeted as ''not enough'' by the detractors. This is a measure of how serious and debilitating the addiction to spending has become. Under this budget, we are the toughest on the appropriated spending matters. Shrinking it not just relative to inflation, but shrinking it outright—$548 billion in 1995 and $518 billion by 2002. This is the kind of budget discipline that America seems to have been crying for.

On the other hand, huge increases could still occur and will still occur in Social Security—$334 billion in Social Security going to $480 billion; and in Medicare, $178 to $283 billion. And in Medicaid, from $89 to $125 billion, and all other mandatory spending which includes Federal retirement, welfare, agricultural subsidies, and all the rest grows, continually grows from $146 to $197 billion. And remember, we all took Social Security off the table. I did not. The Senator who is standing across in the Chamber did not either. The two of us have presented to the American public seven bills to bring solvency to the Social Security system, and we will present that and we will have hearings on that, and we will proceed with that. It is very difficult to do what we really have to do, and it would be so much simpler. Yet, we did it out of political terrorism, that we not touch the item of the budget which is $383 billion a year revenue. I am going to leave the details of that. I do not know what my colleague from Nebraska is going to say. But I can tell you this: Senator BOB KERREY is a very courageous person, and he has faced up to these problems before by being chairman of the Entitlements Commission, the bipartisan Entitlements Commission. That is why it is a great privilege and an honor for me to join him in a bipartisan approach to bring some eventual sanity to a system which goes into terminal decline in the year 2013 and then goes bankrupt in the year 2031, and that is the Social Security system. I do not want my remarks on that tied with this budget resolution or any part of it. Sever that. But I, as a Member of the Senate, will be proceeding to do something about that system.

So we cannot do better than to repeat this over and over and over again. The rapid detractors succeed in portraying these as cuts. If the American public really swallows that, maybe the detractors are right. Maybe then the public deserves exactly what it gets—permanent deficits and poverty for our descendants, all out of political terrorism, or, as my old friend Gary Hart used to say, ''mow-mow politics.''

I join Senator DOMENICI and the distinguished majority leader, BOB DOLE, in thinking better of the American public. I believe that though the special interests will cry out, the keening wail will sound like wolves in the Yellowstone with a full Moon—the keening wail of the special interests. But I think the vast majority of Americans want this job done and now—or at least for us to start. They want everyone who is benefiting from Federal largess to take a hit. It will not be easy, and there will undoubtedly be sacrifices that will be called for from every sector of society. I also believe they have grown tired of Washington telling them that no sacrifices are necessary. We do not have to touch senior citizens or the children or anyone else to get this job done. When you take that approach, spending never slows. Always up.

(Mrs. HUTCHISON assumed the chair.)

Mr. SIMPSON. It is incredible to me that our President and some on the other side of the aisle have chosen to ignore all responsibility in this challenge. AWOL—absent without leadership.

I certainly do not intend to include some others on the other side of the aisle. As I have mentioned, Senator KERREY has faced these problems alone and in an election year before. That takes real guts. But it astounds me, and I am sure my colleague, that given

everything we know with absolute certainty through the work of this commission and from the trustees of Social Security telling us about these things and the future of Federal spending, that the President would submit a budget that makes not even the slightest attempt to approach or deal with the problem, or to accept one word of the recommendations of the commission that he appointed, and then drop all reference to generational struggles that are coming in this country in the years very soon ahead.

Earlier this week, the President announced plans to veto a rescissions package of $16 billion. That is less than 1 percent of the budget, and it was too much for the President to end. How in the world are we going to make the tough decisions on entitlements and other sensitive spending if we cannot even cut 1 percent of the budget?

That rescissions package contained various unauthorized appropriations, various GSA construction projects—true pork—and we all played that one. Certainly, there must have been spending in there the President favored, but I find it impossible to believe that this spending is so important that he would delete even the headway we would make on 1 percent of the budget.

It is a terribly strange way to take a stand, to defend every last bit, even that last 1 percent of pork-ridden discretionary spending. And we were all in that one. But that is not my idea of leadership.

There are many examples of what have been presented and what will happen. Let me tell you one exaggerated one, and I am going to wind up. Others are here, too. I was thinking how someone maybe in this administration might have conducted themselves in a cabinet meeting or something at various previous periods in our history—perhaps if in office at the time of the secession of the Southern States in 1861, can almost hear advisors turning to the President and saying, ''Now, Americans might get upset if we ask for sacrifices, so better let the Congress institute a military draft and then we will criticize them for it because that would be better politically.'' That is obviously a little exaggerated example, to be sure, but I think some appropriateness there.

This is a historic tune for this President to be the President who led the Nation out of debt and on the path of responsibility and solvency, again. He has a Congress also, even eager to do the job, but the best he can do is to hope that there will be a political cost, a deep political cost associated with the effort.

Let me say to the detractors, there is still the opportunity to contribute to this effort and to be part of the solution instead of part of the problem. I have heard criticism from some Democrats that this budget does not really balance the budget by 2002 because it only balances the unified budget, the one that includes Social Security.

Very well, then. Democrats wish to offer an alternative budget, balances the budget without counting Social Security, I would consider giving my support to that. While we have yet to see such a budget presented, criticism from the other side is about several million cubic feet of hot air.

We Republicans took a lot of guff last session because we did not vote for the President's budget. Of course, events since then have vindicated Republicans because the President's own budget forecast $200 billion deficits as far as the eye can see. Clearly, that budget did not do the job, just as we said it would not.

At least at the time we proposed our own alternative budget to do the same job, that alternative reflected our differences with the President. We would have done it via spending cuts instead of tax increases but we did present an alternative.

Those of the other faith appear to have forgotten that. They have no alternative to offer that does the job as thoroughly as our own budget. The President's budget does not even try. It just allows deficits to climb and the debt to pile up ad infinitum.

I do not believe that that is good politics for the minority party. But do not take that advice from me. Undoubtedly, there will be political opposition to the measures we have to take to balance the budget, but once we do, I think Americans will see, once we do it they will see that the benefits will be coming to them. Declining interest rates, they will see the benefits of restored confidence in the market, in the investment in our economy, in the dollar itself. They will come to congratulate Members for the work we have done.

Perhaps even more importantly, we will then have a fighting chance to deal with the retirement of the baby boom generation when it does begin. There is absolutely no way we will be ready for that if we are still running the deficits in the hundreds of billions that those on the other side seem to advocate.

So we have a moral obligation to pass a form of this balanced budget this week. Future generations will not look kindly on Members if they fail. We should reach together on reaching a consensus on the best form of a balanced budget resolution. I pledge to do that.

I know my colleague from Illinois is here on the floor. I am yielding the floor in just a moment, but will say that I thoroughly enjoyed working with her, Senator CAROL MOSELEY-BRAUN, on the Entitlements Commission. It was a great eye opener for all Members.

I wish, in many ways, I had not been on it because it reminded me of that old movie, ''The Man Who Knew Too Much,'' because we learned too much. We learned where we are headed. Had a lot of good people from both sides of the aisle helping. If we can get through this necessary political posturing, which I am doing a good bit of myself, and we all have to do this. This is very therapeutic. Then we will settle down and get something, because we all know what the stakes are, and we all know what the numbers are.

That has never happened before. It has happened because the Entitlements Commission and the great work of Senator KERREY and Senator DANFORTH. It has happened because the Social Security trustees have said exactly what is going to happen to the systems of Medicare, which will go broke. That is not something that floated in from the west coast. That is the Social Security trustees saying it. The Social Security trustees are Donna Shalala, Robert Rubin, Robert Reich, the Commissioner, and Democrat and Republican citizens of America saying it will go broke.

In the year 2016, the disability insurance fund will go broke. In 2031, the Social Security system will go broke. That doomsday date used to be 2063. It is now 2031. It moves up 3 to 5 years every year.

There it is. Fun and games all we want. I am ready to play it. I love it. So does the senior Senator from Nebraska who came here with me, and in who there is no more spirited and engaging men than Senator JIM EXON, and the Senator in the chair, and the Senator from New Hampshire.

We will do this, and then we should sit down after the shot and the shell and the smoke, because there is no smoke and mirrors in this budget. Everyone who has been here as long as I, 16 years, 10 years, 15 years, now know, no smoke, no mirrors. All hard tough votes. I cannot wait for the debate. We never needed a balanced budget amendment. Just need to cast those tough votes.

Well, hop in and get wet all over.

Mr. SMITH. Madam President, I thank the Chair.

(The remarks of Mr. SMITH pertaining to the introduction of S.J. Res. 34 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH). Under the previous order, the Senator from Nebraska is recognized to speak for up to 15 minutes.

Mr. KERREY. I thank the Chair.

Mr. President, first of all, let me begin this by saying that I believe that the Senator from New Mexico, Senator DOMENICI, chairman of the Budget Committee, has made a good-faith effort to produce a budget resolution that frankly few predicted was likely to occur. It reduces the deficit over the next seven years by $961 billion, reduces spending, and at the end of that 7-year period, if you exclude Social Security, you have a balanced budget.

It results in a significantly smaller Government. It gives us the potential of having lower taxes as well. I must say, Mr. President, again, I believe this is a solid and a good-faith effort. I regret, as I have listened to the debate

today, that it has been considerably less than the sort of civil debate that I would have thought was possible given some discussions that are going on right now between a number of us on the Democratic side that would like to participate in supporting this budget resolution.

And I say that because what has happened is the dynamic has really changed. We are engaged in looking at an alternative that we I hope can get consideration to, I suspect sometime next week by the time it is all done. And we begin with somewhere in the neighborhood of $700 billion of cuts over a 7-year period. That is a substantial shift. The President's budget, as has been commented on several times, contains no significant deficit reduction. Suddenly, you have under the leadership of the distinguished Senator from New Mexico and the distinguished Senator from Nebraska, the ranking Democrat on the Budget Committee, a big shift in the Senate and I think large numbers, well in excess of 60, who would vote for a budget resolution that got us to a point 7 years from now where the deficit would be zero.

I have come here this evening to identify a couple of problems, and I hope I identify the problems in a constructive fashion because, as I said, I would like very much and hope very much that the Republican chairman and Republican leadership will favorably view, as I said, a significant number of us who would like to participate in voting for a resolution that does approximately what the distinguished Senator from New Mexico is attempting to accomplish.

Let me say for those who doubt the power of deficit reduction, the most impressive number in all of the 7-year forecast is that net interest stays the same. Net interest has been the most rapidly growing line in our entire budget, and under the budget resolution before us net interest would flatten out. As an expenditure, Mr. President, it certainly benefits bond holders, but it does not benefit American taxpayers at all. It is a payment that goes out, that buys us nothing other than the capacity to service these bonds. It is the most impressive number and one that I think we should pay attention to as we look to try to develop some alternatives.

I begin in describing some concerns that I have about this sort of evaluating its impact upon me. Earlier today, I heard the distinguished senior Senator from Iowa talking about the fact that this budget resolution freezes congressional salary over, I believe, a 7-year life of the budget. I am impressed that that is in this budget resolution, but, Mr. President, I do not really feel for someone in the $136,000 or whatever it is plus salary that is a comparable shared sacrifice. I am not one who comes to this floor and says that the problem in America is that rich people are somehow manipulating and abusing poor Americans.

I do not believe that at all. But I do believe if we are going to have $1 trillion worth of deficit reduction over a 7-year period, it should be shared sacrifice, and it is reasonable to look at some alternatives, whether it is capping the deductions at 28 percent, which the Entitlement Commission recommended would get $80 billion or $90 billion over a 7-year period, or have me and others with incomes over $100,000 having to pay a little bit as a consequence. Some would come up and say, oh, gee, that is a big tax increase. I do not view it that way at all. It is just an attempt to say we ought to pay a little bit in order to get this thing to go away.

It is not, Mr. President, just because there is a need for shared sacrifice, at least from my standpoint. It is also a consequence of coming and saying I am a little bit troubled, looking at some of the things that we are asking Americans to do because it seems to me, at least from my standpoint, I as one individual American am saying, well, gosh, now that I have mine, I want everybody else to do things that I did not have to do when I was in trouble or needed help. I have perhaps more than most kind of a schizophrenic attitude toward government. I have had it save my life. I have had it save my business. I have had it almost take my life and almost take my business. It can do both, Mr. President, but I have to say in the main, if I look at the 51 years of my lifetime the Government of the United States of America, though it can be a menace from time to time, has enable me to do an enormous amount.

Yes, individual initiative is important and my family has been important and my friends have been important, but there are many key points along my lifetime, Mr. President, where I have been given a great deal of help and I have been given opportunity in education, been given opportunity in health care, been given opportunity in my own business, and I cannot in good conscience come to the floor and say that as a consequence of my own experience I feel that I am participating very much in the shared sacrifice needed, that we are all conscious of what is needed in order to get this deficit eliminated.

So I begin with that, Mr. President. I hope again that the Republican leadership and the distinguished chairman of the Budget Committee will look to those of us who intend, if we can, to reach agreement, which is not easy to do. If we get an alternative, I hope it is given good, solid consideration. I hope the chairman of the Budget Committee will say that this is a big victory; we started off the year, nobody believing we could get much in the way of deficit reduction, Democrats really not very enthusiastic about it, according to at least what you would read, and now all of a sudden we have Democrats moving a long ways in our direction willing to accept—I think we will end up with close to $700 billion over 7 years in real cuts, asking only that we look to ways for all of us to share a little bit in this thing over the course of the budget.

There is a second problem, Mr. President. I do not know if it can be done in this budget resolution. I recognize the constraints of the Budget Committee and the Budget Enforcement Act really does not perhaps allow the Budget Committee to deal with these issues and maybe it has to be dealt with later on in the year. Earlier, the senior Senator from Wyoming [Mr. SIMPSON] commented upon it. But the Entitlement Commission—and I have heard a number of people talk about it—has identified what I think is a serious problem.

I am actually borrowing a chart from Senator BENNETT, the Senator from Utah, who had this chart up. But this really does describe the problem that the Entitlement Commission identified which is that mandatory spending and net interest are growing so rapidly that sometime around the year 2012, something like that, it is consuming all revenue that the Government of the United States is taking in. That revenue has stayed relatively flat. It is about the only thing that has stayed constant. We have collected about 19 percent of the GDP except in World War II and Vietnam; during those times it went higher. Most of the time it stayed about 19 percent. And unless we change that pattern of growth what happens is domestic discretionary continues to get squeezed down.

I appreciate the fact that Social Security was not addressed or retirement not really addressed in this budget resolution. I think it needs to be, not because there is a short-term budget problem. I am not arguing that we ought to look at retirement because it contributes to deficit reduction in the short term. But it unquestionably contributes to deficit reduction in the long term.

That is the problem we have. Some may say, gee, that will be good news, if we can get rid of all Government functions and turn the Federal Government into an ATM machine. I do not think that is good news. I believe not just in defense but as I hope I indicated earlier all of those things that have helped me have been in the domestic discretionary account. Everything I have received from the Government has come from domestic discretionary, unless you count the U.S. Navy, which was an enormous benefit to me as well. I leave out the world's largest and most powerful Navy. That was a wonderful experience, too.

All of the rest I have benefited from have come from this domestic account. I am troubled by the budget resolution because it allows that mandatory account to continue to grow. It slows it down somewhat, but the mandatory accounts continue to grow and continue to take larger and larger percentages of domestic discretionary. It must be understood the budget resolution improves the current trend, makes it somewhat better, but I do not believe—

and I must say honestly I have not extended it out beyond the 7 years, so I do not know exactly what it looks like out there 10, 15, 20, 30 years from now but looking at the 1996 and 2002 trend line, that appears to be the case. For emphasis, the one big change that has occurred is that net interest has flattened out, and that is a huge benefit to us.

So to solve this problem of mandatory spending, we have to look at the long-term situation, not the short term.

That is why I say it maybe that the Budget Committee, in looking at a budget resolution that deals with a 7-year period of time, may not have been able to address this mandatory problem.

Senator SIMPSON and I today introduced a piece of legislation that would complement the Budget Committees work. Maybe it cannot be considered as a part of this resolution, but it certainly, I hope, gets consideration. And I suspect, whether it is 54 Republican votes or whether the Republicans accept the alternative and we end up with Republican and Democratic votes, I do not know, one way or the other, we are going to get a resolution that requires committees to do a lot of reconciliation.

There are two things that I hope get considered. The first is one that Senator SIMPSON and I introduced today. What we say with Social Security, again, is that we have a long-term problem. The Social Security trust fund builds to 2012, then it goes down to about 2029 when it is completely depleted.

You may say, what is the big deal? Well, the big deal is our generation, the baby boomer generation, starts to retire around 2008, the largest generation in the history of the country, reducing the number of workers per retiree from about five down to about three. And we have big problems out there. The adjustments we would have to make are rather substantial if we postpone it, unlike what would have happened in 1983.

What Senator SIMPSON and I do is we change, for the most part, future benefits. We make some adjustments to CPI minus 5. I think the budget resolution is CPI minus 2. In the House resolution, we adjust it by .6 on the House side. We make the COLA more progressive with the cap reduction. We do some other things in our proposal that are short term. But most of them, including the extension of the normal eligibility age and the early eligibility age, most of those are pushed off into approximately the year 2030.

Those changes strengthen Social Security, Mr. President, because what it does, it says to all generations, every living American—every living American is a Social Security beneficiary at some time; they may not be eligible today, but they will be at some time.

So you have a 20-year-old and they look at the current situation. They scratch their head and say, ''Gee, I don't think there is going to be anything there for me.'' Under the legislation Senator SIMPSON and I introduced today, they would look at the thing and say, ''There will be something there for me,'' because we bring the Social Security balance up to 350 percent of the annual payment and stabilize it there for 75 years. So every generation, every American would say, ''OK, we now know that Social Security is going to be there for us.''

The second thing that we do—and it has a big impact, I think, on this whole debate. One of the things we very often forget is that the deficit reduction action, one of the most powerful things about it is that it increases national savings. Deficit financing is an act of dissavings. Deficit reduction is an act of savings.

It is a fair argument to make that the distribution of it may not be terribly equitable. That is one of the reasons I am concerned about, as I said, what I am having to pay in this budget resolution and what I am required to contribute, because there is great inequity when you do deficit reduction. It does not necessarily benefit all Americans equally. You have to understand that.

If I own stocks and bonds, the deficit reduction looks pretty good to me. But if you do not own stocks and bonds, you may say, ''Gosh, in the sort short term, there is not a lot of good there for me.''

The second part of the Social Security proposal that we made today would also increase national savings, as does the Deficit Reduction Act, by establishing a 2-percent account for all Americans. It reduces the employee payroll tax by 2 percent, a $40 billion a year tax cut, Mr. President. But not just a tax cut, a tax cut with the purpose of establishing for all 137 million American workers a real personal investment plan, similar to what we have in the thrift savings plan for Federal employees. It would increase saving over a 9-year period in excess of $1 trillion, matching this deficit reduction.

This Deficit Reduction Act increases savings by almost $1 trillion over 7 years. Our proposal would add another trillion to that, but not just add a trillion, it would add a trillion in savings spread across 100 million American households.

So the next thing that must be done, in addition to addressing retirement, if you want to control the cost of mandatory spending, if you are not troubled by the fact that we are squeezing domestic discretionary—Mr. President, I ask unanimous consent to speak for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. The next thing you have got to do—and this gets, I know, right back into last year's argument—you have to reform health care.

Now the budget resolution addresses Medicare and attempts to begin the process of health care reform but, Mr. President, I do not believe it does enough. In particular, it does not get at that long-term structural problem that will continue to plague us even if we were to bite the—I would not call it a bullet. I would call it more of a howitzer round of this budget reduction. But even if you bite this howitzer round, you are still going to be left with pretty substantial increases in health care costs when the baby boomers retire. So there is still going to be a need for us, if you want to control the cost of entitlements and stop this rapid increase, there is still going to be a need to get at health care reform and do more than this budget resolution would allow.

Again, I hope very much that it is possible for those of us on the Democratic side that would like to vote for a budget resolution to get full consideration by Republicans to have shifted the argument of full consideration to two facts. One, we are not really sharing the burden. It really is not an equitable sharing of the burden.

All you have to do is ask yourself, as a Member of Congress at $136,500, or whatever the number is, ''Gee, what is it going to do to me over the next 7 years?'' The only thing you can really say is it has frozen your salary for 7 years. And I do not think you would really get an audience out there paying more for Medicare, getting less for Medicaid, having college loan restrictions, and many other things going in this budget, I do not think you will get a lot of sympathy from Americans saying, ''That's right. You guys have really put your shoulder to the wheel here and shared the burden of sacrifice.''

That is No. 1. I think that there are ways for us to make it much more equitable, much more fair, if you do not mind using that word.

And, second, Mr. President, I believe whether we do it in this budget resolution or we do it after the budget resolution, we still have a problem of mandating spending. We still have a problem of mandating spending, that if you do not want to convert the Federal Government into an ATM machine, you have to address retirement and you have to address health care and you have to do more than just reduce the size of the deficit and increase national savings, as a consequence.

Mr. President, as I indicated, I watched the early part of this debate and it seemed to me to be going in the wrong direction. It was very uncivil and very partisan and very unfortunate. I do not mean that about the distinguished Senator from New Mexico or the distinguished Senator from Nebraska. I thought their opening comments were, you know, quite calm and quite reasoned. But it deteriorated in a hurry into accusations from that side of the aisle, from some who say, ''Gee, you Democrats don't want to do anything.''

Not true. There are a lot of us who are willing to do an awful lot.

And I heard on this side, as well, some accusations that Republicans are heartless and they are trying to cut the heart out of the American family, on and on and on. I think, in fact, our rhetoric was in excess as well.

I do not know, Mr. President, if we are going to be able to reach a point where we have a Republican and a Democratic resolution here. I sincerely hope that we are able to do it, because I will predict to my Republican friends on the other side of the aisle, once we get to the tough task of reconciling these numbers, you are going to say, ''Oh, my gosh, will you guys help us? Will you stand with us and lead this country in the right direction?''

Because it will not just be a vote, Mr. President. We have got a lot of leadership to exert if we are going to take this country in a different direction than the one that it is currently headed.

So, again, I thank both the Senator from New Mexico and the Senator from Nebraska, who I think have made a good-faith effort. Both of them I know are deeply troubled by the deficit financing this country is doing. I sincerely hope that between now and Wednesday or whenever it is that we vote on final passage that we are able to reconcile the obvious differences that we have between our two parties and put together a bipartisan budget resolution.

Mr. President, I yield the floor.

Mr. FRIST addressed the Chair.

The PRESIDING OFFICER (Mr. JEFFORDS). Who yields time?

Mrs. HUTCHISON. I yield 5 minutes to Senator FRIST.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. FRIST. Mr. President, my message is a brief one. If we are to restore the American dream, we must change the way Washington does business, and we can change the way Washington does business by passing the first balanced budget plan in almost 30 years.

The plan has been laid out over the course of today, and it is before us here. This chart shows Federal budget deficits by year—1995, 1996, out to the year 2002. In red is the Clinton budget, approximately $200 billion in 1995, increasing every year to the year 2000 to over $250 billion. Yet we have a choice, and that choice is the Domenici balanced budget plan put before us today. That balanced budget plan results in a decrease in the deficit every year, 1995 to 1996, 1997, down to the year 2002, where the budget will be balanced; we will have zero deficit.

We heard a lot about children today. Mr. President, I want to talk just a minute about why the Republican budget, the Domenici balanced budget, is the most compassionate thing we can do for our Nation's children. It is the most morally responsible thing that we can do for our Nation's children.

Today, we are asking impossible things of our children. I am the father of three young boys, Harrison, 12; Jonathan, 9; and Bryan, 8. Many people—even today—ask me why would you run for the U.S. Senate? And my answer is very clearly, I ran to now serve in the U.S. Senate because I was concerned about the future of their generation, a future in jeopardy because of the projected Clinton budget deficits to increase year after year.

But today, we have a choice. We expect today's young people to finance Federal deficits of staggering proportions. A young child born today is born into this world and given a bill of $19,000, a bill that he or she did not ask for. We give that young child—and it could be your child or my child or a grandchild or a neighbor's child—we give that child a lifetime tax rate today, unless we act, of 82 percent. We give that child today an obligation to pay over $187,000 in taxes over that young child's lifetime just to pay interest on the Federal debt, and that child did not ask for this Federal debt. We have given it to him or her.

At 7 years of age, when that child would start elementary school, Medicare is going to be bankrupt unless we act, and act today. When that young child is 17 years of age, when he or she graduates from high school, spending on Medicare, Social Security, Medicaid, Federal and military pensions, and interest on the debt will consume the entire budget, leaving no money for defense, education, roads, or any other purpose.

We are asking that young child today to pay for a health care system in the future whose projected costs are running out of control. But the Domenici balanced budget plan will reverse that trend. We are trying hard to stop the repeating and ongoing flow of Government red ink, and like a family gathered around the kitchen table, Republicans have made difficult choices needed to protect our future.

Mr. President, this budget plan will benefit our children by building a more prosperous tomorrow, a tomorrow of greater opportunity. The Congressional Budget Office reports that each percentage point of growth will result in 600,000 new jobs, and that same budget office has said that balancing the budget will result in additional growth of 2 to 3 percent a year. This means greater opportunity for our children, greater possibilities. They will be able to find better jobs and they will be able to work, and someday they will be able to support their own children.

Lower interest rates will help them in everything that they do. The CBO has told us that interest rates will come down by as much as 2 percent, and this means that they will have to pay less to buy their first home. It will cost them less to finance their cars, to finance their education, to be able to start—even start—their own small businesses if they want to. Lower interest rates will have a ripple effect throughout their lives.

Mr. President, the Concord Coalition has told us that the average family income would be not $35,000 but $50,000 if that family was not burdened by the massive Federal debt.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. FRIST. I ask unanimous consent for an additional 3 minutes.

The PRESIDING OFFICER. Is time yielded?

Mrs. HUTCHISON. Yes, I yield an additional 3 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator is recognized.

Mr. FRIST. The GAO predicts that if we balance the budget by the year 2002, the average American will have a real growth in income of 36 percent by the year 2020.

Mr. President, the best thing we can do for our children is to increase productivity. That will bring higher incomes. The American dream is fading for the generation of my young sons unless we act. During their lifetime, incomes for our young people, those under 24, have fallen by more than 15 percent. A balanced budget will reverse those trends. It will restore the American dream.

So I close by saying that we, indeed, have a moral obligation to do this for our children. We must leave them a world of expanding opportunities, a world where they can achieve their American dreams. Enacting the Republican balanced budget proposal is the responsible thing to do. Now is the time to do it.

Thank you, Mr. President.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. I yield whatever time is needed to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. Mr. President, thank you very much. I thank the Senator from Nebraska.

Mr. President, according to some of my colleagues, this debate is about whether this Congress should set out a framework for balancing the budget over the next 7 years. They argue with great fervor that the choice before the Senate is a choice between a budget submitted by the President of the United States that does not balance the budget anytime in the foreseeable future, or the resolution now before us. That, however, is a false choice. The real issue is not whether to begin the task of restoring fiscal discipline. The real issue is how. The real issue is whether this budget resolution, in its current form, is a blueprint that this country can and should follow.

The first step toward answering that question involves asking another; is it fair? Unfortunately, the answer to that question is no.

This resolution is not fair to the working poor. American families with incomes of under $28,000 would see an

effective increase in their taxes of $1,400 over the next 7 years under the changes in the earned income tax credit [EITC] this resolution proposes.

It is not fair to seniors. It will likely cost retired Americans about $900 per year in higher premiums, copayments, and deductibles—$3,200 over 7 years. For a senior couple, that totals an extra $6,400 in out-of-pocket costs. And yet, there is nothing in the resolution that will do anything about the inflation in medical costs that is one of the principle factors driving the increases in Medicare spending.

It is not fair to students. Four million college students could see their costs go up by as much as $4,920. Perhaps as many as half a million or more children would be denied access to preschool education, and two million more elementary and secondary school students would see their math and reading funding cut.

It is not fair to maintain sacred cows like defense, which seem immune from reexamination even though we have won the cold war and the Soviet Union is no more.

And it is not fair to the American people to propose cutting taxes by $170 billion in a budget that shreds the social safety net and decimates needed investments in our future.

This budget resolution cannot be fair—and it can not work—because it does not accurately portray the Federal budget, and because it does not accurately reflect the interests of the American people. This budget resolution is all about numbers—$256 billion in Medicare cuts, $14 billion cut from the EITC, $190 billion cut from welfare, nutrition, retirement programs, and other mandatory spending—and on and on and on. But the numbers do not add up—and they are not guideposts to the future we can count on—because they reflect an abstract accountancy approach to the Federal Government, with little or no understanding of what the numbers really represent. One number represents the opportunity for young children to participate in Headstart, so that they can enhance their chances to succeed in school, and, therefore, to succeed in life. Another number represents access to health care. Yet another represents retirement security for older Americans. Yet another protects the ability of family farmers to stay on their farms. And others are about opening the doors of economic opportunity by creating incentives to work and to save.

What is behind the numbers are the American people—their lives, their opportunities, and their hopes for the future. People are not economic abstractions, and we cannot afford any budget that treats people as mere numbers. Instead, we need to think about budgets the way American families think about them.

When a family decides to cut its budget because they owe the bank or the credit card company or the car dealership, they sit down at the kitchen table with a calculator and talk numbers. They also talk about what is important to them, what their actions will mean for their children, for their parents, for them when the retire. That family at the kitchen table decides to spend money on some things and not others. They decide to pay off their debts a little more slowly so that they can continue to pay for what is essential to their well-being.

They may talk about why it is important to cut spending in the first place, so that everyone in the family understands their situation, and why they have to act, so they can all agree that it is a priority. They try to have all the facts about how their money is actually spent, so that each person understands where the money is going. They discuss priorities, talking about expenses they need to continue to meet, and activities they can afford to cut back. They think and talk about how the proposed changes in family spending will affect each member of the family. And they budget with the future in mind, so that they can meet critically important long-range goals, like ensuring that the children in the family are educated, that there is money for things like braces, and that they have the cash they need to make a downpayment on a home. They look at how their choices will affect them and their grandchildren on down in the future.

Establishing family budget priorities often involves some very tough decisions. Families could decide to risk their future to support vacations or a new car, or a big-screen TV. The family could stop paying medical insurance premiums. The family could take their kid out of college. They could even sell their house. The family could decide to divest themselves of all of their savings and net worth.

But the American family realizes that keeping their daughter in college is important to her achieving the American Dream. And they want to be sure that grandmother has adequate healthcare and that she can enjoy her retirement years. They know that not having health care coverage means risking a catastrophe. Having a car to go to work and a house to live in are also critically important to families. After all, without a car, there are no jobs to support the family, and without a home, they are out on the street. The American family, therefore, would not make cuts that would endanger their ability to secure what is really important to them, their own piece of the American Dream: Health care, transportation, education, jobs, housing—these are the essentials.

To deal with the Federal budget, the American family—all of us, together—must sit down and decide what is important. What it is we need to save, and what it is that can be cut. As a nation, we must do what any sensible family would do to get themselves back on their feet financially. We must come together; we must look at the numbers, and most importantly, we must consider what each of the numbers means for people, and for our individual and collective futures.

I. IMPACT OF BUDGET DEFICIT ON ALL AMERICANS

We all know that the budget deficit has an impact on all Americans. The national debt has quadrupled since 1980, growing from $1 trillion to over $4.7 trillion, as it is increasing as a share of our overall economy as well. These debts are crippling our ability to meet important national priorities, like education. They are jeopardizing future economic opportunity for our children, and the generations that will follow.

The budget deficit put pressure on interest rates. Higher interest rates make it more costly for Americans to buy homes and cars, and to educate their children. Consider what a change in interest rates can mean to the ability of Americans to buy their own homes. If a family buys a house for $100,000 and the interest rate is 9 percent, that family is paying $9,000 per year in interest alone. If we balance the budget interest rates should fall. If interest rates drop even 1 percent, that would put an extra $1,000 in the pockets of the family that bought the house. On the other hand, if we do not act, and interest rates go up, that takes money right out of that family's pockets—or makes it impossible for them to buy the home at all.

Persistent deficits not only affect the costs of homes, it also creates inflation pressure. And inflation disproportionately affects moderate and low-income Americans. Since 1980, for example the average price of a home has tripled in the Midwest. But the incomes of Illinoisans did not even double. What that means is that more and more Illinoisans—and their counterparts in every other state in the union—are being priced out of the American Dream.

II. WE NEED TO KNOW WHAT WE ARE SPENDING MONEY ON

Americans know that, for all too many of them, the American Dream seems to be slipping out of reach. And years of discussions of big government have convinced many of them that the Federal Government's profligacy is a big part of the reason why. Seemingly endless debates on ''pork barrel'', waste, fraud, and abuse, and foreign aid have many Americans convinced that is where the Government spends its money. The truth, however, is that foreign aid is less than 1 percent of the budget, and that appropriated spending, whether ''pork barrel'' or essential, is shrinking both as a percentage of the Federal budget and as a percentage of the economy. The truth is that the major increases in Federal spending are not due to ''pork barreling,'' but to increases in what is called entitlement or mandatory spending.

By the year 2012, unless appropriate policy changes are made, spending for the major entitlement programs—Medicare, Medicaid Social Security, and

Federal retirement, together with interest on the national debt—will consume every single dollar of Federal revenue.

By the year 2002, unless there is change, the Medicare trust fund will go broke, and by the year 2029, Social Security will not be able to meet its obligations.

III. RESOLUTION MUST BE CAREFULLY CRAFTED

With problems like this looming in the not too distant future, it is clear that we must balance the budget. The thing is, we must keep the interests of all American families in mind when we craft a deficit reduction package. How we make the cuts is as important as the numbers that we are cutting.

IV. MEDICARE

The Republican plan seeks a $256 billion cut in Medicare funding. If this cut is implemented, all States will suffer. In Illinois for example, over 1.6 million Illinoisans who are covered by Medicare would have to pay an additional $2,770 over 7 years, and an additional $784 in 2002 alone in out-of-pocket expenses. On an overall basis, Illinois would lose $9.3 billion in Medicare funds over the next 7 years, $2.6 billion in 2002 alone. Other States face similar cuts.

Now, changes need to be made so that the Medicare trust fund will not go bankrupt by 2002. But the changes should not be made at the expense of healthcare access. And changes that do not focus on the real Medicare problem—health care inflation—make no sense at all. The costs of obtaining quality health care are on the rise. Cutting the Medicare budget by an arbitrarily chosen $256 billion is not the answer to this problem. It does nothing to deal with the overall inflation of health prices or the fact that many more people are becoming eligible for benefits each year.

The budget resolution does not really propose anything to reduce health care inflation. Rather, all it does is raise the cost of health care to older Americans—83 percent of Medicare users have an annual income of under $25,000—or reduce their access to health care. Last year's health care debate was all about improving access to health care. This year's budget resolution is all about decreasing access to health care. Seniors will have to pay more or go without healthcare. This is not right. We cannot retreat from our commitment to ensuring that elderly Americans have access to high-quality, affordable health care.

Cutting Medicare does not only impact on elderly Americans, these cuts will have direct impacts on all American families. Families will have to shoulder increasing costs for insuring that their loved ones receive proper care if Medicare does not cover the expenses. Cutting Medicare by such a record setting amount is essentially equivalent to a tax increase since families will have to pay more for adequate health coverage.

V. EDUCATION

As we work to ensure that all Americans have access to adequate health care, we also have to work to ensure that all Americans have opportunities to pursue the American Dream. We have an obligation to our youth to provide them with the education to attain the American Dream. The budget resolution, however, seeks to stifle that dream, with changes such as more costly student loans. In Illinois, for example, almost 200,000 students would see their monthly student loan payments increase by 18 percent. If the goal of balancing the budget it to reduce the debt burden on future generations, what sense does it make to increase the debt burden on future college graduates?

In fact in a study cited in Sunday's New York Times, the Census Bureau for the Federal Department of Education found that increases in workers' education levels produce twice the gain in workplace efficiency as comparable increases in the value of tools and machinery. The findings are based on interviews with about 3,000 businesses owners and managers. It found that a 8.6 percent increase in productivity could be had from a 10 percent increase in educational attainment. These kinds of statistics demonstrate once again how important education is to our economy's productivity, and overall success. Making it more difficult for our children to obtain proper training and education will only hurt our nation in the long-run.

VI. EITC

Not only does this budget resolution seek to increase the debt burden on our future college graduates, it also scales back the earned income tax credit for working families. The EITC is a refundable tax credit for working families with low incomes. The goals of the EITC are first, to encourage families to move from welfare to work by making work pay and second, to reward work for working families so parents who work full-time do not have to raise their children in poverty—and families with modest means do not suffer from eroding incomes. By providing an offset against other Federal taxes, the EITC increases disposable income for workers and their families.

The EITC has long enjoyed bipartisan support; it has been viewed as a nonbureaucratic way to make work pay better than welfare. President Reagan called the EITC ''The best antipoverty, the best pro-family, the best job creation measure to come out of the Congress.'' So why is it being cut?

The Senate Budget Committee would reduce EITC by $13 billion between fiscal years 1996 and 2000 and by $21 billion between fiscal years 1996 and 2002. About 7.8 million EITC recipients—nearly half of the EITC recipients with children—would be affected by this proposal. On average their EITC would be cut by $270. Families with two or more children would be hit hardest by this proposal. In Illinois 500,000 working families' taxes will be essentially increased by $1,520 over the next 7 years due to the EITC cut.

Our goal should be to encourage families to move from welfare to work, not the opposite. As the minimum wage has not kept pace with inflation, low-income families need all the help they can get to make ends meet. From every added dollar a low income worker earns, payroll taxes take 15.3 cents while food stamp benefits decline by 24 cents. For a low-wage family with two children, the EITC fully offsets these effects by providing a 40-cent credit for every dollar earned.

American families are the key to our country's success. It is our duty to especially help those families that are working hard yet have trouble making ends meet. By helping them succeed we make them stronger and in turn our country stronger.

VII. TAX CUTS

If the budget resolution's goal is to reduce the deficit to make our country stronger, it does not seem fiscally responsible to be discussing cutting taxes. This is the wrong time for cuts. Right now our priority should be deficit reduction. Tax cuts now would only hinder our ability to reach a balanced budget. If a family was facing financial problems, they would not voluntarily give up a part-time job or turn down overtime just when they desperately need the extra income. Providing a tax cut now just when our country needs to address our financial problems is the wrong thing to do.

VIII. OBLIGATION TO OUR FUTURE

The budget debate is really about our obligation to the future. We need to open the door of economic opportunity for all Americans. We need to invest now in areas like education on which our future success will ultimately depend, and we have an obligation to be honest.

AFDC for example, cost $4 billion in 1970 and served 7.4 million people. In 1993, it cost $22 billion and served 14.1 million people. That sounds like a big increase, does it not? When you adjust for inflation, however, benefits are not higher than they were in 1970, they are actually 47 percent lower. So when we talk about reducing the rate of growth of Medicare from 10 percent to 7 percent, we must acknowledge that the result of that kind of change may mean significant increases in out-of-pocket costs for Medicare beneficiaries, 83 percent of whom have incomes of $25,000 or less. We cannot pretend that is not so.

We also have an obligation to try to open the door to economic opportunity to Americans who are now locked out. It is the right thing to do, and it is the smart thing to do. If we can use all of the talents of all of our people, we are all better off. That means we need welfare reform designed to bring welfare recipients into the mainstream of our economy, not just welfare reform designed to cut spending in the short run. That means we need job training, and housing, and nutrition reforms that

make sense, and that we need incentives to boost jobs and investment in communities that continue to suffer unemployment levels above those last seen nationwide in the Great Depression.

IX. TIMEFRAME TO ACHIEVE BALANCED BUDGET

As we go forward, it is worth keeping in mind that there is no magic associated with the idea of balancing the budget in 7 years. We could balance it in 9 or 10 years if we are really committed to change. If we are honest and we give up gamesmanship and tell the truth to the American people, adding a couple of years to the timeframe will not undermine our ability to achieve the objective. What is important is maintaining our priorities and not retreating from our obligations to American families.

X. CONCLUSION

We have to keep in mind that what is at stake is our future. We are all in this together. We need to make our decisions together, like an American family would. We need to base our decisions on the truth and the fiscal realities that we face. When we sit down at the kitchen table and begin to look at what needs to be done, we need to consider our core priorities —education, housing, and quality health care for all and we ought to make certain that in any event the balance is achieved in the burden sharing, and that the shared sacrifice is fair to everyone.

We can only make those decisions if we keep in mind our core priorities. That is what common sense dictates and that is what I hope this budget debate will give us an opportunity to do.

That is what any sensible family would do to get themselves back on their feet financially. And that is what we need to do.

I hope that we can come together in the spirit of bipartisan cooperation to do what Americans expect of us. Both parties need to tell the truth about what is actually in the budget and what the changes will mean for the American people. We need to use honest numbers and economic assumptions and put everything on the table. Unfortunately this budget resolution looks only at the numbers, and not at the people. For that reason I can not support it in its current form.

But we have to always be mindful that in the final analysis these abstract numbers and the figures that get thrown around in the millions and billions of dollars really have very real realities for very real people. And we will not rest easy if the result of the work of this body is to encourage the pain or to put the burden on small groups of Americans at the expense of to the benefit of everybody else.

A balanced budget based on an unbalanced burden is a disservice to the American family.

Mr. President, I thank you very much.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I yield myself such time as I might need.

I wish to first thank my friend from Nebraska for his comments on the budget, and also the excellent comments just made by my friend and colleague from the State of Illinois for keeping these things in proper perspective, which we are trying to do. I appreciate very much the constructive, thoughtful remarks by my colleague from Illinois and my colleague from Nesbraska. I hope that we can continue to move forward.

As I said when I started out the debate this noon, I think possibly we could still work out a bipartisanship approach to this. I certainly hope and encourage all to keep an open mind as best we can.

I would just like to finish up the first day of debate, which I think generally has been an informative one, by emphasizing once again the very hard hit that the Medicare cuts proposed in the budget that I think must be alleviated as we have maintained all day long.

I would like to read a letter into the record from the Nebraska Association of Hospitals and Health Systems. This letter was written to me by a man that I have known for a long time, Mr. Harlan Heald. Harlan is the President of the organization known as the Nebraska Association of Hospitals and Health Systems. I think his letter, which is not a very long one, really sets up the major concerns that all of us who have, and rural areas in our States should be particularly concerned about.

The letter is dated May 10. It is addressed to me. He said:

On behalf of the 94 acute care hospitals in Nebraska, I wish to call your attention to a serious potential problem.

Clearly, the United States must work its way out of debt. To do that, Federal spending must be cut. It is my understanding that the Senate Budget Committee Chairman's mark is set at an overall reduction of $1.5 trillion by the year 2002. I further understand that in order to achieve a savings of that magnitude, Medicare is targeted for $256 billion reduction in spending over the same seven-year period.

Here's the problem. For fiscal year 1993 (FY '93) (the most current completed year), Nebraska hospitals had a net operating margin of −7.5 percent for care rendered to Medicare recipients. Based upon the Chairman's mark for Medicare spending, in the year 2000 Nebraska hospitals would have a net operating margin of −23 percent for Medicare patients. This figure is expected to improve by the year 2002 to a net operating margin loss of only 14.5 percent, because the reductions are ''front loaded.''

Putting this into financial terms, in FY '93 Nebraska hospitals lost $383 per case caring for Medicare patients. Based upon the Chairman's mark, in the year 2000 they would lose on average $1,339 per case and in 2002 they would lose $983 per case caring for Medicare patients. This is all compounded by the fact that Nebraska is a state with a higher proportion of elderly citizens in its population.

How can hospitals respond to the cuts of this magnitude? Hospitals are caught in a catch-22. They can: (1) shift more costs to the private sector—this is no longer a viable option in today's managed care environment; (2) slash wages and lay-off employees; (3) cut back on the scope of services provided—all of which threatens the quality of care, will close rural hospitals and restrict access. It is a lose-lose situation for community hospitals. Reimbursement reductions of this magnitude in a state with a disproportionate share of the elderly population, a state in which Medicare patients account for 60 to 70 percent of hospital admissions, clearly threatens the health care system upon which all of us depend.

Medicare needs to be fixed. There is an opportunity for Congress to change Medicare, but the change must be driven by sound health care policy, not budgetary or political imperatives. The Senate Budget Committee's proposed Medicare reductions would crush Nebraska hospitals.

As always, Nebraska's hospitals look to your leadership.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEBRASKA ASSOCIATION OF
HOSPITALS AND HEALTH SYSTEMS,
May 10, 1995.

Hon. J. JAMES EXON,
U.S. Senate, Washington, DC.

DEAR SENATOR EXON: On behalf of the 94 acute care hospitals in Nebraska, I wish to call your attention to a serious potential problem.

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As always, Nebraska's hospitals look to your leadership.

Sincerely,

HARLAN M. HEALD,
President.

Mr. EXON. Mr. President, we are going to be finishing I believe debate very shortly. The distinguished Senator from Texas I know has some remarks. I know of no other speakers seeking recognition on this side. I have been advised likewise by the Senator from Texas.

Mr. President, I thank the Chair.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Thank you, Mr. President.

Mr. President, this is the end of a long day. It is the end of a very important day for this country. We have heard so many arguments. The numbers are running in people's heads. They are conflicting. One person says there are cuts. The next person comes in, and says they are not cuts, they are just fewer increases. But in fact, it really comes down to the basic commonsense arguments that the people of America understand.

The debate today is for the soul of America. It is for the future of our children. And what we do over the next 50 hours is going to determine whether our children and grandchildren in fact will have the right to inherit the same kind of America that we have been able to grow up in and for which we have known such great advantages.

The House of Representatives tonight has taken the first bold step. They have passed a budget resolution that will balance the budget by the year 2002. The Senate is starting on the road that will have the same result.

I was talking to a group of leaders from all over the world today. They really had one basic question. Does America have the guts to balance the budget? Will they really do it? Do they really have the guts to set a course over the next 7 years that will be very tough but will make the difference in the economy for our country, and for the whole world? And I said emphatically the answer is yes. We do have the guts. We do have the courage. We do have the will. And we will set on the course.

Will it be easy? No. But we are going to do it because the people of this country made a statement in November 1994. They asked for courage, and we are going to give them the courage that they had in the vote they made last November, and that they deserve from the people they elected and put their faith in.

We have heard so many statements on this floor that I think we must try to correct, as best we can, some of the misstatements that were made.

First of all, it was said that this budget resolution has tax cuts for those making $200,000 a year. Well, the fact of the matter is this resolution does not have tax cuts at all. This budget resolution does not speak to tax cuts. But it does have a sense of the Senate that, if there are tax cuts that result from cutting spending, they will be targeted and focused to people making under $100,000. There are no tax cuts for the rich in this resolution. That is a smokescreen. That is put out by people who do not want us to pass a balanced budget. Then there was the talk about defense spending. There was ranting about the firewall put up for defense spending so that we would have domestic spending and defense spending. Well, in fact, there is a firewall, Mr. President. Thank goodness there is a firewall. People talk as if, when the cold war was over, the world was a safe place.

I am on the Armed Services Committee, and I am on the Senate Select Committee on Intelligence. I am scared to death about the proliferation of nuclear, chemical, and biological weapons all over the world right now. We have as much danger in the world today as we did when Russia was at the height of its strength.

It is a different kind of problem. It is a different kind of terror we are seeing in the world today, but nevertheless the greatest superpower in the world is not going to let down.

We are going to have to understand what happens when sarin gas is let out in a subway killing people before our very eyes, and when you can make bombs from fertilizer and fuel oil, and we see the loss of over 100 lives in our own country, and when we see the capability to produce missiles that could take these gases, the biological and chemical weapons and the nuclear weapons anywhere in the world. You bet we have a firewall in this budget resolution. Thank goodness we do for the defense spending, because I think the defense cuts are too much in this resolution, and I hope we can fix it because I wish to be on the leading edge of technology.

When our young men and women give their lives to protect our freedom in our armed services, you bet I want them to have the tanks and the fighters and the bombers they need to make sure that they do it as safely as possible for themselves and with the strength they need to protect us.

So, yes, there is a firewall. Thank goodness there is. And I hope that we can correct even right now in this budget resolution what, I think, is a woefully inadequate amount for defense. But we are not going to pass a resolution saying we increase defense spending without looking at the priorities and saying where is it going to come from and making those priority judgments. That is what we are here to do.

Does this resolution cut school lunch? No, it does not cut school lunches at all. That is an absolute smokescreen.

Does it cut the earned income tax credit? No. In fact, the earned income tax credit will remain. That is a good program. It is a program for the working poor. For someone making $20,000 or $18,000 a year, that has one or two children, they do get a tax rebate in this budget resolution just as they do today, and in fact that amount increases by the year 2002 because we want to encourage people who are helping themselves. So there is no cut in the earned income tax credit. There are only increases. It is important that we set the record straight on that.

Now, it has been said that Medicare is going to be cut. Once again, Mr. President, that is not true. Medicare spending will increase 7 percent a year in this budget. Does that mean Medicare is going to be the same as it has always been? I hope not. I hope we can get efficiencies that make Medicare more cost conscience because it has been increasing at a much greater rate than 7 percent per year.

We are not cutting Medicare. We are going to try to put some innovative solutions in Medicare so that our seniors who need Medicare will have it available, and they will have other options, and there will be incentives for them to save money, incentives that they will earn for themselves and for the taxpayers of America. We are going to have some innovative solutions, but we are not going to cut Medicare. We are going to try to save Medicare. That is going to be one of the key missions of this budget resolution, to save Medicare, so that when our future generations grow old it will be there for them.

The President's own cabinet officers who sit on the Medicare trust fund board have said it is going bankrupt, and it will be bankrupt by the year 2002 if we do not take steps right now to save it. And that is one of the key purposes of this budget resolution.

Now, it has been said that the space station has not been cut. I wish it had not been cut, because I do think the space station is one of the technologies that is going to provide jobs for our future, but it is cut. It takes its fair share. It is cut $3.5 billion over the next 5 years. It is taking its fair share of cuts. It is going to be more efficient, just like everything else in Government, and hopefully we will have a space station that will provide the new technologies and the new industries and the new jobs for our future. But everything is going to have to be more efficient, and it is going to have to meet a number of tests to make sure that it is right for the taxpayers and for our future generations.

There is a test that I have, and I am going to use it on everything that we vote on when we come to appropriations bills in the next few months. It is going to be the $100 test. If you take $100 and you put it on the kitchen table

and you say, now, would you like to have this wonderful program that is going to cost $100 for your family? Most people would probably say, yes, I would like to do good things. Sure, I would like to have that program. But if the choice is for you to keep the $100 on your kitchen table and spend that money for what you want to spend it for for your family, what is going to be your choice? Are you going to send the $100 to Washington to spend on a program that sounds very good or are you going to want to keep that $100 to make the decisions for your family yourself. We are going to try to keep that $100 on the table for your family, so that you can decide what your priorities are rather than letting someone in Washington, DC, you have never met make those decisions for you.

Two economists developed a model for the future called generational accounting. This model calculates how much short-term budget policies will cost future generations. It looks beyond 5-year budget projections and was developed from the help of the President's Office of Management and Budget.

These two prominent economists have produced some shocking forecasts. On the day a child is born, that child owes $19,000 in Federal debt. When that child's sibling is born in 4 years, the baby brother or sister will be $24,000 in debt. There will be fewer jobs available for that child. And when it comes time to take out a personal loan to buy a new car or to own a home, our children that are being born today will find that Federal deficits have driven the interest rates up 2 percent. But borrowing money for a home will be just a dream for those children. If we continue at the rate we are going right now, what we are really going to give our children is not the ability to buy a home at all. They will not be able to buy a home because their tax rate will be 82 percent—82 percent is what we will be giving to our children and grandchildren if we do not take steps right now to correct the runaway spending that this Congress has had for the last 40 years.

And yet, this administration has refused to abandon the practices of Congresses for the last 40 years. In fact, this administration has dealt itself out of this debate. The President submitted a budget but it does not balance. It does not balance in the year 2000 or the year 2002. The President abdicated that responsibility and has left it to Congress.

Now we are going to get a chance to vote on the President's budget that does not balance. In fact, the President's press secretary said on Tuesday that that will be a good place for us to begin.

In fact, Senator DOMENICI has decided that that is indeed a good place to begin. So, when I finish my remarks, on behalf of Senator DOMENICI, I am going to submit the President's budget. That will be the first vote of this budget debate and we will get a chance to see if people want to vote for a budget that may have fewer decreases than increases, but does not balance at the end. We will see who is willing to cross the line that will be drawn in the sand to say, we will take the responsible course for this country and we will do what the people asked us to do last November.

In fact, we are in the toughest debate that we may ever have. No one, probably even Senator DOMENICI, agrees with everything in this budget resolution. I do not agree with everything in it. Not one person in this country probably agrees 100 percent with everything in it. Because, you know, Senator DOMENICI compromised. He tried to work with people and their priorities. He may not have liked everything that is in this resolution even though he is the prime author of the resolution. But we are going to rise above our small differences. We are going to try to set the priorities. We are going to have amendments.

We may vote for some of those amendments, but in the end, Mr. President, the people who are doing what is responsible for this country are going to vote a balanced budget out of the Senate just as they have done in the House today. And we are going to make history. We are going to begin to turn the ship of state that started going in the wrong direction in the 1930's when we started building up spending and big Government until in 1994 the people said, ''I know I'm going to have to sacrifice. I'm ready.'' The people of this country said that. They understood what they were doing.

And when I go home, people say to me, ''You hang tough. Don't back down now.''

This is our chance to save our country. And if we miss it, the people of America know that we will not have this chance again maybe ever but certainly not in the near future.

There is a new spirit in this country. The spirit of the Americans who went to the polls in 1994 and caused a revolution in the way that our Founding Fathers provided them to have a revolution. And that was the ballot box. The people had a revolution and they took their Government back. They have experienced the right of democracy. And now the people of America have said, ''We want you to do what is right. We understand that it will be tough. We understand that we will have to sacrifice. But we are ready. We are ready to do what is right for our children and our grandchildren.''

Mr. President, it is time for us to look to the future, not to the next election.

If we do what is right, everything else will take care of itself and we will create the jobs and the future for our children and that is what we are going to do.

AMENDMENT NO. 1111

(Purpose: To propose the President's budget)

Mrs. HUTCHISON. Mr. President, on behalf of Senator DOMENICI, I send to the desk the President's budget and ask that the President's budget be put on the table for consideration beginning tomorrow morning on Friday so that we will be able to have our first vote on the President's budget and we will see who wants to balance the budget and who is willing to take the steps that are necessary to do it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for Mr. DOMENICI, proposes an amendment numbered 1111.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that when the Senate resumes the concurrent budget resolution on Friday there be 40 hours remaining for debate under the statutory time limit.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON THE NATIONAL EMERGENCY WITH IRAN—MESSAGE FROM THE PRESIDENT—PM 49

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

I hereby report to the Congress on developments since the last Presidential report on November 18, 1994, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa–9(c). This report covers events through April 18, 1995. It discusses only

matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 and matters relating to Executive Order No. 12613. Matters relating to the March 15, 1995, Executive Order regarding a ban on investment in the petroleum sector, and the May 6, 1995, Executive Order regarding new trade sanctions, will be covered in separate reports. My last report, dated November 18, 1994, covered events through October 18, 1994.

1. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560, or to the Iranian Assets Control Regulations, 31 CFR Part 535, since the last report.

2. The Office of Foreign Assets Control (''OFAC'') of the Department of the Treasury continues to process applications for import licenses under the Iranian Transactions Regulations. However, a substantial majority of such applications are determined to be ineligible for licensing and, consequently, are denied.

During the reporting period, the U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the Iranian Transactions Regulations. OFAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Additional forfeiture and civil penalty actions are under review.

3. The Iran-United States Claims Tribunal (the ''Tribunal''), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. However, since my last report, the Tribunal has not rendered any awards although payments were received by claimants in late November for awards rendered during the prior reporting period. Thus, the total number of awards remains at 557. Of this total, 373 have been awards in favor of American claimants. Two hundred twenty-five (225) of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 150 were decisions adjudicated on the merits. The Tribunal has issued 38 decisions dismissing claims on the merits and 85 decisions dismissing claims for jurisdictional reasons. Of the 59 remaining awards, three approved the withdrawal of cases and 56 were in favor of Iranian claimants. As of April 18, 1995, the Federal Reserve Bank of New York reported that the value of awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $2,365,160,410.39.

Iran has not replenished the Security Account since October 8, 1992, and the Account has remained continuously below the balance of $500 million required by the Algiers Accords since November 5, 1992. As of April 10, 1995, the total amount in the Security Account was $191,219,759.23, and the total amount in the Interest Account was $24,959,218.79.

The United States continues to pursue Case A/28, filed in September 1993, to require Iran to meet its obligations under the Algiers Accords to replenish the Security Account. Iran has yet to file its Statement of Defense in that case.

4. The Department of State continues to present United States Government claims against Iran, in coordination with concerned government agencies, and to respond to claims brought against the United States by Iran.

On April 18, 1995, the United States filed the first of two parts of its consolidated submission on the merits in Case B/61. Case B/61 involves a claim by Iran for compensation with respect to primarily military equipment that Iran alleges it did not receive. The equipment was purchased pursuant to commercial contracts with more than 50 private American companies. Iran alleges that it suffered direct losses and consequential damages in excess of $2 billion in total because of the U.S. Government's refusal to allow the export of the equipment after January 19, 1981, in alleged contravention of the Algiers Accords. As directed by the Tribunal, the United States' submission addresses Iran's claims regarding both liability and compensation and damages.

5. The Foreign Claims Settlement Commission (''FSCS'') on February 24, 1995, successfully completed its case-by-case review of the more than 3,000 so-called ''small claims'' against Iran arising out of the 1979 Islamic revolution. These ''small claims'' (of $250,000 or less each) were originally filed before the Iran-United States Claims Tribunal, but were transferred to the FCSC pursuant to the May 13, 1990 Settlement Agreement between Iran and the United States.

The FCSC issued decisions on 3,066 claims for total awards of $86,555,795. Of that amount, $41,570,936 represented awards of principal and $44,984,859 represented awards of interest. Although originally only $50 million were available to pay these awards, the funds earned approximately $9 million in interest over time, for a total settlement fund of more than $59 million. Thus, all awardees will receive full payment on the principal amounts of their awards, with interest awards paid on a pro rata basis.

The FCSC's awards to individuals and corporations covered claims for both real and personal property seized by Iran. In addition, many claims arose out of commercial transactions, including contracts for the sale of goods and contracts for the supply of services such as teaching, medical treatment, data processing, and shipping. The FCSC is now working with the Department of the Treasury to facilitate final payment on all FCSC awards.

6. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combating international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 18, 1995.*

REPORT UNDER THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT—MESSAGE FROM THE PRESIDENT—PM 50

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

On November 14, 1994, in light of the dangers of the proliferation of nuclear, biological, and chemical weapons and their means of delivery (''weapons of mass destruction''), I issued Executive Order No. 12938 and declared a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

As I described in the report transmitting Executive Order No. 12938, the new Executive order consolidated the functions of and revoked Executive Order No. 12735 of November 16, 1990, which declared a national emergency with respect to the proliferation of chemical and biological weapons, and Executive Order No. 12930 of September 29, 1994, which declared a national emergency with respect to nuclear, biological, and chemical weapons, and their means of delivery. The new Executive order also expanded certain existing authorities in order to strengthen the U.S. ability to respond to proliferation problems.

The following report is made pursuant to section 204 of the International Emergency Economic Powers Act and section 401(c) of the National Emergencies Act regarding activities taken and money spent pursuant to the emergency declaration. Additional information on nuclear, missile, and/or chemical and biological weapons (CBW) nonproliferation efforts is contained in the annual report on the proliferation of missiles and essential components of nuclear, biological, and chemical weapons, provided to the Congress pursuant to section 1097 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190), also

known as the ''Nonproliferation Report,'' and the annual report provided to the Congress pursuant to section 308 of the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (Public Law 102–182).

The three export control regulations issued under the Enhanced Proliferation Control Initiative (EPCI) are fully in force and continue to be used to control the export of items with potential use in chemical or biological weapons or unmanned delivery systems for weapons of mass destruction.

In the 6 months since I issued Executive Order No. 12938, the number of countries that have ratified the Chemical Weapons Convention (CWC) has reached 27 (out of 159 signatory countries). I am urging the Senate to give its advice and consent to ratification as soon as possible. The CWC is a critical element of U.S. nonproliferation policy that will significantly enhance our security and that of our friends and allies. I believe that U.S. ratification will help to encourage the ratification process in other countries and, ultimately, the CWC's entry into force.

The United States actively participates in the CWC Preparatory Commission in The Hague, the deliberative body drafting administrative and implementing procedures for the CWC. Last month, this body accepted the U.S. offer of an information management system for the future Organization for the Prohibition of Chemical Weapons that will implement the CWC. The United States also is playing a leading role in developing a training program for international inspectors.

The United States strongly supports international efforts to strengthen the 1972 Biological and Toxin Weapons Convention (BWC). In January 1995, the Ad Hoc Group mandated by the September 1994 BWC Special Conference to draft a legally binding instrument to strengthen the effectiveness and improve the implementation of the BWC held its first meeting. The Group agreed on a program of work and schedule of substantive meetings, the first of which will occur in July 1995. The United States is pressing for completion of the Ad Hoc Group's work and consideration of the legally binding instrument by the next BWC Review Conference in 1996.

The United States maintained its active participation in the 29-member Australia Group (AG), which now includes the Czech Republic, Poland, Slovakia, and Romania. The AG reaffirmed in December the members' collective belief that full adherence to the CWC and the BWC provides the only means to achieve a permanent global ban on CBW, and that all states adhering to these Conventions have an obligation to ensure that their national activities support these goals.

The AG also reiterated its conviction that harmonized AG export licensing measures are consistent with, and indeed actively support, the requirement under Article I of the CWC that States Parties never assist, in any way, the manufacture of chemical weapons. These measures also are consistent with the undertaking in Article XI of the CWC to facilitate the fullest possible exchange of chemical materials and related information for purposes not prohibited by the Convention, as they focus solely on preventing assistance to activities banned under the CWC. Similarly, such efforts also support existing nonproliferation obligations under the BWC.

The United States Government determined that three foreign nationals (Luciano Moscatelli, Manfred Felber, and Gerhard Merz) had engaged in chemical weapons proliferation activities that required the imposition of sanctions against them, effective on November 19, 1994. Similar determinations were made against three foreign companies (Asian Ways Limited, Mainway International, and Worldco) effective on February 18, 1995, and imposed sanctions against them. Additional information on these determinations is contained in a classified report to the Congress, provided pursuant to the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991. The United States Government continues to monitor closely activities that may be subject to CBW sanctions provisions.

The United States continued to control vigilantly U.S. exports that could made a contribution to unmanned delivery systems for weapons of mass destruction, exercising restraint in considering all such transfers consistent with the Guidelines of the Missile Technology Control Regime (MTCR). The MTCR Partners shared information not only with each other but with other possible supplier, consumer, and transshipment states about proliferation problems and also stressed the importance of implementing effective export control systems.

The United States initiated unilateral efforts and coordinated with MTCR Partners in multilateral efforts, aimed at combatting missile proliferation by nonmembers and at encouraging nonmembers to adopt responsible export behavior and to adhere to the MTCR Guidelines. On October 4, 1994, the United States and China signed a Joint Statement on Missile Nonproliferation in which China reiterated its 1992 commitment to the MTCR Guidelines and agreed to ban the export of ground-to-ground MTCR-class missiles. In 1995, the United States met bilaterally with Ukraine in January, and with Russia in April, to discuss missile nonproliferation and the implementation of the MTCR Guidelines. In May 1995, the United States will participate with other MTCR Partners in a regime approach to Ukraine to discuss missile nonproliferation and to share information about the MTCR.

The United States actively encouraged its MTCR Partners and fellow AG participants to adopt ''catch-all'' provisions, similar to that of the United States and EPCI, for items not subject to specific export controls. Austria, Germany, Norway, and the United Kingdom actually have such provisions in place. The European Union (EU) issued a directive in 1994 calling on member countries to adopt ''catch-all'' controls. These controls will be implemented July 1, 1995. In line with this harmonization move, several countries, including European States that are not actually members of the EU, have adopted or are considering putting similar provisions in place.

The United States has continued to pursue this Administration's nuclear nonproliferation goals. More than 170 nations joined in the indefinite, unconditional extension of the Nuclear Non-Proliferation Treaty (NPT) on May 11, 1995. This historic decision strengthens the security of all countries, nuclear weapons states and nonweapons states alike.

South Africa joined the Nuclear Suppliers Group (NSG), increasing NSG membership to 31 countries. The NSG held a plenary in Helsinki, April 5–7, 1995, which focused on membership issues and the NSG's relationship to the NPT Conference. A separate, dual-use consultation meeting agreed upon 32 changes to the dual-use list.

Pursuant to section 401(c) of the National Emergencies Act, I report that there were no expenses directly attributable to the exercise of authorities conferred by the declaration of the national emergency in Executive Order No. 12938 during the period from November 14, 1994, through May 14, 1995.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 18, 1995.*

MESSAGES FROM THE HOUSE

At 1;02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 219. An act to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 4. An act to grant the power to the President to reduce budget authority.

The message further announced that pursuant to the provisions of 22 United States Code 276d, the Speaker appoints the following Members as members of the United States delegation to attend the meeting of the Canada-United States Interparliamentary Group on the part of the House: Mr. MANZULLO, Chairman, Mr. LATHAM, Mr. CRAPO, Ms. DUNN, Mr. ZIMMER, Mrs. JOHNSON of Connecticut, Mr. GOODLING, Mr. JOHNSTON of Florida, Mr. DE LA GARZA, Mr. GIBBONS, Ms. SLAUGHTER, and Mr. MCNULTY.

At 6:10 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has the following bill, in which it requests the concurrence of the Senate:

H.R. 961. An act to amend the Federal Water Pollution Control Act.

At 8:38 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1158) making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 961. An act to amend the Federal Water Pollution Control Act; to the Committee on Environment and Public Works.

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–914. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–39, adopted by the Council on April 4, 1995; to the Committee on Governmental Affairs.

EC–915. A communication from the Administrator of the General Services Administration, transmitting, a draft of proposed legislation to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize Federal agencies to use moneys received from user charges, which exceed actual management costs, for parking to fund alternatives to single-occupancy motor vehicle employee commuting; to the Committee on Governmental Affairs.

EC–916. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the 1994 annual report under the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC–917. A communication from the Chair of the Administrative Conference of the United States, transmitting, pursuant to law, a report relative to internal controls for 1994; to the Committee on Governmental Affairs.

EC–918. A communication from the Secretary of the Senate, transmitting, pursuant to law, the report of the receipts and expenditures of the Senate; ordered to lie on the table.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–117. A resolution adopted by the Legislature of the State of Minnesota; to the Committee on Appropriations.

''RESOLUTION NO. 3

''Whereas, the national railroad passenger corporation, known as Amtrak, provides vitally important service to the people of Minnesota; and

''Whereas, over 162,000 persons arrive and depart from points in Minnesota using the Amtrak system; and

''Whereas, Amtrak provides necessary rail connections between Minnesota and the rest of the country; and

''Whereas, Amtrak makes significant contributions to the Minnesota economy through a payroll of over $3,000,000 in the state and purchase of nearly $5,000,000 in supplies and equipment; and

''Whereas, budget reductions for Amtrak now being discussed in the Congress threaten the existence of Amtrak as a national rail system; and

''Whereas, these budget reductions would harm Minnesota through drastic reductions in service and lost contributions to the state's economy; Now, therefore, be it

''*Resolved, by the Legislature of the State of Minnesota,* That Congress should provide funding for the Amtrak system that would allow it to continue as a true national system and continue to serve the people of Minnesota; and be it further

''*Resolved,* That the Secretary of State of Minnesota transmit enrolled copies of this memorial to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress.''

POM–118. A joint resolution adopted by the Legislature of the State of California; to the Committee on Armed Services.

''ASSEMBLY JOINT RESOLUTION NO. 9

''Whereas, the United States Navy has occupied the site of the Naval Warfare Assessment Division in Norco, California since 1941; and

''Whereas, the Naval Warfare Assessment Division has, since 1951, served the Navy as an independent assessment agent to gauge the war-fighting capacity of ships and aircraft, from unit to battlegroup level, by assessing the suitability of design, the performance of equipment and weapons, and the adequacy of training; and

''Whereas, the Naval Warfare Assessment Division had its beginning in the Navy during a period when great advancements in weapons technology were being developed and introduced to the fleet; and

''Whereas, these new technologies brought with them problems in development, acquisition, operation, and support; and

''Whereas, the Navy needed an unbiased resource with direct access to fleet users in order to provide an objective assessment of war-fighting capability, performance, and effects of improvements; and

''Whereas, this independent, unbiased assessment has been honed over time into a consolidated, centrally located, and fully integrated organization dedicated to provide Navy and other Department of Defense decisionmakers with critical, accurate, and reliable information needed to improve the war-fighting capability and readiness of U.S. Armed Forces; and

''Whereas, the threats and challenges facing the military today cannot be met using the technology of yesterday; and

''Whereas, the Naval Warfare Assessment Division services focus on weapon and combat system performance, fleet training effectiveness, systems, and material quality and these services are sponsored by more than 120 Navy, Marine Corps, Army, and Air Force programs, and by other U.S. and foreign government agencies; and

''Whereas, more than 3,500 government and industry customers rely on the Naval Warfare Assessment Division for its expertise; and

''Whereas, the newly opened Warfare Assessment Laboratory in Norco has become the focal point for integrated analysis that electronically links analysts at the Norco site with Navy firing ranges, ships at sea, and aircraft or missiles in actual flight, allowing near real time access to data that used to take weeks to obtain and compile; and

''Whereas, this laboratory is a unique facility that can support functions that no other single facility in the United States can support such as Joint Service exercises, war gaming, and simulation; and

''Whereas, the central location of the Naval Warfare Assessment Division in Norco is ideal. The facility is in close proximity to the San Diego Naval Complex, the Port Hueneme/Ventura plain Naval Complex, Camp Pendleton, and China Lake. Furthermore, the Naval Warfare Assessment Division is independent of each of these other facilities; and

''Whereas, the Naval Warfare Assessment Division contributes more than $149 million to the region's economy by employing more than 1,000 people and by using more than 400 contractors and suppliers; and

''Whereas, for all of the above reasons, the Naval Warfare Assessment Division is of the utmost importance in maintaining the preparedness of the armed forces for the defense of the United States; Now, therefore, be it

''*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature hereby memorializes the Base Realignment and Closure Commission, the President and the Congress of the United States to provide for the continued operation of the Norco Naval Warfare Assessment Division as an essential facility for the readiness and defense of the United States; and be it further

''*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Base Realignment and Closure Commission, the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representatives from California in the Congress of the United States.''

POM–119. A joint resolution adopted by the Legislature of the State of Colorado; to the Committee on Commerce, Science, and Transportation.

''HOUSE JOINT RESOLUTION 95–1005

''Whereas, the United States Congress, in a late amendment to the ''Federal Aviation Administration Authorization Act of 1994'', P.L. 103–305, preempted all state regulation of the prices, routes, and service of motor carriers of property operating in intrastate commerce, effective January 1, 1995; and

''Whereas, intrastate commerce by definition occurs wholly within the borders of a state; and

''Whereas, the Supreme Court of the United States declared as early as 1824 that under the Commerce Clause, article I, section 8 of the United States Constitution, ''the completely internal commerce of a state, . . . , may be considered as reserved for the state itself''; and

''Whereas, however broad Congress's power over interstate commerce may be, the inherent power of the states to govern their own internal affairs remains unquestioned, and is in fact guaranteed by the Tenth Amendment to the United States Constitution; and

''Whereas, regulation of common carriers, innkeepers, millers, ferrymen, and others whose activities are affected with a public interest is one of the bedrock principles of common law, predating the United States Constitution itself by hundreds of years; and

''Whereas, Colorado has regulated common carriers by motor vehicle at least since 1927, and has regulated railroads and other public utilities since territorial days; and

''Whereas, the prevention of discriminatory pricing, disparities in service, and other abuses by persons supplying vital public services was instrumental in promoting the orderly development of this state and remains crucial to the state's economic health; and

''Whereas, the people of Colorado well understand and appreciate the dangers of excessive governmental regulation; and

''Whereas, a total lack of regulation has dangers of its own; and

''Whereas, the people of Colorado are in the best position to judge where they choose to be with regard to commerce wholly within the borders of the state; and

''Whereas, the United States Congress acknowledged that one effect of P.L. 103–305 would be to render worthless the intrastate operating authority held by property carriers on the effective date of the legislation, but suggested no method by which that loss would be compensated; and

''Whereas, such action constituted a disregard for the Due Process and Just Compensation Clauses of the Fifth Amendment to the United States Constitution; and

''Whereas, the January 1, 1995, effective date of P.L. 103–305, coming as it does before Colorado and most other states convened their legislatures for the year—and particularly in a year in which many states have no scheduled legislative session at all—is a cause of chaos for state enforcement officials as well as regulated persons and entities; Now, therefore, be it

''*Resolved by the House of Representatives of the Sixtieth General Assembly of the State of Colorado, the Senate concurring herein:*

''(1) That the United States Congress is urged immediately to repeal section 601(c) of the ''Federal Aviation Administration Authorization Act of 1994'', P.L. 103–305;

''(2) That, failing such repeal, the effective date of said section be postponed for at least two years to allow Colorado and the other states affected by the Act to prepare an orderly legislative and regulatory response; and

''(3) That, if Congress does not provide such relief, the Colorado General Assembly intends fully to explore its options regarding relief through the courts and, possibly, to join with other states in seeking such relief.

''*Be it further resolved,* That copies of this Resolution be sent to speaker of the House of Representatives Newt Gingrich, Senate Majority Leader Robert Dole, House Minority Leader Richard Gephardt, Senate Minority Leader Thomas Daschle, each member of the Colorado congressional delegation, Secretary of Transportation Federico Peña, Colorado Attorney General Gale Norton, and the presiding officers of each house of the legislatures of the several states.''

POM–120. A resolution adopted by the House of the General Assembly of the State of Indiana; to the Committee on Commerce, Science, and Transportation.

''HOUSE RESOLUTION NO. 60

''Whereas, the lack of uniformity in current motor vehicle registration and titling practices affords consumers with little protection from the few unscrupulous individuals that steal, rebuild, and resell cars;

''Whereas, consumers can only make informed decisions about previously damaged and rebuilt vehicles, if they are aware of the vehicles' history;

''Whereas, in the Anti-Car Theft Act of 1992 (Public Law 102–519), Congress established a task force to study problems relating to motor vehicle titling, registration and salvage controls that contribute to motor vehicle theft and fraud;

''Whereas, a majority of the states have little or no formal or standardized procedures for checking the history of a motor vehicle title;

''Whereas, title branding, a term used to describe the adding of some mark or notation on a vehicle title, is not uniform in state titling procedures, with 61 different designations being used among the states that do brand titles and with 38 states not recognizing either the identical brand or all of the brands of the other states;

''Whereas, although in most states, a rebuilt vehicle must undergo a vehicle identification number inspection to ensure that the vehicle is not stolen and has its V.I.N. changed or repaired who do the inspection vary considerably from state to state;

''Whereas, title washing, the act of eliminating certain information from the title of a vehicle, is common and easy for thieves who use the differences in state branding procedures or the lack thereof for their own personal gain;

''Whereas, inconsistencies in state definitions of salvage, a perceived weakness in many states retitling procedures, and a blanket branding of stolen vehicles, by requiring vehicle identification and safety inspections, restrictions on procedures for obtaining duplicate vehicle titles; and

''Whereas, the enactment of federal legislation would be beneficial to the states and to consumers by providing uniform definition of salvages and rebuilt vehicles, by requiring vehicle identification and safety inspections, restrictions on procedures for obtaining duplicate vehicle titles; Now, therefore, be it

''*Resolved by the House of Representatives of the General Assembly of the state of Indiana:*

''Section 1. That we do hereby urge the Congress of the United States to enact such legislation as may be necessary to provide uniformity among the states in the titling of rebuilt and salvaged motor vehicles.

''Section 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the President of the United States Senate, the Speaker of the United States House of Representatives and to members of the Indiana Congressional Delegation.''

POM–121. A resolution adopted by the House of the Legislature of the State of Alaska; to the Committee on Armed Services.

''Whereas the closure of the Naval Air Facility in Adak, Alaska, is anticipated to occur in 1996; and

''Whereas the land and existing infrastructure of the facility could be used after the closure to benefit people and businesses in the state, as well as to serve the long-term interests of the state and the federal government; and

''Whereas the closure of the facility presents a unique opportunity to develop a new community for the western Aleutians, to promote commercial ventures, and to use the existing land and infrastructure for community purposes; and

''Whereas, unless appropriate steps are taken immediately to preserve the building and other infrastructure from damage by wind and moisture, the future use of the existing infrastructure and the development of the Adak community will be jeopardized; Now, therefore, be it

''*Resolved* That the House of Representatives supports the conversion of the Naval Air Facility in Adak, Alaska, into a facility that can be used beneficially by the citizens of the western Aleutians; and be it further

''*Resolved* That the House of Representatives respectfully requests the United States Department of the Navy, Department of the Interior, and Department of Defense to

''(1) take effective and timely measure to preserve the infrastructure that constitutes the Naval Air Facility in Adak, Alaska;

''(2) work closely with all federal and state agencies and the Aleut Corporation regarding the future use of the facility after its closure;

''(3) designate in a timely manner an authority, preferably the Aleut Corporation, for developing the future use of the property constituting the facility; and

''(4) arrange for the transfer of the property that constitutes the facility to the Aleut Corporation as part of the corporation's entitlement under 43 U.S.C. 1601–1641 (Alaska Native Claims Settlement Act).''

POM–122. A resolution adopted by the House of Legislature of the State of Hawaii; to the Committee on Energy and Natural Resources.

''H.R. NO. 294

''Whereas, the self-governing Commonwealth of Northern Marianas (''CNMI''), located between Guam and the Tropic of Cancer, is comprised of an archipelago of sixteen islands, of which six are inhabited, the three largest and most populous being Saipan, Tinian, and Rota, whose native islanders, predominantly of Chamorro cultural extraction, achieved United States citizenship on November 3, 1986, when the islands, which were formerly a United Nations trust territory administered by the United States became a commonwealth of the United States; and

''Whereas, the commonwealth, in particular the island of Rota, has, allegedly, over the last several years been a scene of grievous abuses and violations of human rights against overseas Filipino contract workers such as domestic helpers, waitresses, farm laborers, construction workers, entertainers, and teachers: it being alleged that there are at least one hundred eighty-five documented cases of rape, forced prostitution, kidnapping, torture, assault and battery, and violations of labor rights committed by employers and local government officials, who are largely of Chamorro extraction; and

''Whereas, it is alleged that waitresses are forced into prostitution (as ''take out'' girls) and nude dancing and locked up during their free time; housemaids are kidnapped, beaten and raped; farm laborers are treated as virtual slaves; construction workers are abandoned without pay; teachers are degraded by their students, cafeteria workers, and administrators; and employees of all categories are routinely cheated of their wages and their passports are held by their employers, who typically impose large illegal penalties if they quit their jobs; and

''Whereas, these alleged injustices are inflicted by employers and government officials, notably the police, under a seemingly flawed regulatory system in which close family or political ties exist between employers and local authorities, and are evidently trivialized, on the island of Rota, by its mayor, who calls criticism ''overblown'', insisting that rapes are ''bound to happen in any society'' and forced prostitution ''is not rampant on Rota; it happens everywhere''; and

''Whereas, the influx of Filipino and other Asian workers has actually made the native Chamorros a minority on their own island—of the commonwealth's population of nearly 63,000, indigenous residents now compose less

than thirty-seven percent, whereas contract workers, ''statesiders'', and others make up the rest, Filipinos making up the bulk of the commonweath's 27,000-strong alien labor force, the others coming from China and elsewhere in Asia—has nonetheless made the contract workers a vast, politically powerless underclass, whose complaints of abuses are countered with threats and deportations and may also be stifled altogether if the commonwealth enacts a proposed $200 fee for filing a complaint with its Division of Labor; and

''Whereas, federal authorities responding to abuse complaints have allegedly encountered challenges to their jurisdiction, hostility from tight-knit local communities and witnesses too intimidated to testify, prompting them to compare their enforcement efforts there to similar efforts in the old Deep South and to comment that in the Northern Marianas the ''indigenous rights'' promoted by Washington have come to mean the exploitation of Asian minorities, and that ''It's American policy gone bad. Good intentions got flipped around''; and

''Whereas, the United States Department of the Interior is presently spearheading an aggressive federal interagency effort to stop labor and civil rights abuses of non-U.S. citizen workers in CNMI, coordinating the activities of the FBI, the U.S. Attorneys' Office, the Department of Justice's Civil Rights Division, the U.S. Immigration and Naturalization Service, the U.S. Department of Labor, and several other agencies; Now, therefore, be it

''*Resolved by the House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995,* That the United States Congress is respectfully requested to expedite and fully investigate claims of human rights abuse in the Commonwealth of Northern Marianas; and be it further

''*Resolved,* That the United States Congress is requested to review and assess the feasibility of taking control of immigration and minimum wage functions and responsibilities from the Commonwealth of Northern Marianas; and be it further.

''*Resolved,* That the United States Congress is respectfully requested to review the terms of the Compact Agreement between the United States and the Commonwealth of Northern Marianas to determine what further action should be taken to resolve the alleged abuses of human rights; and be it further.

Resolved, That certified copies of this Resolution be transmitted to the Clerk of the U.S. House of Representatives, the Secretary of the U.S. Senate, the members of Hawaii's congressional delegation, the Secretary of the Department of the Interior, and the President of the Philippines through its consulate.''

POM–123. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Environmental and Public Works.

''LEGISLATIVE RESOLVE NO. 10

''Whereas, in 1972, the federal Clean Water Act (33 U.S.C. 1251–1387) allowed a broad expansion of federal jurisdiction over wetlands by modifying the definition of navigable waters to include all waters of the United States; and

''Whereas, in 1975, the United States Army Corps of Engineers expanded wetland regulations to include restricted discharge of dredged and fill material into wetlands; and

''Whereas, wetlands regulations have been expanded further to include isolated wetlands and those not adjacent to navigable waters; and

''Whereas, the expansion of the regulations governing wetlands by federal agencies exceeds what the Congress intended when it enacted the federal Clean Water Act; and

''Whereas, Alaska contains more wetlands than all other states combined; and

''Whereas, according to the United States Fish and Wildlife Service, approximately 170,200,000 acres of wetlands existed in Alaska in the 1780s and approximately 170,000,000 acres of wetlands exist today, representing a loss rate of less than 1/10 of one percent in a decade through human and natural processes; and

''Whereas, approximately 98 percent of all Alaska communities, including 200 of 209 remote villages in Alaska, are located in or adjacent to wetlands; and

''Whereas, with negligible benefit to the environment in Alaska, the expansion of wetlands regulations has placed an increasing and unnecessary burden on private landowners, Native organizations, and local and state governments by inhibiting reasonable community growth and environmentally benign, sensitive resource development; and

''Whereas, 88 percent of Alaska's wetlands are publicly owned, while only 26 percent of wetlands in the contiguous 48 states are in public ownership; and

''Whereas, more than 60,000,000 acres of Alaska's wetlands are known to be conserved in some form of land designation, including federally designated wilderness land, federal part and refuge land, and state park and refuge land, that restrict utilization or degradation of wetlands; now, therefore, be it

''*Resolved* That the Alaska State Legislature respectfully requests the United States Congress to exclude Alaska from a ''no net loss'' policy associated with the federal Clean Water Act, and to amend the federal Clean Water Act to modify the wetlands regulatory program

''(1) to provide flexibility in Alaska wetlands permitting commensurate with the large amount of wetlands set aside in Alaska and the low historic rate of wetlands loss in Alaska; and

''(2) to relax the restrictions on the use of wetlands in Alaska; and be it further

''*Resolved,* That the Alaska State Legislature respectfully requests the United States Congress to recognize the unique contribution the citizens of Alaska have made to wetlands conservation and Alaska's outstanding record of wetlands conservation.

POM–124. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Finance.

''LEGISLATIVE RESOLVE NO. 12

''Whereas it is estimated that 37,000,000 Americans are without health insurance, many while between jobs, and that more Americans are underinsured because of the effects of rising health care costs and spending, which are forcing employers to trim the level and availability of health care benefits provided to their employees; and

''Whereas overutilization of health care services for relatively small claims is one of the most significant causes of health care cost and spending increases: currently more than two-thirds of all insurance claims for medical spending are less than $3,000 per family per year in this country; and

''Whereas, in response to runaway cost increases for health care spending, the private sector has developed the concept of medical savings accounts, which is designed to ensure health insurance availability and is based on providing incentives to eliminate unnecessary medical treatment and encourage competition in seeking health care; and

''Whereas, under a medical savings account arrangement, an employer currently providing employee health care benefits could purchase a lower cost, higher deductible major medical policy of each employee to replace the existing policy and then set aside the saved premium differential in a medical savings amount for the participating employee; and

''Whereas, through employer-funded medical savings account arrangements and the reduced cost of qualified insurance policies with higher deductibles, millions of Americans could insure themselves for both routine and major medical services; and

''Whereas, the participating employees would be able to use the money in their medical savings accounts to pay medical care expenses up to the amount of the insurance policy deductible and any money in the account at the end of the plan year would belong to the employee to use as the employee saw fit; and

''Whereas, the possibility of using the balance in the employee's medical savings account for other purposes is a strong incentive not to abuse health expenditures and to institute ''cost shopping'' for medical care services; and

''Whereas, by setting aside money for employees to spend on health care, employees could change jobs and use the money they had earned so far to buy interim health insurance or cover health care expenses thereby eliminating the problem of uninsured between jobs and helping to reduce 'job-lock'; and

''Whereas, medical care decisions are highly individualized and involve personal factors that cannot be standardized without interfering with personal choice and so should remain the employee's prerogative; and

''Whereas, under medical savings account arrangements, individual policyholders will have a strong stake in reducing costs, and this sample financial mechanism will expand health insurance options to others who presently have no insurance; and

''Whereas, this method of decreasing the health care cost burdens in this country would require no new federal bureaucracy and would be revenue neutral to employers; Now, therefore, be it

''*Resolved,* That the Alaska State Legislature respectfully requests the Congress of the United States to enact legislation swiftly and in good faith to enable Americans to establish medical savings accounts.''

POM–125. A resolution adopted by the Common Council of the City of Syracuse, New York; to the Committee on Finance.

POM–126. A resolution adopted by the Council of the City of Alexandria, Virginia; to the Committee on Finance.

POM–127. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Finance.

''FILE NO. 27

''Whereas, the provisions set forth in 42 U.S.C.§415 for determining the primary insurance amount of a person receiving social security were amended in 1977 by Public Law 95–216; and

''Whereas, that amendment resulted in disparate benefits according to when a person initially becomes eligible for benefits; and

''Whereas, persons who were born during the years 1917 to 1926, inclusive, and who are commonly referred to as ''notch babies,'' receive lower benefits than persons who were born before that time; and

''Whereas, the payment of benefits under the social security system is not based on need or other considerations related to welfare, but on a program of insurance based on contributions by a person and his employer; and

''Whereas, the discrimination between persons receiving benefits is totally inequitable and contrary to the principles of justice and fairness; and

''Whereas, the Social Security Trust Fund has adequate reserves to eliminate this gross inequity; now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, jointly, That Congress is hereby urged to enact legislation to eliminate inequities in the payment of social security benefits to persons based on the year in which they initially become eligible for such benefits; and be it further

Resolved, That Congress is hereby urged to eliminate these inequities without reducing the benefits of persons who were born before 1917; and be it further

Resolved, That a copy of this resolution be transmitted by the Chief Clerk of the Assembly to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

Resolved, That this resolution becomes effective upon passage and approval.''

POM–128. A joint resolution adopted by the Legislature of the State of Washington; to the Committee on Finance.

''SENATE JOINT MEMORIAL 8012

''Whereas, the Federal Internal Revenue Code currently requires individuals to pay income taxes on unemployment benefit payments that they have received; and

''Whereas, the taxation of Unemployment Insurance Benefits impacts over eight million persons annually and reduces their income on average by seventeen percent for a total of three billion dollars; and

''Whereas, this taxation of Unemployment Benefits is an onerous burden on individuals that are generally experiencing a dramatic reduction in income due to their loss of employment; and

''Whereas, the taxation of Unemployment Benefits undermines the purpose of Unemployment Insurance, by dramatically reducing the amount of moneys available to workers and their families that are experiencing a loss of wages due to no fault of their own. In addition, local economies are adversely impacted due to the loss of income in the community; and

''Whereas, the Washington State Unemployment Insurance Task Force, comprised of Business, Labor, and Legislative members, in their 1995 Report, found the Taxation of Unemployment Insurance Benefits to be an unfair burden on workers;

''Now, therefore, Your Memorialists respectively request that the Congress of the United States enact legislation removing Unemployment Insurance Benefits from taxation under the Internal Revenue Code. Now, therefore, be it

''*Resolved,* That copies of this Memorial be immediately transmitted to the Honorable Bill Clinton, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington.''

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 419. A bill to grant the consent of Congress to the Texas Low-Level Radioactive Waste Disposal Compact.

S. 677. A bill to repeal a redundant venue provision, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

John Garvan Murtha, of Vermont, to be U.S. District Judge for the District of Vermont.

George K. McKinney, of Maryland, to be U.S. Marshal for the District of Maryland for the term of 4 years.

Rose Ochi, of California, to be an Associate Director for National Drug Control Policy.

Susan Y. Illston, of California, to be U.S. District Judge for the Northern District of California.

George A. O'Toole, Jr., of Massachusetts, to be U.S. District Judge for the District of Massachusetts vice an additional position in accordance with 28 USC 133(b)(1).

Mary Beck Briscoe, of Kansas, to be U.S. Circuit Judge for the Tenth Circuit.

Patrick M. Ryan, of Oklahoma, to be U.S. Attorney for the Western District of Oklahoma for the term of 4 years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. CAMPBELL (for himself, Mr. COCHRAN, Mr. HATCH, Mr. MACK, Mr. DEWINE, and Mr. MCCAIN):

S. 817. A bill to require the Secretary of the Treasury to mint coins in commemoration of the Native American history and culture; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KERREY (for himself and Mr. SIMPSON):

S. 818. A bill to amend title II of the Social Security Act to increase the normal retirement age to age 70 by the year 2029 and the early retirement age to age 65 by the year 2017, to provide for additional increases thereafter, and for other purposes; to the Committee on Finance.

S. 819. A bill to amend chapters 83 and 84 of title 5, United States Code, to provide for more uniform treatment of Members of Congress, congressional employees, and Federal employees, to reform the Federal retirement systems, and for other purposes; to the Committee on Governmental Affairs.

S. 820. A bill to amend title 10, United States Code, to eliminate the increase in the retired pay multiplier for service in the uniformed services in excess of 20 years by members first entering the uniformed services after July 31, 1986; to the Committee on Armed Services.

S. 821. A bill to require a commission to study ways to improve the accuracy of the consumer price indexes and to immediately modify the calculation of such indexes; to the Committee on Banking, Housing, and Urban Affairs.

S. 822. A bill to provide for limitations on certain retirement cost-of-living adjustments, and for other purposes; to the Committee on Finance.

S. 823. A bill to amend the Congressional Budget Act of 1974 to require that the report accompanying the concurrent resolution on the budget include an analysis, prepared after consultation with the Director of the Congressional Budget Office, of the concurrent resolution's impact on revenues and outlays for entitlements for the period of 30 fiscal years and to require the President to include a 30 year budget projection and generational accounting information each year in the President's budget; 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 has thirty days to report or be discharged.

S. 824. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to provide for personal investment plans funded by employee social security payroll deductions; to the Committee on Finance.

By Mr. KERREY (for himself, Mr. SIMPSON, and Mr. ROBB):

S. 825. a bill to provide for the long-range solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

By Mr. THURMOND:

S. 826. A bill to authorize the Secretary of Transportation to issue a certificate of documentation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel PRIME TIME, and for other purposes; to the Committee on Comerce, Science, and Transportation.

By Mr. PRESSLER:

S. 827. A bill to amend the Internal Revenue Code of 1986 to limit an employer's deduction for health care costs of its employees if the employer fails to honor its commitment to provide health care to its retirees; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 828. A bill to enable each State to assist applicants and recipients of aid to families with dependent children in providing for the economic well-being of their children, to allow States to test new ways to improve the welfare system, and for other purposes; to the Committee on Finance.

By Mrs. HUTCHISON:

S. 829. A bill to provide waivers for the establishment of educational opportunity schools; to the Committee on Labor and Human Resources.

By Mr. SPECTER:

S. 830. A bill to amend title 18, United States Code, with respect to fraud and false statements; to the Committee on the Judiciary.

By Mr. SMITH (for himself, Mr. DOLE, Mr. HELMS, Mr. THURMOND, Mr. GRASSLEY, Mr. GRAMM, Mr. CAMPBELL, and Mr. THOMAS):

S.J. Res. 34. A joint resolution prohibiting funds for diplomatic relations and most favored nation trading status with the Socialist Republic of Vietnam unless the President certifies to Congress that Vietnamese officials are being fully cooperative and forthcoming with efforts to account for the 2,205 Americans still missing and otherwise unaccounted for from the Vietnam War, as determined on the basis of all information available to the United States Government, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CAMPBELL (for himself, Mr. COCHRAN, Mr. HATCH, Mr. MACK, Mr. DEWINE and Mr. MCCAIN):

S. 817. A bill to require the Secretary of the Treasury to mint coins in commemoration of the Native American history and culture; to the Committee on Banking, Housing, and Urban Affairs.

THE BUFFALO NICKEL COMMEMORATIVE COIN ACT OF 1995

Mr. CAMPBELL. Mr. President, this morning I take great personal pleasure in introducing the Buffalo Nickel Commemorative Coin Act of 1995.

Those of us with more than a little gray hair will remember this unique piece of history, with the Indian head design on one side and the buffalo design on the reverse side.

This coin was in general circulation from 1913 to 1938, which is a very short timeframe, only 25 years, but it is still one of the most recognizable coins in American history.

Now, nearly 60 years after the mint ceased production of the Indian head nickel, I would like this generation of Americans to reacquaint themselves to this unique piece of American heritage.

It is also an opportunity to raise some extra needed revenue for the National Park System. For these reasons, Senator COCHRAN, who has cosponsored this legislation with me, and I propose a limited edition commemorative Indian head nickel.

The artist who designed the coin over 80 years ago is James Earle Fraser. He wanted to produce a coin that was truly American, according to his original writings, that cannot be confused with the currency of any other country. There is no more significant motif, I suppose, than the American bison, the only animal in this country not found in any other place in the world.

Mr. Fraser himself was a famous artist, having done many works of art, including ''End of the Trail,'' which is now in the Cowboy Hall of Fame in Oklahoma City.

The Indian head motif has always been accepted as an impression of liberty in this country. The American bison was certainly an important part of our history.

Mr. Fraser himself said:

> In designing the buffalo nickel, my first object was to produce a coin which was truly American, and that could not be confused with the currency of any other country. I made sure, therefore, to use none of the attributes that other nations had used in the past. And, in my search for symbols, I found no motif within the boundaries of the United States so distinctive as the American buffalo or bison.

According to historical sources, the Indian head on the nickel was created by Fraser based on three models: Iron Tail, an Olala Sioux; Two Moons, a northern Cheyenne, a greater leader of the tribe, of which I am an enrolled member; Big Tree, a Seneca Iroquois, which is part of the Iroquois Confederation.

Supposedly the three Indians were all performers appearing in wild-west shows in New York City at the time they posed for Mr. Fraser.

Most historians generally accept that the model for the buffalo on the nickel was a famous bull bison in the Central Park Zoo. The name of the bull was Black Diamond. Unfortunately, after being immortalized on the coin, he was slaughtered for meat and hide in 1915, which was the same demise many of his wild brethren met on the plains.

These coins would serve another purpose, appropriate to their heritage: Profits from their sale would be earmarked for the maintenance and improvement of our national parks, which are virtually being ''loved to death'' by far too many people coming to them now.

This is not meant, by the way, to replace any of the appropriated money that now goes to parks. It was meant that the profit would supplement the amount of money they now receive from the appropriations process.

Mr. President, we are working closely with the Citizens Commemorative Coin Advisory Committee and the U.S. Treasury to make this commemorative coin a success. Last year, the committee recommended the consideration of a Native American theme for a commemorative coin. I think that the buffalo nickel fits that theme perfectly.

I wish I could take credit for having this idea, which I think is a good idea, but I cannot. It was originally suggested to me by a man by the name of Mitchell Simon, who contacted my office and suggested it. Former U.S. Senator Tim Wirth from Colorado also sent me a note saying he thought it was a good idea. And since that time we received a pile of postcards from people all over the country saying they thought reissuing the buffalo nickel would be well received.

Mr. President, I welcome my colleagues to join me in reintroducing this coin act, a coin with deep historical and cultural significance to this Nation. I would especially like to thank my colleagues, Senators COCHRAN, HATCH, MACK, DEWINE, and MCCAIN who joins me as original cosponsor.

By Mr. KERREY (for himself and Mr. SIMPSON):

S. 818. A bill to amend title II of the Social Security Act to increase the normal retirement age to age 70 by the year 2017, to provide for additional increases thereafter, and for other purposes; to the Committee on Finance.

S. 819. A bill to amend chapters 83 and 84 of title 5, United States Code, to provide for more uniform treatment of Members of Congress, congressional employees, and Federal employees, to reform the Federal retirement systems, and for other purposes; to the Committee on Governmental Affairs.

S. 820. A bill to amend title 10, United States Code, to eliminate the increase in the retired pay multiplier for service in the uniformed services in excess of 20 years by members first entering the uniformed services after July 31, 1986; to the Committee on Armed Services.

S. 821. A bill to require a commission to study ways to improve the accuracy of the consumer price indexes and to immediately modify the calculation of such indexes; to the Committee on Banking, Housing, and Urban Affairs.

S. 822. A bill to provide for limitations on certain retirement cost-of-living adjustments, and for other purposes; to the Committee on Finance.

S. 823. A bill to amend the Congressional Budget Act of 1974 to require that the report accompanying the concurrent resolution on the budget include an analysis, prepared after consultation with the Director of the Congressional Budget Office, of the concurrent resolution's impact on revenues and outlays for entitlements for the period of 30 fiscal years and to require the President to include a 30-year budget projection and generational accounting information each year in the President's budget; 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 30 days to report or be discharged.

S. 824. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to provide for personal investment plans funded by employee social security payroll deductions; to the Committee on Finance.

By Mr. KERREY (for himself, Mr. SIMPSON, and Mr. ROBB):

S. 825. A bill to provide for the long-range solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

SOCIAL SECURITY AND RETIREMENT REFORM LEGISLATION

● Mr. SIMPSON. Mr. President, I join my able and steady colleague Senator BOB KERREY from Nebraska in introducing a series of proposals we have crafted in an effort to address the long-term problems of Social Security.

I emphasize that our goal is to ''save'' this program—not, as some of the senior citizen and other groups will claim, to ''savage'' it. We are well aware that it is politically hazardous to even breathe a word about reforming Social Security. But we also believe the people of this country will be receptive to what we have to say. They know that they, or their loved ones, will most surely suffer over the long haul if we continue to cling blindly to the ''status quo.'' I believe they will embrace ''change'' when they are presented with the honest facts and the harsh reality of what the future holds for them if we continue on our present course.

Before I outline the details of our bills, let me briefly review why we feel compelled to address this issue. Last year, I served on the Bipartisan Commission on Entitlement and Tax Reform, which was guided through the deep swamps of entitlement spending by two remarkable and courageous men—Senator BOB KERREY, who served as our able chairman, and our former colleague Senator Jack Danforth, who served as vice chairman.

From June through December, the Commission held a series of public meetings in which we looked for any

and all ways to slow down the incredible pace at which entitlement spending is growing. Along the way, the Commission approved—by a vote of 30 to 1—an interim report which spelled out some highly sobering truths about Federal spending. Perhaps the single most important finding in the interim report was that entitlement spending and interest on the debt together accounted for almost 62 percent of all Federal expenditures in 1993. Furthermore, according to the Congressional Budget Office, this spending will consume fully 72 percent of the Federal budget by he year 2003 if the present trends continue. These are expenditures that occur automatically without Members of Congress casting so much as a single vote. This ought to serve as a ''wake-up call'' to all of us that we are headed on a course to disaster.

Unfortunately, the Commission concluded its business in December without reaching an agreement on specific recommendations for bringing entitlement spending under control.

That was most disappointing to me. However, 24 of the Commission's 32 members joined in writing a letter to President Clinton, emphasizing the need for ''immediate action'' and outlining various policy options—some of which Senator KERREY and I have included in the bills we introduce today.

On April 3 of this year, another clanging ''wake-up call'' rang from the Social Security and Medicare board of trustees. The trustees informed Congress and the American people in their annual report that—according to their best projections—the Social Security retirement trust fund will be exhausted in 2031, the disability trust fund will run out in 2016, and the Medicare trust fund will be depleted, that is, broke, in 2002.

These dates will be upon us sooner than one can imagine. The ''doomsday'' date for Medicare is only 7 short years away. The situation with Social Security may seem less urgent, but we must not be lured into complacency. Although the ''doomsday'' dates are currently set at 2031 and 2016 for the retirement and disability programs, the trustees' report also indicates that combined expenditures for the two programs will begin to exceed revenues in the year 2013. From 2013 to 2019, it will be necessary to ''dip into'' the interest income that is earned on the principal in order to pay out benefits. And then, beginning in the year 2020, we will have to ''dip into'' the principal itself just to keep the benefits flowing.

Because this is such a crucial point that every American must realize, I will repeat it again—to continue paying Social Security benefits, we will have to dip into—that is, spend—the trust fund's principal and interest beginning in 2013. We will be running a negative cash flow beginning in 2013. What this means is that come 2013, the Government will have several options: borrow money from the Treasury and drive up the deficit; raise payroll taxes on current workers; or reduce benefits to retirees.

These figures are not based on hysteria or fiction. They are cold, hard, clear, painful facts. No one can refute them—but we can take action to change our course and prevent these forecasts from coming true. That is why Senator KERREY and I are here today. We are introducing seven separate bills that taken together will shore up Social Security.

We are also introducing a package of bills, some of which duplicate the separate bills. This package will also solve Social Security's long-term solvency crisis. We've shored up Social Security in two ways to show our colleagues that there are a variety of ways to do it.

Our first bill deals with the Social Security retirement age. Many Americans may not know this, but current law already provides that the normal retirement age—the age at which full benefits can be received—will begin to slowly increase in the year 2000 for people who were born after 1937, and it will continue to gradually increase until it reaches age 67 for those who were born after 1959. This law is already ''on the books.''

Senator KERREY and I are proposing that the increases which are already scheduled be gradually accelerated. Our bill proposes that the normal retirement age begin to increase, beginning in the year 2000, so it reaches 66 in the year 2005, 67 in the year 2011, 68 in the year 2017, 69 in the year 2023, and 70 in the year 2029.

We also gradually increase the early retirement age to 65 by 2017 beginning in the year 2000. The early retirement age would reach 63 in the year 2005, 64 in the year 2011 and 65 in the year 2017.

I want to emphasize that the first group of people subject to the retirement age of 70 are those who are presently in their early 30's. Current retirees are not affected at all by this proposal. Thus, no one can let out a howl that we are calling for sweeping changes ''at the last minute,'' without giving people a chance to adjust their retirement plans. That is not what we are up to.

I also think it is useful to review the extent to which life expectancies have increased in the last 50 years. In 1940, the average life expectancy in the United States was 61.4 years for a male and 65.7 years for a female, yet the retirement age was 65. Today, the average life expectancy is about 72 years for men and 79 years for women. According to the Social Security Administration, more than 75 percent of the people who were born 65 years ago are still alive today. These individuals, once they have reached the age of 65, can expect to live another 15 years if they are men and another 19 years if they are women.

The authors of the original Social Security Act of 1935 had no way of knowing ''back then'' that today's retirees would be living for so long. Had they known then what we know now, I believe they would have agreed that a higher retirement age would be appropriate in the 21st century.

Our second bill would allow taxpayers to reduce their Social Security payroll tax payments by 2 percentage points and direct this money into a personal investment plan [PIP] of their own choice. Workers who choose this option would have their future benefits reduced by a corresponding amount, but this reduction would be offset with earnings from their personal investment plan. The question of whether lost benefits would be partially, completely or more than offset by these earnings would depend upon the decisions each individual makes with respect to his or her private investment plan.

I often hear from constituents who insist that if they were allowed to invest their Social Security taxes themselves, they could earn a much higher rate of return than the 8 percent return U.S. Treasury securities yielded last year. This bill gives them a chance to do just that. Some taxpayers will prove that, indeed, they can do better investing these funds on their own. Others may learn the hard way that private sector investments always carry a certain element of risk. Either way, I believe it is important to give people more control over decisions relating to their retirement.

Our third bill is guaranteed to bring howls of glee from the hinterlands. It calls for reductions in the pensions of Members of Congress and certain Federal employees. These reductions are achieved through three separate provisions.

First, the accrual rates used to calculate pensions would be reduced by one-tenth of 1 percent for future years of service. This means that the pension of a typical Federal employee—whose accrual rate would go from 1.0 to 0.9—would be reduced by up to 10 percent.

Second, the accrual rates used to calculate congressional pensions would be made equal to those used to calculate the pensions of typical Federal employees. Thus, a Member of Congress would have his or her pension calculated on the basis of a 0.9-percent accrual rate for future years of congressional service instead of a 1.7-percent accrual rate, thereby reducing his or her pension by as much as 47 percent.

Third, our bill would require that the pensions of certain Federal employees, including Members of Congress, be based on their five highest salary years—instead of their three highest salary years.

These provisions demonstrate in the most vivid manner possible that we, as elected officials, are willing to make sacrifices ourselves. This is something we must do to show the American people that we are serious about getting our fiscal house in order. We all understand that reducing our own pensions won't make a dent in the deficit, but

the symbolism of this gesture is absolutely crucial to our success in other areas.

Our fourth bill deals with the retirement benefits that are received by individuals who joined the military after July 31, 1986 and therefore aren't able to retire until the middle of 2006. We propose that the accrual rates used to calculate their pensions on be limited to 2 percent per year, regardless of how many years of service an individual may have. Currently, the accrual rate is 2 percent for each of the first 20 years and 3.5 percent for the 21st through 30th years of military service. This is an extraordinarily generous system by any standard.

I am fully prepared for the cries of outrage this will bring from some of the many men and women who serve with honor and distinction in the military. I served in the military too, as did BOB KERREY who won the Medal of Honor for his bravery. We would never do anything to diminish the importance or value of their service. But it is hard to justify an accrual rate of 3.5 percent for military retirees when civil service Federal employees have an accrual rate of 1.0 percent and we are talking about bringing that down to 0.9 percent. I believe the changes Senator KERREY and I propose are appropriate in the context of what we are doing with congressional and civil service pensions.

Our fifth bill would change the manner in which cost of living adjustments [COLA's] are awarded. We propose that limits be placed on the COLA's of all Social Security beneficiaries and Federal and military retirees—except the 30 percent who receive the smallest COLA in each program.

Under this approach, the ''poorest'' 30 percent of recipients would continue to receive their full COLA's. The other 70 percent would also receive a COLA each year, but they would receive a COLA that is equivalent only to the actual dollar amount of the COLA that is received by recipients who are down there at the 30-percent level.

One important point I want to emphasize with respect to Social Security is that—since COLA's did not begin until the early 1970's and thus were not even included in the original Social Security Act of 1935—this proposal would not in any way ''break'' or alter the ''contract'' that is considered to exist between senior citizens and Social Security.

It is also important to note that this approach does not discourage people from saving for their retirement. It does not in any way penalize seniors who have personal savings or other sources of income. The amount of one's benefit is the sole determinant of whether or not a retiree is subject to the COLA cap. There are no other factors involved.

Our sixth bill focuses on the Consumer Price Index [CPI], which is used to calculate cost-of-living adjustments [COLA's] for Social Security beneficiaries and for military and Federal retirees. Alan Greenspan, the Chairman of the Federal Reserve, and other very credible witnesses have testified before the Senate Finance Committee that the CPI, as currently calculated, ''overstates'' actual inflation by as much as one or two percentage points. This may seem like an almost benign or inconsequential fact, but when you consider that hundreds of billions of dollars in Federal payments are increased each year on the basis of the CPI alone—and, furthermore, that the Federal income tax brackets are also adjusted annually according to the CPI—it becomes very clear that this is not a small matter.

Senator KERREY and I are proposing today that the annual CPI calculation be automatically reduced by one-half of a percentage point. According to the experts who testified before the Senate Finance Committee, this is a conservative estimate of how much the CPI is overstated. We also call for the creation of a seven-member commission that would be charged with studying the accuracy of the CPI and reporting its findings to the Secretary of Labor and Congress within 1 year. It is our sincere desire that this process would eventually lead to a more accurate measure of inflation, thus eliminating the need for an automatic reduction each year.

The seventh and final bill which Senator KERREY and I introduce today is one that all 100 senators should be able to agree on. We propose that the Congressional Budget Office and the OMB be required to use a 30-year ''budget window'' instead of a five-year ''budget window'' in evaluating any legislation that affects entitlement spending. This is a matter of common sense. By definition, entitlement programs go on forever unless Congress takes specific action to stop them. To say that we will look only at the first 5 years of such programs is now unacceptable. It is absolutely essential that we begin to view these programs from a longer-term perspective.

These seven bills represent the best efforts of my friend Senator KERREY and myself to protect and preserve these retirement programs for many generations to come. We invite our colleagues to join us in supporting and advancing these measures—or to come up with various alternatives of your own.

Each of us has an obligation—not only to our constituents, but to ourselves and our children and grandchildren—to confront these issues head-on. Whatever outrage and hostility we may encounter from today's defenders of the ''status quo''—and there will be plenty of it—it will pale in comparison to the truly richly deserved scorn we will receive from future generations if we fail to have the courage to act. I eagerly look forward to a spirited debate on these issues and I urge my colleagues to join the fray.●

Mr. ROBB. Mr. President, I support the Strengthening Social Security Act of 1995. I commend my distinguished colleagues, Senators BOB KERREY and ALAN SIMPSON, for their hard work on this important legislation, and I am pleased to be an original co-sponsor.

I compliment my friends from Nebraska and Wyoming, Mr. President, because tackling the problems associated with social security takes enormous personal and political courage. In an era when news is conveyed in quippy, provocative soundbites, ''touching'' social security is anathema—even when reforming social security is clearly the only way to save it.

For the bottom line is this, Mr. President: if we don't change the way we do business around here, spending on entitlements and interest on the debt will consume all Federal revenues by the year 2012. That same year, social security expenditures will begin to exceed revenues coming into the trust fund, and by the year 2029, the Social Security trust fund will be exhausted.

Because of demographics and increasing life expectancies, this Nation has evolved from a system where 15 workers supported each Social Security beneficiary when the program was created, to five workers for each beneficiary today, to just three workers for each beneficiary when the Baby Boom generation retires.

It's clear to me, Mr. President, that we have promised our people more than we can deliver, and that our present path is simply unsustainable.

Unless we act today, we place an unconscionable financial burden on our children and our grandchildren—and we fail to ensure the retirement security of future generations of Americans.

This legislation strengthens the retirement security of future generations. It abolishes the actuarial deficit in the trust fund and allows the fund to pay benefits on an uninterrupted basis for the 75-year timeframe reviewed by the fund's actuaries.

More young Americans believe in UFO's than believe that Social Security will be there for them, and we urgently need to restore in young Americans a genuine confidence in the system. One of the most intriguing and attractive provisions of this bill to me, Mr. President, allows for almost 30 percent of payroll taxes to be designated for the creation of a personal investment plan—a tangible account—for future beneficiaries.

Mr. President, powerful interests will fight even minor changes to the Social Security system, and to succeed, we will have to engage in a battle of our own. This means educating the American people on what the problems are and how to responsibly solve them—convincing our citizens that the time to act is today, when the remedies are so much easier to absorb.

This also means persuading our colleagues on both sides of the capitol and both sides of the aisle that touching Social Security does not mean destroying it. Touching Social Security does

not mean abandoning our senior citizens, who have contributed so much to our country.

Reforming Social Security, Mr. President, can mean strengthening it. Reforming Social Security can mean saving it for future generations. And reforming Social Security can mean that we in Congress fulfill our responsibility to govern, and to govern well.

I urge my colleagues to take an honest look at this legislation.

By Mr. THURMOND:

S. 826. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Prime Time*, and for other purposes; to the Committee on Commerce, Science, and Transportation.

JONES ACT WAIVER LEGISLATION

Mr. THURMOND. Mr. President, I rise today to introduce a bill today to direct that the vessel *Prime Time*, official number 660944, be accorded coastwise trading privileges and be issued a coastwise endorsement under 46 U.S.C. sections 12106, 12107 and 12108.

This vessel was purchased in 1994 by Everett Ballenger of Columbia, SC, to provide charters from Hilton Head Island, SC. This chartering business was to be Mr. Ballenger's sole livelihood. Because the vessel was foreign built, it did not meet the requirements for coastwise trading privileges in the United States. When Mr. Ballenger sold his home to buy this vessel from a broker in Baltimore, he was unaware that it could not be legally used for its intended purpose.

Therefore, Mr. Ballenger is thus seeking a waiver of the existing law because he wishes to use the vessel for charters. If he is granted this waiver, he intends to comply fully with U.S. documentation and safety requirements. The purpose of the legislation I am introducing is to allow the *Prime Time* to engage in the coastwise trade and fisheries of the United States.

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. 826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Nothwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel PRIME TIME, United States official number 660944.

By Mr. PRESSLER:

S. 827. A bill to amend the Internal Revenue Code of 1986 to limit an employer's deduction for health care costs of its employees if the employer fails to honor its commitment to provide health care to its retirees; to the Committee on Finance.

RETIREE HEALTH BENEFITS LEGISLATION

Mr. PRESSLER. Mr. President, I am introducing legislation today to rectify a great disservice done to a number of retired Americans, including many in my State of South Dakota.

Specifically, the retired employees of John Morrell & Co.—a meatpacking plant located in Sioux Falls—were promised life-time health benefits by the company when they retired. As these workers planned for their retirement, they relied upon the Morrell promise of continued health care benefits.

However, in January of this year, Morrell unilaterally terminated all of its retiree health insurance benefits—suddenly leaving about 3,300 retirees and their families throughout the country without health insurance. These individuals now find themselves with little or no options for replacing their health insurance.

Mr. President, this is patently unfair. As policymakers, we must not allow these inequitable actions to remain unchallenged. If we do, we risk establishing a precedent that encourages other companies to violate good faith agreements with their employees' health care benefits.

The parent company of Morrell is Chiquita Brands, Inc., a highly successful multinational corporation known to many Americans. Chiquita has refused several good faith offers to negotiate with the Morrell retirees on this issue. Chiquita has moved to save money for the company at the expense of those who have no standing to defend themselves.

In March of 1991, Morrell sent a letter to its retirees announcing it reserved the right, at its sole discretion, ''to alter, modify, or terminate'' any benefit at any time. In December, 1991, Morrell announced the first unilateral reduction in retiree health benefits. Legal proceedings challenging the action began immediately.

So far, efforts to reverse the decision in Federal court have been unsuccessful. In October 1992, a Federal district court trial was held in South Dakota. The trial court refused to overturn Morrell's action. It concluded that the health benefits were not contractually guaranteed by the company. When a divided panel of the U.S. Court of Appeals for the Eighth Circuit affirmed the lower court decision, Morrell immediately terminated all health benefits for all retirees. An appeal has been made to the U.S. Supreme Court, though review is unlikely given the few cases selected by the Court each year.

The Morrell retirees are at the end of their rope. They have tried to retain their health benefits through negotiations and through the courts. When it comes to matters such as this, legislation must be considered the last best alternative. Frankly, we have reached that point. It is time for Congress to step in.

Therefore, today I am introducing legislation that is intended to stop the transaction in its tracks, and prevent similar injustices from being done in the future. My bill, the Retiree Health Benefit Protection Act, would end these abuses by making it costly for those companies who entice their employees to rely upon the company's good will and then, subsequently, renege on their promises of continued health benefits.

The Retiree Health Benefit Protection Act would reduce significantly the amount of the current tax deduction that a company can take for expenses made to provide medical care to its employees. Under current law, companies are allowed to take a 100 percent tax deduction for these expenses. My bill would reduce that to 25 percent—the same rate at which a self-employed individual can deduct their expenses—if a company refuses to honor its prior health benefit commitment to its retirees.

Mr. President, some will say this bill is tough. It is. As we all know, businesses make their decisions largely by looking at the bottom line. For Chiquita, its seems that its bottom line requires it to drop health benefits to Morrell retirees. My bill is designed to alter the bottom line—to make it clear that companies cannot break a promise to its retirees without paying a great price. The Morrell retirees are paying an unfair and unjustified price right now for Chiquita's action. But what price is Chiquita paying? I do not believe that a company should be allowed to continue to take full advantage of the tax benefits of providing health care if they do not continue to fully provide promised health care benefits. Therefore, my bill is designed to impose a price—to alter the bottom line—and in a manner that I believe will make companies keep the promises they make to their employees.

We in Congress have an obligation to be sure that policies that impact our retirees are fair. For many years, retired Americans work and plan for a day when they can spend their later years reaping the benefits of hard work. These plans depend largely on promises made by others, including their employers. Retirees make financial decisions counting on these promises being kept.

The Federal Government—through the tax code—provides tax breaks to those companies who provide benefits to their workers, such as health care. In short, we use the tax code to reward good faith behavior. It is now time to consider using the code to prevent a violation of good faith, or to punish such violations. Chiquita/Morrell made a promise to their employees. It has an obligation to live up to its word to the many retired Americans who made Morrell an integral part of South Dakota's economy.

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. 827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDUCTION IN HEALTH CARE DEDUCTION OF EMPLOYERS FAILING TO HONOR COMMITMENT TO PROVIDING HEALTH CARE TO RETIREES.

(a) IN GENERAL.—Section 162 of the Internal Revenue Code of 1986 (relating to deduction for trade or business expenses) is amended by redesignating subsection (o) as subsection (p) and by inserting after subsection (n) the following new subsection:

''(o) REDUCTION IN CERTAIN HEALTH CARE DEDUCTIONS OF EMPLOYEES.—

''(1) IN GENERAL.—Notwithstanding any other provision of this chapter, if—

''(A) an employer provided medical care to its retired employees and their spouses and dependents during the 10-year period ending on December 31, 1993, and

''(B) the employer does not provide that medical care for any period after December 31, 1993,

the amount allowable as a deduction under this chapter for expenses incurred in providing medical care to officers and employees of the employer (and their spouses and dependents) during the period described in subparagraph (B) shall not exceed 25 percent of the amount of the deduction without regard to this subsection.

''(2) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

''(A) MEDICARE CARE.—The term 'medical care' has the meaning given such term by section 213(d)(1).

''(B) FAILURE TO PROVIDE MEDICAL CARE.—For purposes of paragraph (1)(B), an employer shall be treated as failing to provide medical care for any period if there is a substantial reduction in the level of medical care provided during the period from the level provided on December 31, 1993.

''(C) PREDECESSORS.—For purposes of paragraph (1)(A), an employer shall be treated as having provided any medical care which any predecessor of the employer provided.

''(D) CONTROLLED GROUPS.—All employers who are treated as one employer under subsection (a) or (b) of section 52 shall be treated as one employer for purposes of this subsection.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to periods beginning on and after January 1, 1994, in taxable years ending after such date.

By Mr. MOYNIHAN:

S. 828. A bill to enable each State to assist applicants and recipients of aid to families with dependent children in providing for the economic well-being of their children, to allow States to test new ways to improve the welfare system, and for other purposes; to the Committee on Finance.

THE FAMILY SUPPORT ACT OF 1995

Mr. MOYNIHAN. Mr. President, I rise for the purpose of introducing the Family Support Act of 1995. Senators who have been following the subject of welfare policy will recognize this as a successor to the Family Support Act of 1988, which was adopted in this Chamber just this side of 7 years ago, on September 29, 1988, by a vote of 96 to 1. I was the manager on our side and recall very specifically the atmosphere, the emotion; we knew this bill, from a near unanimous Senate, was going out the door to the House of Representatives where it would be received and treated in much the same manner; only thereafter to go to the White House where President Reagan, having helped shape the legislation would welcome it, sign it. He would sign what he called ''this landmark legislation'' in the company of such great Senators still in this body as our hugely respected majority leader, Senator DOLE; my revered colleague, now chairman of the Finance Committee, Senator PACKWOOD; our former colleague, subsequently Secretary of the Treasury, Lloyd Bentsen, as well as Members of the House of Representatives.

It was a grand moment in the Rose Garden. President Reagan said that Congress and those particularly active on this measure would be remembered for accomplishing what many have attempted but no one had achieved in several decades, ''a meaningful redirection of our welfare system.''

It will seem unimaginable to us today, but the Family Support Act of 1988 was not a partisan political measure. There in the Rose Garden was Senator DOLE, Senator Bentsen, the Speaker was there, Mr. Foley, Mr. Michel, the minority leader representing the Republicans. The chairman of the Governors Association of the United States, William Jefferson Clinton, was there, having been a wondrous, energetic advocate on behalf of the Governors. And with him his then colleague, as Governor of Delaware, the Honorable MIKE CASTLE, now Representative from the State of Delaware in the House of Representatives. Democrat and Republican alike, joining in a near unanimous measure to do what needed doing, a good 50 years, a good half century into the experience with what we have called welfare, under the Social Security Act of 1935.

We redefined the statute to bring it in line with a new reality. The original Social Security Act of 1935, adopted in the midst of the Depression, provided for aid to dependent children. Basically, it represented the Federal Government picking up the widows' pensions which had been adopted in almost half the States by this point. But these States were under severe economic stress in that Great Depression; the Federal Government assumed the responsibility for the children. In 1939 the mother of the family was included as well so it became Aid to Families with Dependent Children. And it was expected to be a bridge, very similar to Old Age Assistance, which would last until Social Security having matured, widows with their children were entitled to survivors insurance—Old Age and Survivors Insurance [OASI].

Indeed, that has happened. I think it is the case that only 71 percent of the recipients of Social Security benefits are in fact retired adults. The rest are, indeed, survivors and dependent children.

But then something new happened. Family structure began to change in our country. It is not the most comfortable subject to deal with, but it is a necessary one, Mr. President, and we have become more open about it. In fact, it is President Clinton who now speaks of this. He spoke to us about this in a joint session of the Congress. We now have a rate of births of children in single-parent families that has reached 33 percent. At the time the Social Security Act was enacted it was probably 4 percent. Our first hard number is 4 percent, in 1940.

We are not alone in this. The same phenomenon has taken place in the United Kingdom, in France, in Canada. We find it difficult to explain. Our other neighbors, as it were, find it difficult to explain. But we cannot doubt its reality.

In 1992, for example, the ratio in New York City had risen to 46 percent, approaching half. It may be at that point now. Because we observe a regular rise, year after year, at a very steady rate of about 0.86 percent a year. There has not been one year since 1970 in which the ratio has not risen.

One of the consequences has been the rise in the number of cases, of families receiving Aid to Dependent Children. There was a sharp rise in the late 1960's. It reached a certain plateau in the 1980's, which we think to be—do not know but think to be—a matter of demography. The childbearing population was flat or even declined a little bit. Then, starting in 1989 it begins a very pronounced rise. We go from 3.5 million to almost 5 million in 4 years. It is dropping just a little bit now, but we anticipate an increase in the population of childbearing age such that we have every reason to think there will be an increase in this caseload. And we knew those things in 1988. And we knew we had to do something quite different. We had to redefine welfare. It was no longer a widow's pension.

I have the great honor to know Frances Perkins, the Secretary of Labor, who had been chairman of the Committee on Economic Security that presented the program to President Roosevelt, and she would describe a typical recipient—this is 1962, 1963—as a West Virginia miner's widow.

Miners' women did not work in coal mines, and widows were not expected to do such things in any event. It was a permanent condition. Suddenly we found a population of young persons with very young children who were dependent but ought not to remain so. It is not fair to them, it is not fair to their children, it is not fair to the society that is maintaining them. So the Family Support Act of 1988, the first such act, said we will make a contract. We will say that society has a responsibility to help dependent families become independent, and they in turn have a responsibility to help themselves—a mutual responsibility.

We started the JOBS Program, the Job Opportunities and Basic Skills Program. We said we will expect people to work. Well, of course. I have here a button from one of the JOBS programs in Riverside, CA. We had testimony in the Finance Committee just a while ago. It is a wonderful button. The director is an enthusiastic man. The button says, ''Life Works If You Work.'' He is right. And there is nothing wrong with that. Twenty years ago such ideas would possibly have been thought of as punitive, possibly stigmatizing. We are well beyond that in large part because of the JOBS Program.

There is no doubt that we passed this legislation because States had begun to innovate. Those innovations seemed promising, and the Manpower Development Research Corp. based in New York City could measure results. And these innovations went right across the political spectrum. Governor Dukakis, a liberal Democratic Governor of Massachusetts, and Governor Deukmejian, a conservative Republican Governor of California, adopted very similar ideas—get people ready to work, get them thinking they can do it, and get them out of the house and into the mainstream.

We based our program on those experiments that had taken place. We very carefully said we are going to work on the hardest cases, not the easiest ones.

If I can say, Mr. President, at the risk of being a little too statistical, the population of the AFDC cases is what statisticians call bimodal. A little less than half, about 40, 45 percent are mature women whose marriages have broken up, or they are separated, or divorced. They will come into this arrangement for a brief period and they go off on their own. They organize their lives as people do, and the research is very clear on that. You can do all the effort you want with such people. They do not need your help, thanks very much. They just need some income support for a period until they get their other affairs in shape on their own. But slightly more than half are young people with no marriage, no job experience or little, often in settings where they are surrounded by such persons.

Mr. President, may I ask if I can continue in morning business, there being no other Senator seeking recognition?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Thank you, Mr. President.

So we launched this program. Having been involved with this subject for 30 years and more, may I say one recognizes in the State governments enormous creativity. There is scarcely a day or week that you do not read of some new program in one State or another.

I believe it was Monday evening on one of the evening news programs, it was NBC. It was Lisa Myers interviewing persons in Connecticut including the Governor where a very bold set of ideas has been developed around the principles of the Family Support Act of 1988. You are in here, it is a temporary arrangement, we are going to help you get out of this. We realized what obstacles we had inadvertently put in place to becoming free of welfare. In 1965 we enacted Medicare and Medicaid. So then a welfare mother had health care for her children, full, free health care. The minute she left welfare she lost it. Many mothers are going to think twice about that, particularly if a child has a health condition that is chronic and requires care. It would be unfair to the child to deprive him or her of that care. We said we will give you a year on Medicaid after you leave the rolls, as the term was. We will give a year of child care. We will help you along in this.

States are innovating all the time. Up in Connecticut they are saying, ''Remember. You only have''—as I believe it was—''21 months. In the meantime any job you get you keep it.''

That is the kind of waiver which we anticipated in the legislation, bipartisan and unanimous legislation, and the Clinton administration and Secretary Shalala have been very good about getting these things up and out, but not fast enough, a problem addressed by the legislation I introduce today. We say a waiver decision will be handed down in 90 days. The presumption is the States know what they are doing, and we want them to try it.

This morning the front page of the Washington Post has a story, ''Virginia Suburbs To Test Allen Welfare Plan. Area Has Eleven Months to Adopt Changes, Find Thousands Work.''

Work. ''Life Works If You Work.'' We are not afraid of that. We wanted that. We encouraged that. That is what the legislation did. Governor Allen, a Republican Governor. The article says:

> That means one of the country's boldest welfare plans will unfold in the back yard of its top leaders, virtually guaranteeing the attention of Congress and the White House as they shape national policy.
>
> ''Virginia is again making history,'' said Allen, a Republican. ''It is the most sweeping and, I think, the most compassionate welfare reform plan anywhere in the nation.''

This is taking place under the Family Support Act of 1988. And it is being paid for by the Federal matching funds and the guaranteed matching support for children. There is something very important there that might easily have been missed in that statement. I will say it again.

Governor Allen says, ''Virginia is again making history. It is the most sweeping and, I think, the most compassionate welfare reform plan anywhere in the nation.''

A welfare reform designed to say to people you have got to go to work, you have a set time where you have to get yourself together, and we will help you to get on your way.

Years ago no one would have described such an effort as compassionate. Indeed, I have been through these matters and I can say to you the slightest suggestion that work might be appropriate for welfare recipients was decried as punitive, and those who suggested it said, ''No, no, no. There is no such intention.'' Now, openly, Governors will say, if you care about your fellow citizens, you have to help them get out of the debilitating and unfair situation.

And that is what we do. That is what we can do more of. The bill I introduce today will provide an additional $8 billion over 5 years with every penny paid for, every penny provided through closing tax loopholes, refining the Supplementary Security Income program. I had a hand in the proposals under President Nixon that led to SSI as we called it. It was intended to deal with the problem of adults who could not work, the permanent, totally disabled, and such like. We close loopholes such as that egregious practice we have come upon of American citizens renouncing their citizenship in order to avoid their taxes. There will be no more of that. The chairman of the Finance Committee, Mr. PACKWOOD, and I agreed as of the day this issue was brought up you cannot do it anymore. This bill will provide funds for that purpose and other such matters. We are not adding a penny to the deficit. I would not dare, particularly with that most formidable and knowledgeable chairman of the Budget Committee in the Chamber. We pay for this provision for women and children to help them pay for themselves.

Mr. DOMENICI. Will the Senator yield?

Mr. MOYNIHAN. I am happy to yield for a question.

Mr. DOMENICI. I was just passing through. I was not going to even pass on the Senator's eloquence or arguments, but since the Senator mentioned my name, I ask that the Senator particularly use his good head during the next 5 or 6 days and help us get a balanced budget.

Mr. MOYNIHAN. I will most assuredly help the Senator do that, and we want to balance the budget for the children of America, too, and we have it here and we are going to pay for it.

If the distinguished chairman could just let me point out, in the midst of the Depression of the 1930's, we could provide for dependent children as a Federal responsibility. In the 1990's, when we have a $7 trillion economy, it has been proposed to take that away.

Look at what we have done to our children. The average benefit, in 1995 dollars, two decades ago was $650. It is down to $350. That is not the social policy the chairman of the Budget Committee is associated with and not the one with which I think this Senate should wish itself to be associated.

I thank my friend.

Mr. DOMENICI. I thank the Senator. Let me just mention, however—and the Senator would agree—since the early days of that program to help our poor children, we have, indeed, passed more

than a dozen major programs that also help our children that were not in existence then.

Mr. MOYNIHAN. Entirely.

Mr. DOMENICI. I do believe, from the standpoint of our people who are contributing mightily in tax dollars, they ought to have an understanding that even though that came down in real dollars, that is not the whole story, and yet I am not here to argue with the good Senator from New York.

Mr. MOYNIHAN. That is not the whole story. I was speaking earlier of Medicaid.

Mr. DOMENICI. Right.

Mr. MOYNIHAN. It was made available in 1965, previously unknown. But curiously a benefit to the children became an obstacle to leaving welfare and that is what we overcame. The Senator was one of the fine supporters of the Family Support Act of 1988. And I will see how we proceed at this point. But I thank the Senator.

Mr. DOMENICI. I would just add one other comment if the Senator would permit.

Mr. MOYNIHAN. I would.

Mr. DOMENICI. Frankly, the reason I am going to start this afternoon at noon for the balanced budget 2002 is for the children of this country. It may not be exactly for the children the Senator is referring to. I am hopeful that will all work out fine. But actually I believe the continuation of a deficit of the size we are incurring is actually antikids, antichildren.

Mr. MOYNIHAN. And antigrandchildren.

Mr. DOMENICI. Please.

MR. MOYNIHAN. It is certainly antigrandchildren.

Mr. DOMENICI. That is right, and I have a few of those. The Senator has a few.

Mr. MOYNIHAN. I could not start working into my wallet, but I know the Senator could work into his.

Mr. DOMENICI. Nobody bids against me when it comes to children and grandchildren. They give up and say, ''That's off the record now.''

But anyway, I do believe a continuation of the policies of the past—and it is not just now, this year, last year—is probably the meanest policy we could have for the children of the future because they are going to have to pay our bills, and they are going to have to suffer a standard of living decrease to pay our bills, and we are not adult enough to stand up and say we ought to pay for it.

Mr. MOYNIHAN. I agree.

Mr. DOMENICI. I thank the Senator.

Mr. MOYNIHAN. I agree, Mr. President, and I would also say that we have an immediate problem of the 14, 14.5 million persons in this present program who are living today. And in very short periods of time we raise children, watch children being raised, we know how quickly things go badly or, alternatively, how quickly things get on the good road and how hard it is to change thereafter.

There are those who suggest that some savage removal of this entire Social Security provision will somehow change behavior. And I say, Mr. President, that is so deeply irresponsible as to make one wonder how it ever could have gained currency.

Lawrence Mead, who is a professor at New York University, now visiting professor at the Woodrow Wilson School of Public and International Affairs at Princeton, testified before the Finance Committee on March 9 about the proposals which have come to us, in effect, are here now from the House, in H.R. 4, the Personal Responsibility Act of 1995.

I think Dr. Mead would not in the least object to being described as a conservative. He has been very much at odds with what he thought of as a liberal social policy in the time when it went pretty much unchallenged in New York City officialdom. He said to us, however, now, just wait a minute. What are you doing? What do you know now that you did not know previously when we enacted the Family Support Act? I do not wish to have him quoted as referring specifically to the Family Support Act, but he was saying what do we know now different from what we have known? I quote him:

> Can the forces behind growing welfare be stemmed? Conservative analysts say that unwed pregnancy is the greatest evil in welfare, the cause not only of dependency but other social ills. On all sides, people call for a family policy that would solve this problem, but we have no such policy. The great fact is that neither policymakers nor researchers have found any incentive, benefit or other intervention that can do much to cut the unwed pregnancy rate.

This bears repeating, from a social scientist of impeccable conservative antecedence, appearing before our committee, the Committee on Finance, which will deal with this legislation, this area of legislation. He said:

> Can the forces behind growing welfare be stemmed? Conservative analysts say that unwed pregnancy is the greatest evil in welfare, the cause not only of dependency but other social ills. On all sides, people call for a family policy that would solve this problem.

May I interject that he could be describing this Senator. I have spoken of family policy; I have written on the subject for a generation now and watched family circumstances only worsen and have been as baffled as any other.

But then to continue Lawrence Mead:

> But we have no such policy. The great fact is that neither policymakers nor researchers have found any incentive, benefit or other intervention that can do much to cut the unwed pregnancy rate.

And if we do not know how to do it, how can we possibly decide to do nothing, when we have in place a program that is showing some results, not in changing family structure but in the response of dependent families to their situation?

Dr. Mead has done some analysis of the effects of the JOBS Program where it has been attempted. It had a problem of coming into place just as we went into recession. State governments had not the resources they needed and the Federal funds were not, in fact, fully used. But where they were used, there were responses, not large but real. And every time you succeed, you change the lives of a mother and her children, and there can be no larger purpose in domestic social policy.

The same sentiments were echoed by Nathan Glazer, perhaps our reigning sociologist, professor emeritus now at Harvard University. He wrote a paper for an Urban Institute conference here in Washington just a year ago, anticipating some of the turmoil we have seen in this debate.

The Urban Institute, Mr. President, was, of course, established in the mid-1960's in the aftermath of the first turmoil associated with some of these changes in social structure that appeared in American cities. President Johnson help sponsored it. It passed the Congress. Mr. William Gorham has dedicated a very distinguished career to the Urban Institute.

Here is what Nathan Glazer said on April 12, 1994.

> Do we know that much more than we knew in 1988 to warrant new legislation? I don't not think so. Do we feel confident enough about the programs we prescribed to States to undertake in 1988 to put substantially larger sums into them? It seems doubtful to me. Can we get a substantial part of long-term welfare clients off the welfare roles by increasing their earned income through investments and learning how to work, basic education, training programs, and the like? We cannot.

That is the passage I quote from Dr. Glazer.

I think we can do better than that. I think the record is better than that. I think the case is to be made: Continue what you are doing and strengthen what you are doing.

The Family Support Act of 1995 builds on what we have learned, even as the original was based on what we had learned. Social learning is hard. It takes generations sometimes. No one in 1950 could have imagined that our GDP would double and redouble and we would end up with the poverty that we see in cities everywhere in our country, that kind of intractable poverty that is not associated with employment or economic growth.

There is a measure to which the AFDC caseload responds to cyclical changes in the economy. Dr. David Ellwood, who is the distinguished Assistant Secretary of Health and Human Services for Policy Planning, estimates that somewhere between 10 and 20 percent of the rise in caseload in recent years might fairly be ascribed to the rise in unemployment in the beginning of the last recession. And yet, the unemployment figures go down, the caseload figures continue to go up. There is a lag, but even so we are not dealing basically with an economic issue in the sense that we think of in terms of employment, earnings. We are dealing

with social change for which we have little, little explanatory device.

And so, Mr. President, I would like to thank the Senate for the kind attention in these somewhat extended remarks to the introduction of the Family Support Act of 1995.

Mr. President, I ask unanimous consent to have printed in the RECORD a brief summary of the bill; the wonderful remarks on the signing of the Family Support Act of 1988 by President Reagan; and also an item in this morning's New York Times in which representatives of the U.S. Conference of Mayors and of the National Association of Counties observed that the legislation that has been sent us could be devastating to county government and to city government. I think in time more Governors will recognize the same. We are on a good steady path. Steady on.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BRIEF SUMMARY OF THE FAMILY SUPPORT ACT OF 1995

The bill builds on the Family Support Act of 1988 as follows:

JOBS and child care.—Participation rates under the JOBS program are increased from 20 percent in 1995 to 50 percent in 2001. The Federal matching rate for JOBS and child care is increased from a minimum of 60 percent under current law to a minimum of 70 percent (or, if higher, the State's medicaid matching rate plus 10 percentage points). The funding cap for JOBS is phased up from $1.3 billion in 1995 to $2.5 billion in 2001.

The bill also—

(1) emphasizes work by requiring States to encourage job placement by using performance measures that reward staff performance, or such other management practice as the State may choose;

(2) provides for a job voucher program that uses private profit and nonprofit organizations to place recipients in private employment;

(3) eliminates certain Federal requirements to give States additional flexibility in operating their JOBS programs; and

(4) allows States to provide JOBS services to non-custodial parents who are unemployed and unable to meet their child support obligations.

Teen parents.—For purposes of AFDC, teen parents (under age 18) are required to live at home or in an alternative adult-supervised setting. Teen parents (under age 20) are required to attend school, or participate in other JOBS activity approved by the State.

Encourage States to test alternative strategies.—Without requesting a waiver, States may adopt their own AFDC rules for (1) earnings disregards, (2) income and assets, and (3) eligibility for the unemployed parent program, for a period of five years. The Secretary of Health and Human Services must evaluate a sufficient number of program changes to determine their impact on AFDC receipt, earnings achieved, program costs, and other factors.

Interagency Welfare Review Board.—The bill establishes an Interagency Welfare Review Board to expedite waiver requests that involve more than one Federal agency. In considering an application for a waiver under section 1115 of the Social Security Act, there will be a presumption for approval in the case of a request for a waiver that is similar in substance and scale to one the Secretary has already approved. Decisions on section 1115 waiver requests must be made within 90 days after a completed application is received.

Child support enforcement.—The bill includes provisions to increase child support collections by establishing a directory of new hires, requiring States to adopt uniform State laws to expedite collections in interstate cases, requiring States to improve their paternity establishment programs, and making other changes.

In addition, the bill makes changes in SSI program rules and in rules relating to the deeming of income of sponsors to aliens for purposes of eligibility and benefits under the AFDC, SSI, and food stamp programs, and makes other changes, as follows:

SSI.—The bill includes provisions to modify disability eligibility criteria for children, to provide for increased accountability for use of benefits, and to require that retroactive benefits be used on behalf of the child.

Alien deeming.—The period during which a sponsor's income is deemed to an alien for purposes of eligibility for AFDC, SSI, and food stamps is extended from 3 to 5 years. Eligibility rules for AFDC, medicaid, SSI, and food stamps are made uniform.

Tax responsibilities incident to expatriation.—A taxpayer deciding to expatriate would owe income tax on asset gains that accrued during the period of U.S. citizenship, absent an election to instead continue to treat an asset as subject to U.S. tax. Similar rules would apply to certain long-term U.S. residents relinquishing that status.

Earned income tax credit changes.—Eligibility for the earned income tax credit would be limited to those authorized to work in the United States. In addition, the bill would provide more effective rules for verifying EITC claims where tax returns have social security number errors or omissions. Finally, an individual's net capital gains would be added to the categories of unearned income that are currently totalled in determining whether the taxpayer is eligible for the EITC.

Treatment of corporate stock redemptions.—The bill includes a provision that would assure the proper tax treatment of corporate stock redemptions. Under the bill, non pro rata stock redemptions received by a corporate shareholder would generally be treated as a sale of the stock to the redeeming corporation rather than as a dividend qualifying for the intercorporate dividends received deduction.

Description of Provisions

A. Job Opportunities and Basic Skills Training (JOBS) Program

1. INCREASE IN JOBS PARTICIPATION RATES

Present Law.—Under the provisions of the Family Support Act of 1988, 7 percent of adults in single parent families were required to participate in the JOBS program in fiscal year 1991, increasing to 20 percent in 1995. This requirement expires at the end of fiscal year 1995.

In the case of a family eligible for AFDC by reason of the unemployment of the parent who is the principal earner, the Family Support Act mandated that the State require at least one parent to participate, for a total of at least 16 hours a week, in a work experience, community work experience, or other work program. The participation rate that the State must meet was set at 40 percent in 1994, increasing to 50 percent in 1995, 60 percent in 1996, and 75 percent in 1997 and 1998.

Persons exempt from this requirement include individuals who are ill or incapacitated, are needed to care for another individual who is ill or incapacitated, needed to care for a child under age 3 (or age 1 at State option), live in a remote area, work 30 hours or more a week, and children age 16 and under who are full time students.

Proposed Change.—The participation rate is increased to 30 percent in 1997, 35 percent in 1998, 40 percent in 1999, 45 percent in 2000, and 50 percent in 2001 and years thereafter. Those who combine participation in JOBS and employment for an average of 20 hours a week, and those who are employed for an average of 20 hours a week, are counted as participants in JOBS for purposes of calculating the State's participation rate. The work requirement provisions for unemployed parents are retained.

2. CHANGE IN PURPOSE OF THE PROGRAM

Present Law.—The stated purpose of the JOBS program is to assure that needy families with children obtain the education, training, and employment that will help them avoid long-term welfare dependence.

Proposed Change.—The purpose of the program is modified by adding: to enable individuals receiving assistance to enter employment as quickly as possible; and to increase job retention.

3. REQUIREMENT FOR STAFF PERFORMANCE MEASURES

Present Law.—There is no provision relating to staff performance measures.

Proposed Change.—A State will be required to have procedures to: encourage the placement of participants in jobs as quickly as possible, including using performance measures that reward staff performance, or such other management practice as the State may choose; and assist participants in retaining employment after they are hired.

The Secretary of Health and Human Services is required to provide technical assistance and training to States to assist them in implementing effective management practices and strategies.

4. JOB PLACEMENT VOUCHER PROGRAM

Present Law.—There is no provision for a job placement voucher program.

Proposed Change.—The bill provides that, as part of their JOBS programs, States may operate a job placement voucher program to promote unsubsidized employment of welfare applicants and recipients.

The State will be required to make available to an eligible AFDC applicant or recipient a list of State-approved job placement organizations that offer job placement and support services. The organizations may be publicly or privately owned and operated.

The State agency will give an individual who participates in the program a voucher which the individual may present to the job placement organization of his or her choice. The organization will, in turn, fully redeem the voucher after it has successfully placed the individual in employment for a period of six months, or such longer period as the State determines.

5. INCREASED FLEXIBILITY IN ADMINISTERING THE JOBS PROGRAM

Present Law.—The Family Support Act requires States to include in their JOBS programs certain specified services, including education activities, skills training, job readiness, job development, and at least two work programs (including job search, work experience, on-the-job training, and work supplementation). There are also rules relating to when and how long individuals may be required to search for a job, as well as other program rules.

Proposed Change.—The bill allows States to establish their own requirements for when and how long a recipient or applicant must participate in job search. It also eliminates the present law requirement that individuals who are age 20 or over and have not graduated from high school (or earned a GED) must be provided with education activities, and eliminates the requirement that States

offer specified education and training services. The requirement that the State have at least two work programs is retained.

6. PERMIT STATES TO PROVIDE EMPLOYMENT SERVICES FOR NON-CUSTODIAL PARENTS

Present Law.—The Family Support Act allowed up to 5 States to provide JOBS services to non-custodial parents who are unemployed and unable to meet their child support obligations.

Proposed Change.—All States will be given the option of providing JOBS services to non-custodial parents who are unemployed and unable to meet their child support obligations.

7. FUNDING FOR THE JOBS PROGRAM

Present Law.—States are entitled to receive their share of Federal matching payments up to a capped amount of $1.3 billion in fiscal year 1995 to operate the JOBS program. The State's share of the capped amount is based on its relative number of adult AFDC recipients.

The Federal matching rate is the greater of 60 percent or the State's medicaid matching rate, whichever is higher, for the cost of services; and 50 percent for the cost of administration, and for transportation and other work-related supportive services.

Proposed Change.—The Federal matching rate for JOBS expenses by States is increased and simplified. Beginning in fiscal year 1997, the Federal matching rate will be 70 percent or the State's Federal medicaid matching rate plus 10 percentage points, whichever is higher. This rate will apply to all JOBS costs, including administrative costs and the costs of transportation and other work-related supportive services. The cap on Federal spending is $1.3 billion in 1997, increasing to $1.6 billion in 1998, $1.9 billion in 1999, $2.2 billion in 2000, and $2.5 billion in 2001 and years thereafter.

8. FUNDING FOR CHILD CARE

Present Law.—States must guarantee child care for individuals who are required to participate in the JOBS program. Child care must also be guaranteed, to the extent the State agency determines it to be necessary for an individual's employment, for a period of 12 months to individuals who leave the AFDC rolls as the result of increased hours of, or increased income from, employment. (Funding for this transitional child care expires at the end of fiscal year 1998.) States are entitled to receive Federal matching for the costs of such care at the State's medicaid matching rate. States are also entitled to receive Federal matching at the medicaid matching rate for care provided to individuals whom the State determines are at risk of becoming eligible for AFDC if such care were not provided. There is a cap on Federal matching for ''at risk'' child care of $300 million in any fiscal year. Funds are distributed to the States on the basis of the relative number of children residing in each State.

Proposed Change.—The Federal matching rate for child care is increased to 70 percent, or the State's medicaid matching rate plus ten percentage points, whichever is higher. The authority for Federal funding for transitional child care for persons who leave the AFDC rolls is made permanent.

9. EVALUATION OF JOBS PROGRAMS; PERFORMANCE STANDARDS

Present Law.—The Family Support Act of 1988 required the Secretary of Health and Human Services to evaluate State JOBS programs in order to determine the relative effectiveness of different approaches for assisting long-term and potentially long-term AFDC recipients. The Secretary was required to use outcome measures to test effectiveness, including employment, earnings, welfare receipt, and poverty status. These evaluations are being conducted in large part by the Manpower Demonstration Research Corporation.

The Family Support Act also required the Secretary to develop performance standards that measure outcomes that are based, in part, on the results of the JOBS evaluations. On September 30, 1994, the Department of Health and Human Services issued a report on the progress that has been made in developing an outcome-based performance system for JOBS programs. The report stated that recommendations for outcome measures will be transmitted to the Congress by April 1996. Final recommendations on performance standards will be ready before October 1998.

Proposed Change.—The bill authorizes such sums as may be necessary for fiscal years 1996–2000 to enable the Secretary to continue evaluating the effectiveness of State JOBS programs. The information derived from these evaluations is to be used to provide guidance to the Secretary in making improvements in the performance standards that were required by the Family Support Act. It is also to be used to enable the Secretary to provide technical assistance to the States to assist them in improving their JOBS programs, and in meeting the required performance standards. The evaluations shall include assessments of cost effectiveness, the level of earnings achieved, welfare receipt, job retention, the effects on children, and such other factors as the State may determine.

B. Aid to Families with Dependent Children (AFDC)

1. TEEN CASE MANAGEMENT SERVICES

Present Law.—There is no requirement in present law that States must provide case management services to teen parents who are receiving AFDC.

Proposed Change.—State welfare agencies will be required to assign a case manager to each custodial parent who is under age 20. The case manager will be responsible for assisting teen parents in obtaining services and monitoring their compliance with all program requirements.

2. REQUIREMENT FOR TEEN PARTICIPATION IN EDUCATION OR OTHER ACTIVITY

Present Law.—The statute provides that States generally must require teen parents under age 20 (regardless of the age of the child) to attend school or participate in another JOBS activity, but only if the program is available where the teen is living, and State resources otherwise permit.

Proposed Change.—The rules requiring teens to attend school or participate in another JOBS activity are strengthened. Teen parents under age 20 who have not completed a high school education (or its equivalent) must be required to attend school, participate in a program that combines classroom and job training, or work toward attainment of a GED. A teen parent who has successfully completed a high school education (or its equivalent) must participate in a JOBS activity (including a work activity) approved by the State. States may provide for exceptions to this requirement, in accordance with regulations issued by the Secretary of Health and Human Services. However, exceptions to the requirement may not exceed 50 percent of eligible teens by the year 2000.

In addition, States may also have programs to provide incentives and penalties for teens to encourage them to complete their high school (or equivalent) education.

3. LIVING ARRANGEMENTS FOR TEEN PARENTS

Present Law.—States have the option of requiring a teen under the age of 18 and has never married, and who has a dependent child (or is pregnant) to live with a parent, legal guardian, or other adult relative, or reside in a foster home, maternity home, or other adult-supervised supportive living arrangement. The State is required, where possible, to make the AFDC payment to the parent or other responsible adult. Certain exceptions to these requirements are provided in statute.

Proposed Change.—The bill requires all States to require a teen under age 18 who has a dependent child (or is pregnant) to live with a parent, legal guardian, or other adult relative, or reside in a foster home, maternity home, or other adult-supervised supportive living arrangement. Assistance will be paid to the teen's parent or other adult on the teen's behalf. Exceptions to this requirement may be made by in cases where the State determines that the physical or emotional health or safety of the teen parent or child would be jeopardized if they lived with the teen's parent, or where the State determines (under regulations issued by the Secretary) that there is good cause. The State agency will have responsibility for assisting teens in locating appropriate living arrangement when this is necessary.

4. ESTABLISHMENT OF INTERAGENCY WELFARE REVIEW BOARD

Present Law.—At the present time there is no interagency board to review requests by States for waivers from Federal program rules that involve more than one agency.

Proposed Change.—In order to facilitate the consideration of welfare program requirement waiver requests that involve more than one Federal department or agency, an Interagency Welfare Review Board would be created. Members would include the Secretaries of Agriculture, Health and Human Services, Housing and Urban Development, Labor, and Education, or their designees. The President may make such other appointments to the Board as he determines appropriate.

The Board will act as the central organization for coordinating the review of State applications for waivers that involve more than one Federal department or agency, and will provide assistance and technical advice to the States. The Board may issue an advisory opinion with respect to a waiver request, but final decisions will be made by the Secretaries of the departments or agencies that have responsibility for the programs involved. The Board must establish a schedule for the consideration of a waiver application to assure that the State will receive a final decision not later than 90 days after the date the completed application is received by the Board.

5. CONSIDERATION OF SECTION 1115 WAIVER REQUESTS

Present Law.—Section 1115 of the Social Security Act gives the Secretary of Health and Human Services authority to waive State compliance with specified rules under the AFDC, child support and medicaid programs. There is no authority to waive JOBS program rules.

The purpose of the waiver authority is to enable States to implement demonstration projects that the Secretary finds will assist in promoting the objectives of the programs. States must evaluate their demonstration programs, and the programs must not increase Federal spending.

Proposed Change.—States will be allowed to apply for waivers of JOBS program rules in order to conduct JOBS demonstration projects.

In addition, the Secretary will be required to approve or disapprove a section 1115 waiver request within 90 days after the completed

application is received. In considering an application for a waiver, there will be a presumption for approval in the case of a request for a waiver that is similar in substance and scale to one that has already been approved.

6. STATE AUTHORITY TO ESTABLISH CERTAIN AFDC RULES

Present Law.—The Social Security Act specifies the rules States must follow with respect to income and resource requirements, the disregard of income, and the definition of unemployment and the number of quarters of work required for eligibility under the Unemployed Parent (UP) program.

Proposed Change.—Any State may, without receiving a waiver, establish any of the following program changes: income and resource requirements, requirements relating to the disregard of income, standards for defining unemployment that are different from those prescribed by the Secretary in regulations (which currently limit eligibility for UP benefits to families in which the principal earner works fewer than 100 hours a month), and rules that prescribe the numbers of quarters of work that a principal earner must have to qualify for Unemployed Parent benefits. This authority expires at the end of five years.

The Secretary is required to evaluate a sufficient number of the program changes established by the States pursuant to this authority to determine the impact of the changes on AFDC recipiency, earnings achieved, program costs, and such other factors as the Secretary may determine. A State chosen by the Secretary for an evaluation must cooperate in carrying out the evaluation.

C. Child Support Enforcement Program

The Family Support Act of 1988 strengthened the Child Support Enforcement program, which was enacted in 1975 (Title IV–D of the Social Security Act), by: requiring States to establish automated tracking and monitoring systems (with 90 percent of the funding provided by the Federal government); requiring wage withholding beginning in 1994 for all support orders (regardless of whether a parent has applied to the child support enforcement agency for services); and requiring judges and other officials to use State guidelines to establish most child support award levels.

States were required to review and adjust individual case awards every three years for AFDC cases (and every three years at the request of a parent in other IV-D cases); meet Federal standards for the establishment of paternity; require all parties in a contested paternity case to take a genetic test upon the request of any party (with 90 percent of the laboratory costs paid by the Federal government); and to collect and report a wide variety of statistics related to the performance of the system. The Act also established the U.S. Commission on Interstate Child Support, which issued its report with recommendations in May 1992.

1. REQUIRE THE ADOPTION BY ALL STATES OF THE UNIFORM INTERSTATE FAMILY SUPPORT ACT (UIFSA)

Present Law.—The Uniform Interstate Family Support Act (UIFSA) was approved by the National Conference of Commissioners on Uniform State laws in August 1992. It contains a wide variety of provisions designed to improve enforcement of interstate child support cases by providing uniformity in State laws and procedures, and creating a framework for determining jurisdiction in interstate cases. Not all States have adopted UIFSA.

Proposed Change.—All States are required to adopt UIFSA not later than January 1, 1997.

2. RULES FOR PATERNITY ESTABLISHMENT COOPERATION

Present Law.—The statute requires AFDC applicants and recipients, as a condition of aid, to cooperate with the State in establishing paternity and in obtaining support payments unless there is good cause for refusal to cooperate. It does not define what constitutes cooperation. The determination as to whether an individual is cooperating or has good cause for refusing to cooperate is made by the welfare agency.

Proposed Change.—Cooperation is defined in statute as the provision by the mother of both a name and any other helpful information to verify the identity of the putative father (such as the present or past address, the present or past place of employment or school, date of birth, names and addresses of parents, friends, or relatives able to provide location information, or other information that could enable service of process). The good cause exemption in present law is retained.

For purposes of AFDC eligibility, a mother (or other relative) will not be determined to be cooperating with efforts to establish paternity unless the individual provides the required information. The child support enforcement agency is required to make this determination within 10 days after the individual has been referred for services by the welfare agency. However, the State cannot deny benefits on the basis of lack of cooperation until such determination is made.

3. STREAMLINING PATERNITY ESTABLISHMENT

Present Law.—States are required to have procedures for a simple civil process for voluntarily acknowledging paternity under which the rights and responsibilities of acknowledging paternity are explained, and due process safeguards are afforded. The State's procedures must include a hospital-based program for the voluntary acknowledgement of paternity. States must also have procedures under which the voluntary acknowledgement of paternity creates a rebuttable, or at the option of the State, conclusive presumption of paternity, and under which such voluntary acknowledgment is admissible as evidence of paternity, and procedures under which the voluntary acknowledgment of paternity must be recognized as a basis for seeking a support order without requiring any further proceedings to establish paternity.

Proposed Change.—States are required to strengthen procedures relating to establishment of paternity. A parent who has acknowledged paternity has 60 days to rescind the affidavit before the acknowledgement becomes legally binding (with later challenge in court possible only on the basis of fraud, duress, or material mistake of fact). However, minors who sign the affidavit outside the presence of a parent or court-appointed guardian have greater opportunity to rescind the acknowledgement after 60 days. Due process protection is enhanced by requiring that States more adequately inform parents of the effects of acknowledging paternity.

The bill also provides that no judicial or administrative procedures may be used to ratify an unchallenged acknowledgement, and that States may not use jury trials for contested paternity cases. Where there is clear and convincing evidence of paternity (such as a genetic test), States must, at a parent's request, issue a temporary order requiring the provision of child support. Finally, States must have procedures ensuring that fathers have a reasonable opportunity to initiate a paternity action.

4. PATERNITY ESTABLISHMENT OUTREACH

Present Law.—There is no requirement that States have a paternity outreach program.

Proposed Change.—States are required to publicize the availability and encourage the use of procedures for voluntary paternity establishment and child support through a variety of means, including distribution of written materials at health care facilities and other locations such as schools; prenatal programs to educate expectant couples on individual and joint rights and responsibilities with respect to paternity; and reasonable follow-up efforts after a new-born child has been discharged from a hospital if paternity or child support have not been established. States may receive 90 percent Federal matching for these outreach efforts.

5. REVIEW AND ADJUSTMENT OF ORDERS

Present Law.—States are required to review and adjust child support orders at least every 36 months (1) in the case of an AFDC family, unless the State determines that a review would not be in the best interests of the child and neither parent has requested review; and (2) in the case of any other order being enforced by the child support enforcement agency, if either parent has requested review.

Proposed Change.—States are required to review both AFDC and non-AFDC child support orders every three years at the request of either parent, and to adjust the order (without a requirement for any other change in circumstances) if the amount of child support under the order differs from the amount that would be awarded based on State guidelines.

Upon request at any time of either parent subject to a child support order, the State must review the order and adjust the order in accordance with state guidelines based on a substantial change in the circumstances of either such parent.

Child support orders issued or modified after the date of enactment must require the parents to provide each other with an annual statement of their respective financial condition.

6. NATIONAL CHILD SUPPORT GUIDELINES COMMISSION

Present Law.—Among its other recommendations, the U.S. Commission on Interstate Child Support recommended the establishment of a commission to study issues relating to child support guidelines.

Proposed Change.—The bill establishes a commission to determine whether it is appropriate to develop a national child support guideline, and if it determines that such a guideline is needed, to develop such a guideline. The commission is to make its report no later than two years after the appointment of its members.

7. ESTABLISH CENTRALIZED STATE CASE REGISTRIES AND ENFORCEMENT SERVICES

Present Law.—Child support orders and records are often maintained by various branches of government at the local, county, and State level. Under the current program, IV-D services are provided automatically without charge to recipients of AFDC and Medicaid. Other parents must apply for services, and may at State option be required to pay a fee for services.

Proposed Change.—The bill requires each State to establish both a Central Registry for all child support orders established or registered in the State, and a centralized payment processing system in order to take advantage of automation and economies of scale, and to simplify the process for employers. For enforcement purposes, States must choose one of two types of systems for payment processing: (a) an ''opt-in'' centralized collections system where one parent would have to apply to the IV-D agency to receive services, or (b) an ''opt-out'' centralized system where all cases would automatically have withholding and enforcement

done by IV-D unless both parents make a request to be exempt from the process. Under either option, the centralization process for enforcement would be used for collections and disbursement.

8. ESTABLISH FEDERAL DATA SYSTEMS: A DIRECTORY OF NEW HIRES WITHIN AN EXPANDED FEDERAL PARENT LOCATOR SERVICE (FPLS)

Expanded Federal Parent Locator Service (FPLS):

Present Law.—State child support agencies now have access to the FPLS, a computerized national location network operated by the Office of Child Support Enforcement, which obtains information from six Federal agencies and the State employment security agencies. This information only relates to a parent's location, and does not include income and asset information. It is used for enforcement of existing child support orders, not to establish paternity or establish and modify orders.

Proposed Change.—A New Hire Directory, and a new Data Bank on Child Support Orders which contains information of all cases sent by the State registries, are added to the current FPLS. The FPLS database is expanded to provide States with additional information about not only the location of the individual but also income, assets, and other relevant data. States may access this information for enforcement, establishing paternity, and establishing and modifying orders.

a. Directory of New Hires:

Present Law.—Employers are currently required, generally on a quarterly basis, to report employee wages to State employment security offices. These reports are used to determine unemployment benefits. In order to more rapidly and effectively implement wage withholding to enforce child support orders, a number of States have adopted laws requiring employers to report information on each newly hired individual within a specified number of days after the individual is hired.

Proposed Change.—A national New Hire Directory is created within the FPLS. Employers will be required to report the name, date of birth, and social security number of each newly hired employee to the New Hire Directory within 10 days of hiring. This information will be compared with information in the expanded FPLS, and matches will be sent back to the appropriate States to be used for enforcement.

9. REQUIRE SUSPENSION OF LICENSES

Present Law.—There is no provision in present law requiring States to withhold or suspend, or restrict the use of, professional, occupational, recreational and drivers' licenses of delinquent parents.

Proposed Change.—States are required to have such procedures and to use them in appropriate cases.

10. INCREASED USE OF CONSUMER REPORTING AGENCIES

Present Law.—State child support enforcement agencies are required to report periodically the names of obligors who are at least 2 months delinquent in the payment of support and the amount of the delinquency to consumer reporting agencies. If the amount of the delinquency is less than $1,000, such reporting is optional with the State. The State's procedural due process requirements must be met.

Proposed Change.—States are required to report periodically to consumer reporting agencies the name of any parent who is delinquent in the payment of support, but only after the parent has been afforded due process under State law, including notice and a reasonable opportunity to contest the accuracy of the information.

11. REQUIRE INTEREST ON ARREARAGES

Present Law.—There is no requirement that States charge interest on child support arrearages.

Proposed Change.—States must charge interest on arrearages.

12. DENY PASSPORTS FOR CERTAIN ARREARAGES

Present Law.—There is no provision in present law relating to denial of passports for failure to pay child support.

Proposed Change.—If the Secretary of HHS receives a certification by a State agency that an individual owes arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, the Secretary shall transmit such certification to the Secretary of State for action. The Secretary of State shall refuse to issue a passport to such an individual, and may revoke, restrict, or limit a passport issued previously to such individual.

13. EXTEND STATUTE OF LIMITATIONS

Present Law.—There is no provision for a statute of limitations for purposes of collecting child support.

Proposed Change.—States must have procedures under which the statute of limitations on arrearages of child support extends at least until the child owed such support is 30 years of age.

14. REQUIREMENTS FOR FEDERAL EMPLOYEES AND MILITARY PERSONNEL

Present Law.—The armed forces have their own rules relating to child support enforcement. Procedural rules for wage withholding for Federal and military employees, and for other employees, are not uniform.

Proposed Change.—Federal employees are made subject to the same withholding procedures as non-Federal employees. The Secretary of Defense is required to streamline collection and location procedures of military personnel. The military would be treated similarly to a State for purposes of child support enforcement interaction with other States, and more as any other employer for purposes of wage withholding.

15. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS

Present Law.—The 1988 Family Support Act authorized $4 million for each of fiscal years 1990 and 1991 to enable States to conduct demonstration projects to develop and improve activities designed to increase compliance with child access provisions of court orders.

Proposed Change.—The bill authorizes $5 million for each of fiscal years 1996 and 1997, and $10 million for each succeeding fiscal year to enable States to establish and administer programs to support and facilitate non-custodial parents' access to and visitation of their children, through mediation, counseling, education, development of parenting plans, visitation enforcement, and development of guidelines for visitation and alternative custody arrangements.

16. CHANGE DISTRIBUTION REQUIREMENTS

Present Law.—If a family is receiving AFDC, the family receives the first $50 of the monthly child support payment. Additional amounts that are paid are used to reimburse the State and Federal governments for assistance paid to the family. When a family leaves AFDC, the State must pass through all current monthly child support to the family, but has the option whether to first pay the family any arrearages which are collected, or whether to reimburse the State and Federal governments.

Proposed Change.—The bill requires States to pay all families who have left AFDC any arrearages due the family for months during which a child did not receive AFDC, before using those arrearages to reimburse the State and Federal government. States are given the option of passing through to families receiving AFDC the difference between the $50 pass-through amount and the amount of child support due for that month.

17. CHANGE IN LUMP-SUM RULE

Present Law.—If a family receiving AFDC receives a lump-sum tax refund, the family loses eligibility for the number of months equal to the amount of the lump sum payment divided by the State payment standard.

Proposed Change.—Any lump-sum child support payment withheld from a tax refund for a family receiving AFDC may be placed in a Qualified Asset Account not to exceed $10,000. Funds in this account may only be used for education and training programs, improvements in the employability of an individual (such as through the purchase of an automobile), the purchase of a home, or a change of family residence. They may not be taken into account for purposes of AFDC benefit eligibility.

18. INCREASE FEDERAL FUNDING

Present Law.—The Federal Government pays 66 percent of most State and local IV-D costs, with a higher matching rate of 90 percent for genetic testing to establish paternity and, until October 1, 1995, for statewide automated data systems. The Federal government also pays States an annual incentive payment equal to a minimum of 6 percent of collections made on behalf of AFDC families plus 6 percent of collections made on behalf of non-AFDC families. The amount of each State's incentive payment can reach a high of 10 percent of AFDC collections plus 10 percent of non-AFDC collections depending on the cost-effectiveness of the State's program. The incentive payments for non-welfare collections may not exceed 115 percent of the incentive payments for welfare collections. These incentive payments are financed from the Federal share of collections.

Proposed Change.—The Federal matching rate will increase to 75 percent in 1999, and there will be a maintenance of effort required by the State. The Secretary will issue regulations creating a new incentive structure for State IV-D systems based on paternity establishment throughout the State (not just within the IV-D system) and a series of measures of overall performance in collections and cost-effectiveness of the IV-D system. The incentives will range up to 5 percentage points of the matching rate for paternity establishment, and up to 10 percentage points for overall performance measures. States must spend incentive payments on the IV-D system. If a State fails to meet certain performance standards such as for paternity establishment or overall performance, the IV-D agency will be assessed penalties ranging from at least 3 percent of funding as a first sanction, up to 10 percent for a third sanction.

19. LIMIT ON MATCH FOR OLD SYSTEMS, AND CAP FUNDING FOR THE NEW SYSTEMS

Present Law.—The 1988 Family Support Act required States to establish automated tracking and monitoring systems for child support enforcement by October 1, 1995, with 90 percent of the funding for planning, development, installation, or enhancement of such systems provided by the Federal government.

Proposed Change.—The Federal matching rate for the new systems requirements in this bill is 80 percent or, if higher, the rate the State is entitled to receive for other program purposes, as described above (combining the new Federal matching rate and the

State's incentive payments). Federal spending for this purpose may not exceed $260 million annually for fiscal years 1996 through 2001.

20. AUDIT AND REPORTING

Present Law.—The statute mandates periodic comprehensive Federal audits of State programs to ensure compliance with Federal requirements. If the Secretary finds that a State has not complied substantially with Federal requirements, the State's AFDC matching is reduced not less than one nor more than two percent for the first finding of noncompliance, increasing to not less than three nor more than five percent, if the finding is the third or a subsequent consecutive such finding.

Proposed Change.—The Secretary will establish standards to simplify and modify Federal audit requirements, focusing them more on performance outcomes.

C. Supplemental Security Income (SSI) Program

1. REVISED SSI CHILDHOOD DISABILITY REGULATIONS

Present Law.—In determining whether a child under the age of 18 is disabled for the purpose of qualifying for Supplemental Security Income, regulations require the Social Security Administration (SSA) to consider the degree to which an impairment or combination of impairments affects a child's ability to develop, mature and to engage in age-appropriate activities of daily living.

In making these evaluations, SSA conducts what is called an ''individualized functional assessment'' (IFA) in which a child's activities are broken into ''domains'' of functioning or development, such as cognition, communication, and motor ability. Under current regulations, the limitation in functioning caused by conduct disorders, or maladaptive behavior, may be considered under several domains.

To be found to be disabled based on an IFA under the Commissioner's current regulations, a child's impairment(s) must, at a minimum, cause a moderate limitation in functioning in at least three domains of functioning.

Proposed Change.—The Commissioner of Social Security is required to revise SSA's regulations for adjudicating claims for SSI benefits filed for children by reducing the number of domains considered in determining whether a child is disabled based on an individualized functional assessment, to consider maladaptive behavior in only one domain, and to require that, at a minimum, a child's impairment(s) cause a ''marked'' degree of limitation in at least two domains, or an extreme limitation in at least one domain.

The Commissioner is required to promulgate the new regulations within 9 months, and, within two additional years, redetermine the eligibility of children on the rolls whose disability was originally determined under the regulations that are revised as a result of this provision.

2. REQUIRED TREATMENT FOR DISABLED CHILDREN

Present Law.—There is no provision that requires a disabled child who qualifies for Supplemental Security Income benefits to receive medical treatment or have a treatment plan.

Proposed Change.—Within three months after a child has been found to be eligible for SSI, the parent or representative payee will be required to file a treatment plan for the child with SSA (through the State Disability Determination Service of the State in which the child resides). The plan will be developed by the child's physician or other medical provider. SSA will evaluate compliance with the treatment plan when SSA conducts a continuing disability review for the child.

If the parent or representative payee fails, without good cause, to meet these requirements, SSA will appoint another representative payee, which can be the State Medicaid agency of the State in which the child resides, or another State agency or individual.

3. CONTINUING DISABILITY REVIEWS

Present Law.—Beginning in fiscal year 1996, the Commissioner of Social Security will be required to conduct periodic continuing disability reviews (CDRs) for disabled SSI recipients (including both disabled children and adults). The provision expires in fiscal year 1998, and the Commissioner will be required to conduct CDRs for not more than 100,000 SSI recipients a year for the period 1996–1998.

Proposed Change.—The Commissioner is required to conduct periodic CDRs for disabled children who receive SSI. Reviews for all children other than those whose disabilities are not expected to improve must be conducted at least every three years, with more frequent reviews for those whom SSA determines may improve within a shorter period of time. Children who are awarded SSI benefits because of low birth weight must be reviewed after receiving benefits for 18 months.

4. SPECIAL SAVINGS ACCOUNTS FOR CHILDREN UNDER AGE 18

Present Law.—Large retroactive payments are often made when a disabled child first qualifies for SSI benefits. The retroactive payment is excluded from the $2,000 resource limit for six months, but thereafter, any remaining portion of the retroactive payment could, alone or in combination with other assets, render the child ineligible for SSI benefits.

Proposed Change.—The representative payee of a disabled child will be required to deposit the initial retroactive payment into a special account if the amount of the retroactive payment is equal to or exceeds six times the maximum Federal benefit rate. Smaller retroactive payments and underpayments may be deposited in the special account if the representative payee chooses to do so. The money in the account will not be considered to be a resource and may be used only to benefit the child and only for such purposes as education or job skills training; personal needs assistance; special equipment; housing modification; medical treatment, therapy, or rehabilitation; or other items or services determined appropriate by the Commissioner.

5. GRADUATED BENEFITS FOR ADDITIONAL CHILDREN

Present Law.—Each disabled child is eligible, under the SSI program, for an amount equal to the full Federal monthly benefit rate, which currently is $458.00, plus any supplementary payment made by the State. The benefit may be reduced because of other income received by the child, or because of parental income that is deemed to the child.

Proposed Change.—The amount payable to a child will be reduced if two or more SSI-eligible children reside together in a household. The amount for the first child will be 100 percent of the full benefit; the amount for the second eligible child will be equal to 80 percent of the full benefit; the amount for the third eligible child will be equal to 60 percent of the full benefit; and the amount for the fourth and each subsequent child will be equal to 40 percent of the full benefit. Children living in group homes or in foster care will continue to be eligible for 100 percent of the full benefit. The aggregate amount payable to all SSI-eligible children in a household will be paid to each child on a ''per capita'' basis.

For the purpose of determining eligibility for Medicaid, each SSI-eligible child in a household shall be considered to be eligible for an amount equal to 100 percent of the full Federal benefit rate.

6. USE OF STANDARDIZED TESTS

Present Law.—There is no provision relating to use of standardized tests for purposes of determining whether a child is disabled.

Proposed Change.—The Commissioner of Social Security is required to use standardized tests that provide measures of childhood development or functioning, or criteria of childhood development or function that are equivalent to the findings of a standardized test, wherever such tests or criteria are available and the Commissioner determines their use to be appropriate.

7. DIRECTORY OF SERVICES

Present Law.—There is no provision requiring a directory of services that are available to assist children with disabilities.

Proposed Change.—For the purpose of expanding the information base available to members of the public who contact the Social Security Administration, the Commissioner of Social Security shall establish a directory of services for disabled children that are available within the area serviced by each Social Security office. Each such directory shall include the names of service providers, along with each provider's address and telephone number, and shall be accessible electronically to all Social Security employees who provide direct service to the public.

8. COORDINATION OF SERVICES

Present Law.—There is no provision that establishes a system for assuring that SSI disabled children have access to available services.

Proposed Change.—In order to assure that a child receiving SSI benefits on the basis of disability has access to available medical and other support services, that services are provided in an efficient and effective manner, and that gaps in the provision of services are identified, the State agency that administers the Maternal and Child Health block grant would be made responsible for developing a care coordination plan for each child.

The Secretary of Health and Human Services, the Secretary of Education, and the Commissioner of Social Security are directed to take such steps as may be necessary, through issuance of regulations, guidelines, or such other means as they may determine, to assure that, where appropriate, the State medicaid agency, the State Department of Mental Health, the State Disability Determination Service, the State Vocational Rehabilitation Agency, the State Developmental Disabilities Council, and the State Department of Education: (1) assist in the development of the child's care coordination plan; (2) participate in the planning and delivery of the services called for in the care coordination plan; and (3) provide information to the Secretary of Health and Human Services with respect to the services that they provide.

D. Other Provisions

1. ALIEN ELIGIBILITY FOR PUBLIC ASSISTANCE PROGRAMS

Present Law.—The AFDC, SSI, medicaid, and food stamp laws provide for limiting eligibility of immigrants for assistance by means of so-called ''deeming'' rules. The rules provide that for the purpose of determining financial eligibility for benefits and services, immigrants are deemed to have the income and resources of their immigration sponsors available for their support for a period of 3 years. P.L. 103–152, the Unemployment Compensation Amendments of 1993, included a provision extending the sponsor-to-

alien deeming period for SSI from 3 to 5 years, effective from January 1, 1994 to October 1, 1996.

Proposed Change.—The bill makes the SSI 5-year deeming period permanent, and extends it to the AFDC and food stamp programs. It also provides for uniform alien eligibility criteria for the SSI, AFDC, medicaid, and food stamp programs.

2. TAX RESPONSIBILITIES INCIDENT TO EXPATRIATION

Present Law.—Under current law, a taxpayer's accrued asset gains are not taxed at the time he or she expatriates or gives up U.S. residence. Further, the taxpayer's accrued gains with respect to foreign assets are never taxed by the United States. In cases when it can be demonstrated that a taxpayer expatriated for purposes of tax avoidance, accrued gains with respect to U.S. assets are taxed if a taxable disposition occurs within the ten-year period following relinquishment of U.S. citizenship.

Proposed Change.—A U.S. citizen relinquishing citizenship generally would be taxed on any accrued asset gains as of the date of expatriation. Certain long-term residents of the United States would similarly be taxed on accrued gains upon losing such resident status. Exceptions would be provided for the first $600,000 of a taxpayer's gain, gain with respect to U.S. real estate, and pension gains. A taxpayer could elect, on an asset by asset basis, to avoid immediate gain taxation and instead continue to be subject to U.S. taxes with respect to an asset.

3. EARNED INCOME TAX CREDIT CHANGES

(i) Illegal aliens—

Present Law.—Currently, persons resident in the United States for over six months who are not U.S. citizens are eligible for the EITC in some circumstances, even if they are working in the country illegally.

Proposed Change.—Eligibility for the EITC would be limited to those residents authorized to work in the United States.

(ii) Social Security numbers—

Present Law.—Procedurally, the IRS must use its normal deficiency procedures, which involve a series of written communications with the taxpayer, if it decides to challenge a taxpayer's EITC claim that may be erroneous. This is true even in the case of a missing or erroneous social security number.

Proposed Change.—The IRS would be provided with the authority to process EITC claims in a more effective manner. Social security numbers (valid for employment purposes in the case of the earner(s)) would be required for the taxpayer, his or her spouse, and each qualifying child. The IRS would be permitted to handle any errors in social security numbers under the simplified procedures currently applicable to math errors on a taxpayer's return, rather than under the normal tax deficiency procedures.

(iii) Modification of unearned income test—

Present Law.—Individuals with more than $2,350 of interest (taxable and tax-exempt), dividends, net rents and net royalties are not eligible for the EITC. (This provision was enacted this year in H.R. 831.)

Proposed Change.—An individual's net capital gains would be added to the other categories of unearned income that are totalled for purposes of determining an individual's eligibility for the EITC.

4. TREATMENT OF CORPORATE STOCK REDEMPTIONS

Present Law.—Corporate shareholders are allowed a special deduction (the ''dividends received deduction'') with respect to qualifying dividends received from taxable domestic corporations. The deduction equals 70 percent of dividends received if the corporation receiving the deduction owns less than 20 percent of the stock of the distributing corporation. The deduction equals 80 percent of the dividends received if 20 percent or more of the stock is owned by the receiving corporation. Members of a group of affiliated corporations can elect to claim a 100 percent dividends received deduction for qualifying dividends paid by a member of the affiliated group. No deduction is allowed for dividends received from tax-exempt corporations.

An amount treated as a dividend in the case of a non pro rata redemption of stock (or a partial liquidation) is considered an extraordinary dividend under Internal Revenue Code section 1059(e)(1). Generally, the basis of the remaining stock held by a corporation receiving a dividend must be reduced by the nontaxed portion of any extraordinary dividend (i.e., the amount of the dividends received deduction) received by the corporation with respect to the stock.

Proposed Change.—The bill would replace the provision under current law (Code sec. 1059(e)(1)) that allows a corporate shareholder to reduce its basis in the remaining stock by the amount of the nontaxed portion of an extraordinary dividend. Instead, the bill would provide that, except as specifically set forth in regulations, any non pro rata redemption (or partial liquidation) would be treated as a sale of the redeemed stock, even if such distribution would otherwise be treated as a dividend and entitled to a dividends received deduction under present law.

The bill would be effective for redemptions occurring after May 3, 1995, except for those redemptions occurring pursuant to the terms of a written binding contract in effect on May 3, 1995 or pursuant to the terms of a tender offer outstanding on May 3, 1995.

REMARKS OF PRESIDENT REAGAN ON SIGNING THE FAMILY SUPPORT ACT OF 1986

I am pleased to sign into law today a major reform of our nation's welfare system, the Family Support Act. This bill, H.R. 1720, represents the culmination of more than 2 years of effort and responds to the call in my 1986 State of the Union Message for real welfare reform—reform that will lead to lasting emancipation from welfare dependency.

It is fitting that the word ''family'' figures prominently in the title of this legislation. For too long the Federal Government, with the best of intentions, has usurped responsibilities that appropriately lie with parents. In so doing—does anyone have a Stinger? [*Laughter*] In so doing, it has reinforced dependency and separated welfare recipients from the mainstream of American society. The Family Support Act says to welfare parents, ''We expect of you what we expect of ourselves and our own loved ones: that you will do your share in taking responsibility for your life and for the lives of the children you bring into this world.''

Well, the Family Support Act focuses on the two primary areas in which individuals must assume this responsibility. First, the legislation improves our system for securing support from absent parents. Second, it creates a new emphasis on the importance of work for individuals in the welfare system.

Under this bill, one parent in a two-parent welfare family will be required to work in the public or private sector for at least 16 hours a week as a condition of receiving benefits. This important work requirement applies to families that come into the welfare rolls as a result of the unemployment of the principal wage earner. It recognizes the need for a family's breadwinner to maintain the habits, skills, and pride achieved through work. This work requirement also allows us to expand coverage for two-parent families to all States without dangerously increasing welfare dependency. A key part of this bill is to make at least one of the parents in a welfare family participate in meaningful work while still getting a needed cash support.

Single parent families also share in the message of hope underlying this bill. They, too, will know that there is an alternative to a life on welfare. To ensure that they get a better start in life, young parents who have not completed high school will be required to stay in or return to school to complete the basic education so necessary to a productive life. Other parents will be offered a broad range of education, employment, and training activities designed to lead to work.

To provide new employment opportunities to welfare recipients, States will be entitled to receive $6.8 billion over the next 7 years. They also will receive the funding necessary to provide child care and Medicaid benefits. This financial assistance represents a significant and generous national commitment to enhancing the self-sufficiency of welfare recipients. To ensure that meaningful numbers of recipients actually do benefit from welfare reform, each State must be required to involve increasing percentages of welfare families to participate in employment and training activities over time.

The Family Support Act also contains significant reforms in our nation's child support enforcement system. These reforms are designed to ensure that parents who do not live with their children nevertheless meet their responsibilities to them. To improve the adequacy of child support awards, judges and other officials will be required to apply support guidelines developed by their States for setting award amounts. And to help ensure that the child support awarded actually is paid, child support payments will be automatically withheld from the responsible parent's paycheck.

Reflecting the concern we all share over the Federal budget deficit, the Family Support Act contains funding provisions to offset the increased new spending in the bill. The single largest source of the funding comes from a temporary extension of current authority for the Treasury to collect overdue debts owed the Federal Government by reducing Federal tax refunds of individuals not paying those debts on time.

In 1971, when I was Governor of California, we put into law a work-for-welfare requirement similar to the one in the bill before us today. It was called community work experience, and its purpose was to demonstrate to the disadvantaged how ennobling a job could be. And that lesson is as clear today as it was then, and the successes of many fine State programs like that one have made this landmark legislation possible.

As lead Governors on welfare reform for the National Governors' Association, Governors Castle and Clinton consistently presented the interests of the States in getting welfare reform enacted. And that interest has been manifested by many States carrying out their own welfare reform programs. Leaders in this effort are Governors Kean, Tommy Thompson, Moore, and Hunt who have paved the way for this legislation through unique welfare reform initiatives in their States. Legislators like Wisconsin's Susan Engeleiter were instrumental in achieving welfare reform and showing Congress how well it works.

Many Members of Congress share the credit for the responsible welfare-to-work and child support enforcement reforms in the Family Support Act. In particular, Senators Moynihan, Armstrong, Dole, and Packwood, and Bentsen, and Representatives Rostenkowski, Hank Brown, Michel, Frenzel, and Downey played key roles in forging the consensus for this landmark legislation. They and the members of the administration who

worked so diligently on this bill will be remembered for accomplishing what many have attempted, but no one has achieved in several decades: a meaningful redirection of our welfare system.

And I think it is time now for me to sign the bill. And I thank all of you, and God bless you all.

[From the New York Times, May 18, 1995]

GOP BILLS TO OVERHAUL WELFARE WORRY CITY AND COUNTY OFFICIALS

(By Robert Pear)

WASHINGTON, May 17.—Mayors and other local officials from around the country said today that they opposed major elements of the Republican welfare bills moving through Congress, in part because the bills would eliminate the Federal guarantee of a subsistence income for millions of poor families.

The local officials said that cities and counties would ultimately have to deal with the effects of such legislation, which they said could include an increased demand for food, shelter and social services.

Mayor Kay Granger of Fort Worth, an independent, speaking for the United States Conference of Mayors, and Randall Frankie of Oregon, a Republican who is president of the National Association of Counties, said their groups opposed the Republican plan to give each state a fixed sum of money each year to assist poor people in any way it chose. These block grants would replace Federal programs that provide benefits to anyone who meets eligibility criteria based on income and other factors.

''We oppose repealing the entitlement status of benefit programs such as Aid to Families With Dependent Children, food stamps, child nutrition programs, Medicaid and foster care,'' Ms. Granger said. ''We believe that the individual entitlement to a minimum level of assistance must be maintained for our children and families.''

The National League of Cities and the National School Boards Association expressed similar views at a news conference with mayors and county commissioners. It was the first time local officials had spoken out in a coordinated effort to influence Congress on this issue.

The local officials said that Congress had paid too much attention to a small number of Republican governors like John Engler of Michigan and Tommy G. Thompson of Wisconsin, who had lobbied for block grants. Mr. Franke, a member of the Board of Commissioners in Marion County, Ore., said: ''A few Republican governors have had a great influence on this. It hasn't had the kind of broad input from governors, or from local government officials, that it really deserves.''

Carolyn Long Banks, a Democrat on the Atlanta City Council, said that city and county officials had been ''left out of the process of decision making,'' but would have to deal with the effects of any welfare legislation adopted by the Federal Government. Mr. Franke said counties were ''the frontline deliverers of basic social services'' in many states.

The local officials said it was wrong for the Government to push people off welfare if it did not provide the education, training and child care they needed to get jobs. ''If we simply cut welfare and there's not an organized effort to move them into work, then they land on our doorsteps,'' Mayor Granger said.

A welfare bill passed by the House in March would establish block grants to the states in place of the current program of Aid to Families With Dependent Children. Senate Republicans have endorsed the approach. Republicans in the House and the Senate are working on a separate bill to eliminate the individual entitlement to Medicaid and replace it with a block grant.

Republican governors say the block grants would free them from burdensome Federal regulations and give them the authority to design their own welfare programs, tailored to local needs.

But Gov. Lawton Chiles of Florida, a Democrat, said the block grants were ''a prescription for disaster'' in fast-growing states like Florida, Texas, California and Arizona.

Mr. Chiles said Speaker Newt Gingrich had found ''a few G.O.P. governors—Judas goats—to go along with the idea'' of block grants. ''It's no wonder the Governors of Wisconsin, Michigan and Massachusetts are on this bandwagon,'' because they would not suffer any financial harm and could obtain additional money at the expense of the fast-growing states, Mr. Chiles said.

A Judas goat is an animal used to lead others to slaughter. Charles S. Salem, special counsel in Governor Chiles's Washington office, said, ''That is what he intended to say.''

In a speech here last week, Mr. Chiles said the formula for distributing Federal money under the Republican welfare bills was inequitable. ''A poor child in Massachusetts would get three times as much as a poor child in Florida,'' he said. ''A poor child in Michigan would get twice as much as a child in my state.''

Governor Engler rejected Mr. Chiles' contentions. ''The only successes in welfare reform have been achieved at the state level,'' he said. ''Federal involvement has served only to hogtie state reform efforts.''

Gov. Mike Leavitt of Utah, chairman of the Republican Governors Association, disputed Mr. Chiles' assertion that fast-growing states would suffer under the Republican proposal to distribute the block grants in proportion to current levels of Federal welfare spending in various states.

But another Republican Governor, Fife Symington of Arizona, expressed concerns similar to those of Mr. Chiles. He said the proposal for block grants would penalize states like Arizona with high population growth and comparatively low levels of welfare spending.

Governor Symington said the block grants should be based not on past spending, but on each state's share of the total number of Americans living below the official poverty level ($11,817 for a family of three).

The block grants ''should not reward states that have been granting excessive benefits and penalize states that have maintained only a modest safety net,'' Mr. Symington said in a letter to Bob Dole, the Senate Republican leader.

Mr. MOYNIHAN. Mr. President, I thank the Chair for his kind attention.

By Mrs. HUTCHISON:

S. 829. A bill to provide waivers for the establishment of educational opportunity schools; to the Committee on Labor and Human Resources.

EDUCATION LEGISLATION

• Mrs. HUTCHISON. Mr. President, the bill I introduce would make it possible, in a limited number of school districts, for students to learn in a single-sex classroom setting if they so wish.

Let me emphasize—''If they wish.'' This bill does not compel any school to offer or any student to participate in single-sex classes. It merely allows students—and their parents—in a qualifying school district, to exercise that choice.

Our Nation has a compelling interest in assuring that all children receive a high-quality education. Providing families with another constructive educational option will further this interest.

This legislation has three purposes: First, I want the Secretary of Education to give schools the discretion to experiment with offering same-gender classes to low-income, educationally disadvantaged students. Second, I want to establish reliable information to determine whether or not single-gender classes make a difference in the educational opportunities and achievements of low-income, educationally disadvantaged students. Finally, I want to involve parents in the educational choices their children make.

Let me stress that this legislation imposes no financial obligation on the part of the Federal Government. My bill requires the Secretary of Education to grant up to 10 waivers to title IX of the Education Amendments of 1972. The bill would not provide school districts or schools any additional funding if they apply for and are granted a waiver of title IX. The waiver is very narrowly tailored to ensure the unimpeded development and operation of single-gender classes.

In recent years, efforts to experiment with same-gender classes and schools have been inhibited by lawsuits and threats of lawsuits from private groups, as well as Government. My bill would ensure that such threats can no longer interfere with educational innovation.

Nothing in my legislation affects efforts at overcoming the effects of past discrimination made on the basis of sex. Research indicates that single-sex classes can help minorities—girls and boys—perform better in school. African-American students in single-sex classrooms scored nearly a grade level higher than their coeducational counterparts in academic achievement tests. Girls in single-sex schools scored a full grade above their coeducational counterparts on academic ability tests. And girls in single-sex schools outperformed girls in coeducational schools almost a full grade level on science tests scores.

Some studies indicate that boys may perform better in single-sex schools as well. Cornelius Riordan, of Providence College, has found that a cognitive development among boys enrolled in single-sex Catholic high schools is more advanced than that of boys enrolled in coeducational Catholic high schools.

Mr. President, there is a compelling Government interest in granting the Secretary authority to insulate from lawsuits, for a limited time, a small number of local educational agencies and schools which experiment with same-gender classes.

My bill addresses this Government interest, and will allow data to be compiled to prove that single-sex classes can work to the advantage of children.

Most importantly, by offering parents and children a choice, this legislation would re-involve the family in educational decisionmaking processes.

It is my hope that my colleagues will recognize the value of such academic innovation and support this 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. 829

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EDUCATIONAL OPPORTUNITY DEMONSTRATION PROGRAM.

(a) IN GENERAL.—Title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(1) by redesignating part F as part G;

(2) by redesignating sections 1601 through 1604 as sections 1701 through 1704, respectively; and

(3) by inserting after part E the following new part:

"PART F—EDUCATIONAL OPPORTUNITY DEMONSTRATION PROGRAM

"SEC. 1701. SHORT TITLE; FINDINGS; AND PURPOSES.

''(a) SHORT TITLE.—This part may be cited as the 'Educational Opportunity Demonstration Act'.

''(b) FINDINGS.—The Congress finds that—

''(1) while low-income students have made significant gains with respect to educational achievement and attainment, considerable gaps still persist for these students in comparison to those from more affluent socioeconomic backgrounds;

''(2) our Nation has a compelling interest in assuring that all children receive a high quality education;

''(3) new methods and experiments to revitalize educational achievement and opportunities of low-income individuals must be a part of any comprehensive solution to the problems in our Nation's educational system;

''(4) preliminary research shows that same gender classes and schools may produce promising academic and behavioral improvements in both sexes for low-income, educationally disadvantaged students;

''(5) extensive data on same gender classes and schools are needed to determine whether same gender classes and schools are closely tailored to achieving the compelling government interest in assuring that all children are educated to the best of their ability;

''(6) in recent years efforts to experiment with same gender classes and schools have been inhibited by lawsuits and threats of lawsuits by private groups as well as governmental entities; and

''(7) there is a compelling government interest in granting the Secretary authority to insulate a limited number of local educational agencies and schools which are experimenting with same gender classes for a limited period of time from certain law suits under title IX of the Education Amendments of 1972, section 204 of the Education Amendments of 1974, section 1979 of the Revised Statutes (42 U.S.C. 1983), or any other law prohibiting discrimination on the basis of sex, in order to collect data on the effectiveness of such classes in educating children from low-income, educationally disadvantaged backgrounds.

''(c) PURPOSES.—It is the purpose of this part—

''(1) to give the Secretary discretion to allow experimentation with same gender classes for low-income, educationally disadvantaged students;

''(2) to determine whether same gender classes make a difference in the educational achievement and opportunities of low-income, educationally disadvantaged individuals; and

''(3) to involve parents in the educational options and choices of their children.

"SEC. 1702. DEFINITIONS.

''As used in this part—

''(1) the term 'educational opportunity school' means a public elementary, middle, or secondary school established by a local educational agency receiving a waiver under this part, or a consortium of such schools, that—

''(A) establishes a plan for voluntary, same gender classes at one or more than one school in the community;

''(B) provides same gender classes for both boys and girls, as well as a coeducational option for any parent that chooses that option;

''(C) gives parents the option of choosing to send their child to a same gender class or to a coeducational class;

''(D) admits students on the basis of a lottery, if more students apply for admission to the same gender classes than can be accommodated;

''(E) has a program in which a member of the community is asked to volunteer such member's time in classes of children of the same gender as the member; and

''(F) operates in pursuit of improving achievement among all children based on a specific set of educational objectives determined by the local educational agency applying for a waiver under this part, in conjunction with the educational opportunity advisory board established under section 1703(b) and agreed to by the Secretary; and

''(2) the term 'educational opportunity advisory board' means an advisory board established in accordance with section 1703(b).

"SEC. 1703. WAIVER AUTHORITY.

''(a) AUTHORITY.—

''(1) IN GENERAL.—The Secretary shall waive any statutory or regulatory requirement of title IX of the Education Amendments of 1972, section 204 of the Education Amendments of 1974, section 1979 of the Revised Statutes (42 U.S.C. 1983), and any other law prohibiting discrimination on the basis of sex, for each local educational agency (but not more than 10) that has an application approved under section 1704 and otherwise meets the requirements of this part, and for any educational opportunity school established by such agency, but only to the extent the Secretary determines necessary to ensure the development and operation of same gender classes in accordance with this part.

''(2) DURATION.—The Secretary shall issue a waiver under subsection (a) for a period not to exceed 5 years.

''(b) EDUCATIONAL OPPORTUNITY ADVISORY BOARD.—Each local educational agency receiving a waiver under this part shall establish an educational opportunity advisory board. Such advisory board shall be composed of school administrators, parents, teachers, local government officials and volunteers involved with an educational opportunity school. Such advisory board shall assist the local educational agency in developing the application under section 1704 and serve as an advisory board in the functioning of the educational opportunity school.

"SEC. 1704. APPLICATIONS.

''(a) APPLICATIONS REQUIRED.—Each local educational agency desiring a waiver under this part shall submit, within 180 days of the date of enactment of the Educational Opportunity Demonstration Act, an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

''(b) SCOPE OF APPLICATION.—Each application described in subsection (a) may request a waiver for a single educational opportunity school or for a consortium of such schools.

''(c) APPLICATION CONTENTS.—Each application described in subsection (a) shall include—

''(1) a description of the educational program to be implemented by the proposed educational opportunity school, including—

''(A) the grade levels or ages of children to be served; and

''(B) the curriculum and instructional practices to be used;

''(2) a description of the objectives of the local educational agency and a description of how such agency intends to monitor and study the progress of children participating in the educational opportunity school;

''(3) a description of how the local educational agency intends to include in the educational opportunity school administrators, teaching personnel, and role models from the private sector;

''(4) a description of how school administrators, parents, teachers, local government, and volunteers will be involved in the design and implementation of the educational opportunity school;

''(5) a justification for the waiver or inapplicability of any Federal statutory or regulatory requirements that the local educational agency believes are necessary for the successful operation of the educational opportunity school and a description of any State or local statutory or regulatory requirements, that will be waived for, or will not apply to, the educational opportunity school, if necessary;

''(6) a description of how students in attendance at the educational opportunity school, or in the community, will be—

''(A) informed about such school; and

''(B) informed about the fact that admission to same gender classes is completely voluntary;

''(7) an assurance that the local educational agency will annually provide the Secretary such information as the Secretary may require to determine if the educational opportunity school is making satisfactory progress toward achieving the objectives described in paragraph (2);

''(8) an assurance that the local educational agency will cooperate with the Secretary in evaluating the waivers issued under this part;

''(9) assurances that resources shall be used equally for same gender classes for boys and for girls;

''(10) assurances that the activities assisted under this part will not have an adverse affect, on either sex, that is caused by—

''(A) the distribution of teachers between same gender classes for boys and for girls;

''(B) the quality of facilities for boys and for girls;

''(C) the nature of the curriculum for boys and for girls;

''(D) program activities for boys and for girls; and

''(E) instruction for boys and for girls;

''(11) an assurance that the local educational agency will comply with the research and evaluation protocols developed by the Secretary under section 1706(a); and

''(12) such other information and assurances as the Secretary may require.

"SEC. 1705. SELECTION OF GRANTEES.

''The Secretary shall issue waivers under this part on the basis of the quality of the applications submitted under section 1704, taking into consideration such factors as—

''(1) the quality of the proposed curriculum and instructional practices;

''(2) the organizational structure and management of the school;

''(3) the quality of the plan for assessing the progress made by children in same gender classes over the period of the waiver;

''(4) the extent of community support for the application;

''(5) the likelihood that the educational opportunity school will meet the objectives of such school and improve educational results for students; and

''(6) the assurances submitted pursuant to section 1704(c)(10).

''SEC. 1706. STUDY AND REPORT.

''(a) STUDY.—The Secretary shall conduct a study of the waivers issued under this part, including establishing appropriate research and evaluation protocols, to compare the educational and behavioral achievement of those students choosing same gender classes established under this part and those students choosing the coeducational option.

''(b) REPORT.—The Secretary shall submit, within 1 year after the date of enactment of the Educational Opportunity Demonstration Act, a report to the appropriate committees of the Congress regarding the findings of the study conducted under subsection (a).

''SEC. 1707. CONSTRUCTION.

''Nothing in this part shall be construed to affect the availability under title IX of the Education Amendments of 1972 of remedies to overcome the effects of past discrimination on the basis of sex.''.

(b) CONFORMING AMENDMENTS.—

(1) COMMITTEE OF PRACTITIONERS.—Section 1111(c)(5) of such Act (20 U.S.C. 6311(c)(5)) is amended by striking ''section 1603(b)'' and inserting ''section 1703(b)''.

(2) STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.—Section 1117(a)(2) of such Act (20 U.S.C. 6318(a)(2)) is amended by striking ''section 1603(c)'' and inserting ''section 1703(c)''.

(3) STATE APPLICATIONS.—Section 1304(c)(2) of such Act (20 U.S.C. 6394(c)(2)) is amended by striking ''part F'' and inserting ''part G''.

(4) USE OF FUNDS.—Section 1415(a)(2)(C) of such Act (20 U.S.C. 6435(a)(2)(C)) is amended by striking ''part F'' and inserting ''part G''.

(5) STATE DATA.—The matter preceding subparagraph (A) of section 14204(a)(2) of such Act (20 U.S.C. 8824(a)(2)) is amended by striking ''section 1603'' and inserting ''section 1703''.●

By Mr. SPECTER:

S. 830. A bill to amend title 18, United States Code, with respect to fraud and false statements; to the Committee on the Judiciary.

CRIME LEGISLATION

Mr. SPECTER. Mr. President, earlier this week, the Supreme Court decided Hubbard versus United States. Overturning a 1955 decision called Bramblett versus United States, the Court held that section 1001 of title 18 of the United States Code, which prohibits making false statements to the Federal Government applies only to false statements made to executive branch agencies.

It is highly unusual that the Supreme Court reverses a prior decision on a question of statutory interpretation. The reversal of the longstanding decision in Bramblett is particularly troubling because of the nature of the offense.

The language of the statute itself criminalizes false statements made to any ''department or agency of the United States.'' Relying on the purpose and the legislative history of the provision, the Supreme Court held in Bramblett that the statute covered making false statements to Congress. The term ''department'' was read as broad enough to cover the executive, judicial, and legislative branches of government. Since then, it has always been understood to cover Congress and the courts.

As Chief Justice Rehnquist argued in his dissent in Hubbard, it has been ''the very justifiable expectation'' that one who lies to Congress, whether or not under oath, would be punished under section 1001.

While perjury laws and other statutes exist to cover false statements made under oath or under specific circumstances, section 1001 was a broad law covering all false statements made to Congress, as well as the courts and executive agencies. In order to protect the Congress, I believe we must restore section 1001 to its meaning under Bramblett.

In order to do so, I am introducing legislation to overturn the Supreme Court's decision in Hubbard. We are able to do so because the Court's decision rests solely on a question of statutory interpretation. There is no constitutional dimension to the Court's decision.

Accordingly, Congress is able to decide the public policy question for itself. I have no doubt of the importance of having in the law a provision that sets forth clearly and succinctly the principle that it is illegal to ''knowingly and willfully falsif[y], conceal[] or cover[] up by any trick, scheme, or device a material fact, or make[] any false, fictitious or fraudulent statements or representations'' to Congress or any committee or subcommittee in any matter within our jurisdiction.

My bill is quite simple. It will simply add to the text of section 1001 language that will broaden the newly narrowed statute to cover false statements made ''in any matter within the jurisdiction of any department, agency, or court of the United States, or of Congress or any duly constituted committee or subcommittee of Congress.''

The purpose of this provision is to restore the meaning of the statute that it was given under Bramblett and to overturn Hubbard. No other change in meaning is intended.

I believe this bill will not be controversial, and I urge my colleagues to support its prompt enactment.

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. 830

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FRAUD AND FALSE STATEMENTS IN MATTERS WITHIN THE JURISDICTION OF THE COURTS OF CONGRESS.

Section 1001 of title 18, United States Code, is amended by striking ''any department or agency of the United States'' and inserting ''any department, agency, or court of the United States, or of Congress or any duly constituted committee or subcommittee of Congress,''.

By Mr. SMITH (for himself, Mr. DOLE, Mr. HELMS, Mr. THURMOND, Mr. GRASSLEY, Mr. GRAMM, Mr. CAMPBELL, and Mr. THOMAS):

S.J. Res. 34. A joint resolution prohibiting funds for diplomatic relations and most favored nation trading status with the Socialist Republic of Vietnam unless the President certifies to Congress that Vietnamese officials are being fully cooperative and forthcoming with efforts to account for the 2,205 Americans still missing and otherwise unaccounted for from the Vietnam war, as determined on the basis of all information available to the United States Government, and for other purposes; to the Committee on Foreign Relations.

VIETNAM POW/MIA FULL DISCLOSURE ACT

Mr. SMITH. Mr. President, on behalf of Senator DOLE, Senator THURMOND, Senator HELMS, Senator GRASSLEY, Senator GRAMM of Texas, Senator CAMPBELL, and Senator THOMAS, and myself, I rise to introduce a joint resolution entitled ''The Vietnam POW/MIA Full Disclosure Act of 1995.'' I understand a similar resolution is being introduced in the House this week by Congressman BEN GILMAN, the Chairman of the House International Relations Committee.

This resolution is aimed at getting the maximum amount of information possible from Vietnam on Americans still missing from the Vietnam war. Specifically, the resolution prohibits both the establishment of diplomatic relations with Vietnam and the extension of most favored nation trading status to Vietnam unless the President informs Congress that we are getting full cooperation and full disclosure by Vietnam on the POW/MIA issue.

If the Communist Government in Vietnam is continuing to withhold information that would account for missing Americans, as I believe they are, then now is not the time to normalize relations.

I am very pleased that this resolution is supported by the distinguished majority leader and the distinguished chairmen of both the Armed Services Committee and the Foreign Relations Committee, among others. I know Senators DOLE, THURMOND, and HELMS have been closely involved with this issue for many, many years, and they share my concerns.

Perhaps most importantly, this resolution is supported by virtually all of the families of the 2,205 Americans still unaccounted for from the Vietnam war. It is also consistent with the resolutions that have been passed in recent years by our national veterans organizations.

Will every single American support the approach to resolving the POW/MIA issue outlined in this resolution?

Of course not. Indeed, there are Vietnam veterans in this body other than myself who advocate a different approach, or have a different view on the cooperation we are getting from Vietnam. Some have said that we should normalize relations with Hanoi because Vietnam is being fully cooperative on the POW/MIA issue. Others say we should normalize relations because it would give an incentive for Vietnam to increase its cooperation. I still have not figured out which reason the President used when he lifted our embargo on Vietnam last year.

Nonetheless, I reject both these positions and would simply point out that the position of the majority of our Nation's veterans and the POW/MIA families is very clear—they want the Communist Government in Hanoi to come clean on the POW/MIA issue before we normalize relations.

In my judgment, using every reasonable standard I can come up with—and I have worked on this issue for 11 years in the Congress—Vietnam has not come clean on the POW/MIA issue. The Communist Government in Hanoi continues to withhold relevant politburo and military records pertaining to American POWS and MIAS from the war. There is no disputing that fact.

Earlier this week, they dribbled out more records for a high-level administration delegation. They have done this for years. I suspect Vietnamese officials looked the administration delegation in the eye and said ''we just located this information.'' In 1993, they did the same thing when documents surfaced in Russian archives indicating that more Americans were held than those who came home. They suddenly came up with records they had withheld for 20 years. They just pulled it off the shelf.

This ''timed'' release of documents, only when it is deemed important enough for Vietnam, proves to me that Hanoi's Communist Politburo is continuing to manipulate the POW/MIA issue for its own political advantage. As a result, Vietnam is prolonging the anguish and uncertainty of MIA family members.

I wrote a letter today, signed it today, and sent it out from a family who still is anguishing over this with new information that they received, even as recently as this month.

Mr. President, the American people are not naive. They know that many records could have been turned over long ago. If they held back the most recent set of records until the right moment surfaced, what else are they still holding? And why, Mr. President, has this administration failed to vigorously seek access to Vietnam's wartime central committee records on POWs? Every historian knows that those records might conclusively answer the most nagging and haunting questions that keep this issue alive and have kept the family members waiting for so many years.

And why is it that there are family members of MIAs who are being denied visas to go to Vietnam to look for answers? Is this a country that is cooperating? I do not think so. I though when the President lifted the embargo in 1994, we were supposed to get unprecedented access and cooperation, and the family members who have loved ones missing cannot get a visa to get into Vietnam.

My colleagues do not have to accept BOB SMITH's judgment on whether there's been full disclosure by Vietnam on missing Americans. Under the resolution we have introduced today, the President is required to make the final judgment, whoever the President is, after consultation with the Director of Central Intelligence. If he feels we are getting full disclosure, then he can move forward, so long as he notifies Congress. That is all we are asking.

I would remind the President, However, that he was the one who stated, following his election in 1992, and I quote, ''I have sent a clear message that will be no normalization of relations with any country that is at all suspected of withholding information on missing Americans.'' I submit to you that there is still information being withheld.

The resolution we have introduced today asks the President to keep the promise he made to the MIA families and our Nation's veterans during his last campaign.

And that's really what this is all about, Mr. President—keeping our commitment that we will not let Vietnam off the hook until there has been full disclosure on the fate of our POW's and MIA's.

Revisionists are in full bloom these days. There has been a lot of revisionist history and frankly a lot of propaganda recently as we marked the 20th anniversary of the Communist victory over South Vietnam. But make no mistake about it—Vietnam needs us more then we need Vietnam. And if the last 20 years have taught us anything about Communist Vietnamese behavior, it is this—Vietnam only responds on the POW/MIA issue when it is clear to them that the United States will go no further to meet Vietnam's agenda. If Vietnam is that desperate for American business investment and diplomatic relations, then let them come clean on the POW/MIA issue.

Unfortunately, there have been mixed signals, which have been fueled, in part, by certain lobbyists in the American business community who want to put business over principle. My response to this lobbying effort is let us put principle over profit, not vice-versa. The only business we should be doing with Vietnam is the business of getting Hanoi to come clean on the POW/MIA issue.

Then and only then, should we normalize or restore any type of diplomatic relations. It is only fair. Think of the suffering of these families. How could we possibly want to do anything else but honor them?

There have also been statements from some administration officials seem eager to move forward with Vietnam by lowering the priority that was placed on the POW/MIA issue by Presidents Reagan and Bush. Perhaps these officials have become exhausted. I can understand that. It has been a long, long time.

Maybe they are embarrassed by their inability to convince Hanoi to come clean on the POW/MIA issue before we normalize. Maybe they would like this issue to go away. I know the families would like it to go away. But it ought to go away on honorable terms, honorable terms, a full accounting, a full accounting. That is the only way the issue should go away. In this environment, I would not be surprised if Vietnam might be thinking that they can hold out on disclosing their central committee records and meeting our intelligence community's expectations on what they can still do to help resolve this issue. They might think that they can achieve their economic and political goals just by waiting us out. That is the message we are sending.

Mr. President, I would simply say that I am not going to stay silent and let that happen. I have a responsibility here. This week, the President's top defense official on the POW/MIA issue, Deputy Assistant Secretary Jim Wold, stated that the decision on whether to move forward with Vietnam ''will be made by the President alone.'' The resolution we have introduced today states that Congress expects to be informed on whether there has been full disclosure by Vietnam on POW's and MIA's before the President moves forward. That is a very reasonable requirement. I am confident that the American people want this question answered before normalizing with Vietnam. That is a reasonable requirement, and I am confident the American people would like an answer to this question before we move forward with Vietnam.

I would remind my colleagues of something the English novelist Aldous Huxley once said—''Facts do not cease to exist just because they are ignored.'' Our intelligence community has made assessments of what Vietnam could still do if it truly wanted to come clean on the POW/MIA issue.

Those facts exist. Those facts are a matter of public record in some cases, and in other cases where they are not public, they are available for my colleagues to see.

This Chamber is also awaiting a final response from the Secretary of Defense on the total number of POW/MIA cases where the likelihood is greatest that Vietnam could produce additional information or remains, or perhaps in some cases possibly even a live American. This was a requirement, which I originally sponsored in last year's Defense Authorization Act. In February, we were told that only 50 percent of

this work had thus far been done and that we will have to wait several more months just to get a complete list of names. We should have a chance to review this information required by law, Mr. President, before we even consider further overtures to Vietnam.

Finally, I would point out that President Clinton himself stated on January 26 of this year that he is not fully satisfied that progress on the POW/MIA issue has been sufficient to justify moving beyond the steps agreed to last year when we lifted the embargo.

I would say to the President, ''Keep your promise, Mr. President, because they have not made the progress that you asked for since we lifted the embargo.''

On that point, I would agree with the President. For those who take the time to really study this issue, as I have, it is difficult to see how you can come to any other conclusion—there has not been full disclosure by Vietnam.

With that in mind, I would urge my colleagues to join with the majority leader, and our distinguished committee chairmen and others by cosponsoring this resolution. Let us send a clear signal to Vietnam. Let us tell them that, while we appreciate some of the cooperation we have received to date, we will accept nothing less than full disclosure on the POW/MIA issue before agreeing to normalize relations.

That is the way to honor the men and women who served, and the men and women who are missing, and the families of the missing.

Mr. DOLE. Mr. President, I rise today in support of Senator SMITH's Vietnam POW/MIA bill. As the members of this Chamber know, Senator Smith has worked long and hard in the effort to make Hanoi account for our missing in action and prisoners of war from Vietnam. This bill is not only the most recent example of that fine work, but also a reminder to the administration and other supporters of rushing to diplomatic relations with Vietnam that Hanoi has 2,000 unanswered questions to answer before proceeding with recognition.

My association with Vietnam POW/MIA's goes way back to 1970. I helped found the National League of Families of POW/MIAs. I remember going to President Nixon and saying we had to do something about the POW and MIA problem—answers had to be given before the people of America could rest easy that all had been done to find their loved ones and account for their fate.

Mr. President, this is not an onerous bill. It requires Presidential certification on three key issues before moving ahead on normalization: (1) a listing of cases for which the likelihood is the greatest that Vietnam has information; (2) that Vietnam is fully cooperating in the four key areas outlined by President Clinton; and (3) that Vietnam is cooperating in providing access to records concerning Americans captured during the war.

Mr. President, I note that the distinguished chairman of the Foreign Relations Committee, Senator HELMS and the distinguished chairman of the Armed Services Committee, Senator THURMOND, as well as Senators THOMAS, GRASSLEY, CAMPBELL, and GRAMM of Texas are original sponsors of the Vietnam POW/MIA Full Disclosure Act of 1995. Once again, I commend Senator SMITH for his leadership on this issue and yield the floor.

ADDITIONAL COSPONSORS

S. 194

At the request of Mr. MCCAIN, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 194, a bill to repeal the Medicare and Medicaid Coverage Data Bank, and for other purposes.

S. 358

At the request of Mr. HEFLIN, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 358, a bill to amend the Internal Revenue Code of 1986 to provide for an excise tax exemption for certain emergency medical transportation by air ambulance.

S. 553

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 553, a bill to amend the Age Discrimination in Employment Act of 1967 to reinstate an exemption for certain bona fide hiring and retirement plans applicable to State and local firefighters and law enforcement officers, and for other purposes.

S. 582

At the request of Mr. HATFIELD, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 582, a bill to amend title 28, United States Code, to provide that certain voluntary disclosures of violations of Federal laws made pursuant to an environmental audit shall not be subject to discovery or admitted into evidence during a Federal judicial or administrative proceeding, and for other purposes.

S. 770

At the request of Mr. DOLE, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from Connecticut, [Mr. LIEBERMAN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Pennsylvania [Mr. SANTORUM, and the Senator from Maine [Mr. COHEN] were added as cosponsors of S. 770, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

AMENDMENTS SUBMITTED ON MAY 17, 1995

THE MEDICARE SELECT ACT OF 1995

CHAFEE (AND OTHERS) AMENDMENT NO. 1108

Mr. CHAFEE (for himself, Mr. PACKWOOD, Mr. DOLE, Mrs. HUTCHISON, Mr. ROCKEFELLER, Mr. KENNEDY, and Mr. GORTON) proposed an amendment to the bill (H.R. 483) to amend title XVIII of the Social Security Act to permit Medicare select policies to be offered in all States, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. PERMITTING MEDICARE SELECT POLICIES TO BE OFFERED IN ALL STATES FOR AN EXTENDED PERIOD.

Section 4358(c) of the Omnibus Budget Reconciliation Act of 1990, as amended by section 172(a) of the Social Security Act Amendments of 1994, is amended to read as follows:

''(c) EFFECTIVE DATE.—(1) The amendments made by this section shall only apply—

''(A) in 15 States (as determined by the Secretary of Health and Human Services) and such other States as elect such amendments to apply to them, and

''(B) subject to paragraph (2), during the 5 year period beginning with 1992.

''(2)(A) The Secretary of Health and Human Services shall conduct a study that compares the health care costs, quality of care, and access to services under medicare select policies with that under other medicare supplemental policies. The study shall be based on surveys of appropriate age-adjusted sample populations. The study shall be completed by June 30, 1996.

''(B) The Secretary shall determine during 1996 whether the amendments made by this section shall remain in effect beyond the 5 year period described in paragraph (1)(B). Such amendments shall remain in effect beyond such period unless the Secretary determines (based on the results of the study under subparagraph (A)) that—

''(i) such amendments have not resulted in savings of premiums costs to those enrolled in medicare select policies (in comparison to their enrollment in medicare supplemental policies that are not medicare select policies and that provide comparable coverage),

''(ii) there have been significant additional expenditures under the medicare program as a result of such amendments, or

''(iii) access to and quality of care has been significantly diminished as a result of such amendments.

(3) GAO study: The GAO shall study and report to Congress, no later than June 10, 1996, on options for modifying the Medigap market to make sure that continuously insured beneficiaries are able to switch plans without medical underwriting or new pre-existing condition exclusions. In preparing such options, the GAO shall determine if there are problems under the current system and the impact of each option on the cost and availability of insurance, with particular reference to the special problems that may arise for enrollees in Medicare Select plans.''.

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

FEINGOLD (AND OTHERS) AMENDMENT NO. 1109

(Ordered to lie on the table.)

Mr. FEINGOLD (for himself, Mr. BUMPERS, Mr. KERREY, Mr. ROBB, Mr. DORGAN, Mr. SIMON, Mrs. MURRAY, Mr. HOLLINGS, and Ms. MOSELEY-BRAUN) submitted an amendment intended to be proposed by them to the concurrent resolution (S. Con. Res. 13) setting forth the congressional budget for the U.S. Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

At the appropriate place, add the following:

SECTION . SENSE OF THE SENATE REGARDING DEFICIT REDUCTION AND TAX CUTS.

The Senate finds that—

(1) it is important that Congress clearly and decisively signal its commitment to significant further deficit reduction;

(2) enactment of any type of major tax cut measure in 1995 will hinder efforts to achieve significant further deficit reduction;

(3) the savings generated by the spending cuts being proposed in the budget process should be dedicated to deficit reduction; and

(4) it is the Sense of the Senate that adoption of major tax cuts at this point in time will set us back in our progress towards a balanced budget and significant deficit reduction.

AMENDMENTS SUBMITTED ON MAY 18, 1995

THE TELECOMMUNICATIONS COMPETITION AND DEREGULATION ACT OF 1995

WELLSTONE (AND OTHERS) AMENDMENT NO. 1110

(Ordered to lie on the table.)

Mr. WELLSTONE (for himself, Mr. FEINGOLD, Mr. LAUTENBERG, and Mr. BAUCUS) submitted an amendment intended to be proposed by them to the bill (S. 652) to provide for a pro-competitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition, and for other purposes; as follows:

At the end of the bill, add the following:

TITLE ____—GIFT REFORM

SEC. ___01. AMENDMENTS TO SENATE RULES.

Rule XXXV of the Standing Rules of the Senate is amended to read as follows:

''1. (a) No Member, officer, or employee of the Senate shall accept a gift, knowing that such gift is provided by a lobbyist or by an agent of a foreign principal registered under the Foreign Agents Registration Act.

''(b) The prohibition in subparagraph (a) includes the following:

''(1) Anything provided by a lobbyist or an agent of a foreign principal which is paid for, charged to, or reimbursed by a client or firm of such lobbyist or agent of a foreign principal.

''(2) Anything provided by a lobbyist or an agent of a foreign principal to an entity that is maintained or controlled by a Member, officer, or employee.

''(3) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a lobbyist or an agent of a foreign principal on the basis of a designation, recommendation, or other specification of a Member, officer, or employee (not including a mass mailing or other solicitation directed to a broad category of persons or entities).

''(4) A contribution or other payment by a lobbyist or an agent of a foreign principal to a legal expense fund established for the benefit of a Member, officer, or employee.

''(5) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a lobbyist or an agent of a foreign principal in lieu of an honorarium to a Member, officer, or employee.

''(6) A financial contribution or expenditure made by a lobbyist or an agent of a foreign principal relating to a conference, retreat, or similar event, sponsored by or affiliated with an official congressional organization, for or on behalf Members, officers, or employees.

''(c) The following are not gifts subject to the prohibition in subparagraph (a):

''(1) Anything for which the recipient pays the market value, or does not use and promptly returns to the donor.

''(2) A contribution, as defined in the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is lawfully made under that Act, or attendance at a fundraising event sponsored by a political organization described in section 527(e) of the Internal Revenue Code of 1986.

''(3) Food or refreshments of nominal value offered other than as part of a meal.

''(4) Benefits resulting from the business, employment, or other outside activities of the spouse of a member, officer, or employee, if such benefits are customarily provided to others in similar circumstances.

''(5) Pension and other benefits resulting from continued participation in an employee welfare and benefits plan maintained by a former employer.

''(6) Informational materials that are sent to the office of a Member, officer, or employee in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication.

''(d)(1) A gift given by an individual under circumstances which make it clear that the gift is given for a nonbusiness purpose and is motivated by a family relationship or close personal friendship and not by the position of the Member, officer, or employee shall not be subject to the prohibition in subparagraph (a).

''(2) A gift shall not be considered to be given for a nonbusiness purpose if the individual giving the gift seeks—

''(A) to deduct the value of such gift as a business expense on the individual's Federal income tax return, or

''(B) direct or indirect reimbursement or any other compensation for the value of the gift from a client or employer of such lobbyist or agent of a foreign principal.

''(3) In determining if the giving of a gift is motivated by a family relationship or close personal friendship, at least the following factors shall be considered:

''(A) The history of the relationship between the individual giving the gift and the recipient of the gift, including whether or not gifts have previously been exchanged by such individuals.

''(B) Whether the gift was purchased by the individual who gave the item.

''(C) Whether the individual who gave the gift also at the same time gave the same or similar gifts to other Members, officers, or employees.

''2. (a) In addition to the restriction on receiving gifts from lobbyists, lobbying firms, and agents of foreign principals provided by paragraph 1 and except as provided in this rule, no Member, officer, or employee of the Senate shall knowingly accept a gift from any other person.

''(b)(1) For the purpose of this rule, the term 'gift' means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. The term includes gifts of services, training, transportation, lodging, and meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

''(2) A gift to the spouse or dependent of a Member, officer, or employee (or a gift to any other individual based on that individual's relationship with the Member, officer, or employee) shall be considered a gift to the Member, officer, or employee if it is given with the knowledge and acquiescence of the Member, officer, or employee and the Member, officer, or employee has reason to believe the gift was given because of the official position of the Member, officer, or employee.

''(c) The restrictions in subparagraph (a) shall not apply to the following:

''(1) Anything for which the Member, officer, or employee pays the market value, or does not use and promptly returns to the donor.

''(2) A contribution, as defined in the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is lawfully made under that Act, or attendance at a fundraising event sponsored by a political organization described in section 527(e) of the Internal Revenue Code of 1986.

''(3) Anything provided by an individual on the basis of a personal or family relationship unless the Member, officer, or employee has reason to believe that, under the circumstances, the gift was provided because of the official position of the Member, officer, or employee and not because of the personal or family relationship. The Select Committee on Ethics shall provide guidance on the applicability of this clause and examples of circumstances under which a gift may be accepted under this exception.

''(4) A contribution or other payment to a legal expense fund established for the benefit of a Member, officer, or employee, that is otherwise lawfully made, if the person making the contribution or payment is identified for the Select Committee on Ethics.

''(5) Any food or refreshments which the recipient reasonably believes to have a value of less than $20.

''(6) Any gift from another Member, officer, or employee of the Senate or the House of Representatives.

''(7) Food, refreshments, lodging, and other benefits—

''(A) resulting from the outside business or employment activities (or other outside activities that are not connected to the duties of the Member, officer, or employee as an officeholder) of the Member, officer, or employee, or the spouse of the Member, officer, or employee, if such benefits have not been offered or enhanced because of the official position of the Member, officer, or employee and are customarily provided to others in similar circumstances;

''(B) customarily provided by a prospective employer in connection with bona fide employment discussions; or

''(C) provided by a political organization described in section 527(e) of the Internal Revenue Code of 1986 in connection with a

fundraising or campaign event sponsored by such an organization.

''(8) Pension and other benefits resulting from continued participation in an employee welfare and benefits plan maintained by a former employer.

''(9) Informational materials that are sent to the office of the Member, officer, or employee in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication.

''(10) Awards or prizes which are given to competitors in contests or events open to the public, including random drawings.

''(11) Honorary degrees (and associated travel, food, refreshments, and entertainment) and other bona fide, nonmonetary awards presented in recognition of public service (and associated food, refreshments, and entertainment provided in the presentation of such degrees and awards).

''(12) Donations of products from the State that the Member represents that are intended primarily for promotional purposes, such as display or free distribution, and are of minimal value to any individual recipient.

''(13) Food, refreshments, and entertainment provided to a Member or an employee of a Member in the Member's home State, subject to reasonable limitations, to be established by the Committee on Rules and Administration.

''(14) An item of little intrinsic value such as a greeting card, baseball cap, or a T shirt.

''(15) Training (including food and refreshments furnished to all attendees as an integral part of the training) provided to a Member, officer, or employee, if such training is in the interest of the Senate.

''(16) Bequests, inheritances, and other transfers at death.

''(17) Any item, the receipt of which is authorized by the Foreign Gifts and Decorations Act, the Mutual Educational and Cultural Exchange Act, or any other statute.

''(18) Anything which is paid for by the Federal Government, by a State or local government, or secured by the Government under a Government contract.

''(19) A gift of personal hospitality of an individual, as defined in section 109(14) of the Ethics in Government Act.

''(20) Free attendance at a widely attended event permitted pursuant to subparagraph (d).

''(21) Opportunities and benefits which are—

''(A) available to the public or to a class consisting of all Federal employees, whether or not restricted on the basis of geographic consideration;

''(B) offered to members of a group or class in which membership is unrelated to congressional employment;

''(C) offered to members of an organization, such as an employees' association or congressional credit union, in which membership is related to congressional employment and similar opportunities are available to large segments of the public through organizations of similar size;

''(D) offered to any group or class that is not defined in a manner that specifically discriminates among Government employees on the basis of branch of Government or type of responsibility, or on a basis that favors those of higher rank or rate of pay;

''(E) in the form of loans from banks and other financial institutions on terms generally available to the public; or

''(F) in the form of reduced membership or other fees for participation in organization activities offered to all Government employees by professional organizations if the only restrictions on membership relate to professional qualifications.

''(22) A plaque, trophy, or other memento of modest value.

''(23) Anything for which, in an unusual case, a waiver is granted by the Select Committee on Ethics.

''(d)(1) Except as prohibited by paragraph 1, a Member, officer, or employee may accept an offer of free attendance at a widely attended convention, conference, symposium, forum, panel discussion, dinner, viewing, reception, or similar event, provided by the sponsor of the event, if—

''(A) the Member, officer, or employee participates in the event as a speaker or a panel participant, by presenting information related to Congress or matters before Congress, or by performing a ceremonial function appropriate to the Member's, officer's, or employee's official position; or

''(B) attendance at the event is appropriate to the performance of the official duties or representative function of the Member, officer, or employee.

''(2) A Member, officer, or employee who attends an event described in clause (1) may accept a sponsor's unsolicited offer of free attendance at the event for an accompanying individual if others in attendance will generally be similarly accompanied or if such attendance is appropriate to assist in the representation of the Senate.

''(3) Except as prohibited by paragraph 1, a Member, officer, or employee, or the spouse or dependent thereof, may accept a sponsor's unsolicited offer of free attendance at a charity event, except that reimbursement for transportation and lodging may not be accepted in connection with the event.

''(4) For purposes of this paragraph, the term 'free attendance' may include waiver of all or part of a conference or other fee, the provision of local transportation, or the provision of food, refreshments, entertainment, and instructional materials furnished to all attendees as an integral part of the event. The term does not include entertainment collateral to the event, or food or refreshments taken other than in a group setting with all or substantially all other attendees.

''(e) No Member, officer, or employee may accept a gift the value of which exceeds $250 on the basis of the personal relationship exception in subparagraph (c)(3) or the close personal friendship exception in section 106(d) of the Lobbying Disclosure Act of 1994 unless the Select Committee on Ethics issues a written determination that one of such exceptions applies.

''(f)(1) The Committee on Rules and Administration is authorized to adjust the dollar amount referred to in subparagraph (c)(5) on a periodic basis, to the extent necessary to adjust for inflation.

''(2) The Select Committee on Ethics shall provide guidance setting forth reasonable steps that may be taken by Members, officers, and employees, with a minimum of paperwork and time, to prevent the acceptance of prohibited gifts from lobbyists.

''(3) When it is not practicable to return a tangible item because it is perishable, the item may, at the discretion of the recipient, be given to an appropriate charity or destroyed.

''3. (a)(1) Except as prohibited by paragraph 1, a reimbursement (including payment in kind) to a Member, officer, or employee for necessary transportation, lodging and related expenses for travel to a meeting, speaking engagement, factfinding trip or similar event in connection with the duties of the Member, officer, or employee as an officeholder shall be deemed to be a reimbursement to the Senate and not a gift prohibited by this rule, if the Member, officer, or employee—

''(A) in the case of an employee, receives advance authorization, from the Member or officer under whose direct supervision the employee works, to accept reimbursement, and

''(B) discloses the expenses reimbursed or to be reimbursed and the authorization to the Secretary of the Senate within 30 days after the travel is completed.

''(2) For purposes of clause (1), events, the activities of which are substantially recreational in nature, shall not be considered to be in connection with the duties of a Member, officer, or employee as an officeholder.

''(b) Each advance authorization to accept reimbursement shall be signed by the Member or officer under whose direct supervision the employee works and shall include—

''(1) the name of the employee;

''(2) the name of the person who will make the reimbursement;

''(3) the time, place, and purpose of the travel; and

''(4) a determination that the travel is in connection with the duties of the employee as an officeholder and would not create the appearance that the employee is using public office for private gain.

''(c) Each disclosure made under subparagraph (a)(1) of expenses reimbursed or to be reimbursed shall be signed by the Member or officer (in the case of travel by that Member or officer) or by the Member or officer under whose direct supervision the employee works (in the case of travel by an employee) and shall include—

''(1) a good faith estimate of total transportation expenses reimbursed or to be reimbursed;

''(2) a good faith estimate of total lodging expenses reimbursed or to be reimbursed;

''(3) a good faith estimate of total meal expenses reimbursed or to be reimbursed;

''(4) a good faith estimate of the total of other expenses reimbursed or to be reimbursed;

''(5) a determination that all such expenses are necessary transportation, lodging, and related expenses as defined in this paragraph; and

''(6) in the case of a reimbursement to a Member or officer, a determination that the travel was in connection with the duties of the Member or officer as an officeholder and would not create the appearance that the Member or officer is using public office for private gain.

''(d) For the purposes of this paragraph, the term 'necessary transportation, lodging, and related expenses'—

''(1) includes reasonable expenses that are necessary for travel for a period not exceeding 3 days exclusive of travel time within the United States or 7 days exclusive of travel time outside of the United States unless approved in advance by the Select Committee on Ethics;

''(2) is limited to reasonable expenditures for transportation, lodging, conference fees and materials, and food and refreshments, including reimbursement for necessary transportation, whether or not such transportation occurs within the periods described in clause (1);

''(3) does not include expenditures for recreational activities, or entertainment other than that provided to all attendees as an integral part of the event; and

''(4) may include travel expenses incurred on behalf of either the spouse or a child of the Member, officer, or employee, subject to a determination signed by the Member or officer (or in the case of an employee, the Member or officer under whose direct supervision the employee works) that the attendance of the spouse or child is appropriate to assist in the representation of the Senate.

''(e) The Secretary of the Senate shall make available to the public all advance authorizations and disclosures of reimbursement filed pursuant to subparagraph (a) as soon as possible after they are received.

''4. In this rule:

''(a) The term 'client' means any person or entity that employs or retains another person for financial or other compensation to conduct lobbying activities on behalf of that person or entity. A person or entity whose employees act as lobbyists on its own behalf is both a client and an employer of such employees. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is—

''(1) the coalition or association and not its individual members when the lobbying activities are conducted on behalf of its membership and financed by the coalition's or association's dues and assessments; or

''(2) an individual member or members, when the lobbying activities are conducted on behalf of, and financed separately by, 1 or more individual members and not by the coalition's or association's dues and assessments.

''(b) The term 'lobbying firm'—

''(1) means a person or entity that has 1 or more employees who are lobbyists on behalf of a client other than that person or entity; and

''(2) includes a self-employed individual who is a lobbyist.

''(c) The term 'lobbyist' means a person registered under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or required to be registered under any successor statute.

''(d) The term 'State' means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.''.

SEC. ___02. AMENDMENTS TO HOUSE RULES.

Clause 4 of rule XLIII of the Rules of the House of Representatives is amended to read as follows:

''4. (a)(1) No Member, officer, or employee of the House of Representatives shall accept a gift, knowing that such gift is provided directly or indirectly by a lobbyist registered under the Federal Regulation of Lobbying Act or any successor statute, or an agent of a foreign principal registered under the Foreign Agents Registration Act.

''(2) The prohibition in subparagraph (1) includes the following:

''(A) Anything provided by a lobbyist or an agent of a foreign principal which is paid for, charged to, or reimbursed by a client or firm of such lobbyist or agent of a foreign principal.

''(B) Anything provided by a lobbyist or an agent of a foreign principal to an entity that is maintained or controlled by a Member, officer, or employee.

''(C) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a lobbyist or an agent of a foreign principal on the basis of a designation, recommendation, or other specification of a Member, officer, or employee (not including a mass mailing or other solicitation directed to a broad category of persons or entities).

''(D) A contribution or other payment by a lobbyist or an agent of a foreign principal to a legal expense fund established for the benefit of a Member, officer, or employee.

''(E) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a lobbyist or an agent of a foreign principal in lieu of an honorarium to a Member, officer, or employee.

''(F) A financial contribution or expenditure made by a lobbyist or an agent of a foreign principal relating to a conference, retreat, or similar event, sponsored by or affiliated with an official congressional organization, for or on behalf of Members, officers, or employees.

''(3) The following are not gifts subject to the prohibition in subparagraph (1):

''(A) Anything for which the recipient pays the market value, or does not use and promptly returns to the donor.

''(B) A contribution, as defined in the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is lawfully made under that Act, or attendance at a fundraising event sponsored by a political organization described in section 527(e) of the Internal Revenue Code of 1986.

''(C) Food or refreshments of nominal value offered other than as part of a meal.

''(D) Benefits resulting from the business, employment, or other outside activities of the spouse of a Member, officer, or employee if such benefits are customarily provided to others in similar circumstances.

''(E) Pension and other benefits resulting from continued participation in an employee welfare and benefits plan maintained by a former employer.

''(F) Informational materials that are sent to the office of a Member, officer, or employee in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication.

''(4)(A) A gift given by an individual under circumstances which make it clear that the gift is given for a nonbusiness purpose and is motivated by a family relationship or close personal friendship and not by the position of the Member, officer, or employee shall not be subject to the prohibition in subparagraph (1).

''(B) A gift shall not be considered to be given for a nonbusiness purpose if the individual giving the gift seeks—

''(i) to deduct the value of such gift as a business expense on the individual's Federal income tax return, or

''(ii) direct or indirect reimbursement or any other compensation for the value of the gift from a client or employer of such lobbyist or agent of a foreign principal.

''(C) In determining if the giving of a gift is motivated by a family relationship or close personal friendship, at least the following factors shall be considered:

''(i) The history of the relationship between the individual giving the gift and the recipient of the gift, including whether or not gifts have previously been exchanged by such individuals.

''(ii) Whether the gift was purchased by the individual who gave the item.

''(iii) Whether the individual who gave the gift also at the same time gave the same or similar gifts to other Members, officers, or employees.

''(b) In addition to the restriction on receiving gifts from registered lobbyists, lobbying firms, and agents of foreign principals provided by paragraph (a) and except as provided in this rule, no Member, officer, or employee of the House of Representatives shall knowingly accept a gift from any other person.

''(c)(1) For the purpose of this clause, the term 'gift' means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. The term includes gifts of services, training, transportation, lodging, and meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

''(2) A gift to the spouse or dependent of a Member, officer, or employee (or a gift to any other individual based on that individual's relationship with the Member, officer, or employee) shall be considered a gift to the Member, officer, or employee if it is given with the knowledge and acquiescence of the Member, officer, or employee and the Member, officer, or employee has reason to believe the gift was given because of the official position of the Member, officer, or employee.

''(d) The restrictions in paragraph (b) shall not apply to the following:

''(1) Anything for which the Member, officer, or employee pays the market value, or does not use and promptly returns to the donor.

''(2) A contribution, as defined in the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is lawfully made under that Act, or attendance at a fundraising event sponsored by a political organization described in section 527(e) of the Internal Revenue Code of 1986.

''(3) Anything provided by an individual on the basis of a personal or family relationship unless the Member, officer, or employee has reason to believe that, under the circumstances, the gift was provided because of the official position of the Member, officer, or employee and not because of the personal or family relationship. The Committee on Standards of Official Conduct shall provide guidance on the applicability of this clause and examples of circumstances under which a gift may be accepted under this exception.

''(4) A contribution or other payment to a legal expense fund established for the benefit of a Member, officer, or employee, that is otherwise lawfully made, if the person making the contribution or payment is identified for the Committee on Standards of Official Conduct.

''(5) Any food or refreshments which the recipient reasonably believes to have a value of less than $20.

''(6) Any gift from another Member, officer, or employee of the Senate or the House of Representatives.

''(7) Food, refreshments, lodging, and other benefits—

''(A) resulting from the outside business or employment activities (or other outside activities that are not connected to the duties of the Member, officer, or employee as an officeholder) of the Member, officer, or employee, or the spouse of the Member, officer, or employee, if such benefits have not been offered or enhanced because of the official position of the Member, officer, or employee and are customarily provided to others in similar circumstances;

''(B) customarily provided by a prospective employer in connection with bona fide employment discussions; or

''(C) provided by a political organization described in section 527(e) of the Internal Revenue Code of 1986 in connection with a fundraising or campaign event sponsored by such an organization.

''(8) Pension and other benefits resulting from continued participation in an employee welfare and benefits plan maintained by a former employer.

''(9) Informational materials that are sent to the office of the Member, officer, or employee in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication.

''(10) Awards or prizes which are given to competitors in contests or events open to the public, including random drawings.

''(11) Honorary degrees (and associated travel, food, refreshments, and entertainment) and other bona fide, nonmonetary awards presented in recognition of public service (and associated food, refreshments, and entertainment provided in the presentation of such degrees and awards).

''(12) Donations of products from the State that the Member represents that are intended primarily for promotional purposes, such as display or free distribution, and are of minimal value to any individual recipient.

''(13) Food, refreshments, and entertainment provided to a Member or an employee of a Member in the Member's home State, subject to reasonable limitations, to be established by the Committee on Standards of Official Conduct.

''(14) An item of little intrinsic value such as a greeting card, baseball cap, or a T shirt.

''(15) Training (including food and refreshments furnished to all attendees as an integral part of the training) provided to a Member, officer, or employee, if such training is in the interest of the House of Representatives.

''(16) Bequests, inheritances, and other transfers at death.

''(17) Any item, the receipt of which is authorized by the Foreign Gifts and Decorations Act, the Mutual Educational and Cultural Exchange Act, or any other statute.

''(18) Anything which is paid for by the Federal Government, by a State or local government, or secured by the Government under a Government contract.

''(19) A gift of personal hospitality of an individual, as defined in section 109(14) of the Ethics in Government Act.

''(20) Free attendance at a widely attended event permitted pursuant to paragraph (e).

''(21) Opportunities and benefits which are—

''(A) available to the public or to a class consisting of all Federal employees, whether or not restricted on the basis of geographic consideration;

''(B) offered to members of a group or class in which membership is unrelated to congressional employment;

''(C) offered to members of an organization, such as an employees' association or congressional credit union, in which membership is related to congressional employment and similar opportunities are available to large segments of the public through organizations of similar size;

''(D) offered to any group or class that is not defined in a manner that specifically discriminates among Government employees on the basis of branch of Government or type of responsibility, or on a basis that favors those of higher rank or rate of pay;

''(E) in the form of loans from banks and other financial institutions on terms generally available to the public; or

''(F) in the form of reduced membership or other fees for participation in organization activities offered to all Government employees by professional organizations if the only restrictions on membership relate to professional qualifications.

''(22) A plaque, trophy, or other memento of modest value.

''(23) Anything for which, in exceptional circumstances, a waiver is granted by the Committee on Standards of Official Conduct.

''(e)(1) Except as prohibited by paragraph (a), a Member, officer, or employee may accept an offer of free attendance at a widely attended convention, conference, symposium, forum, panel discussion, dinner, viewing, reception, or similar event, provided by the sponsor of the event, if—

''(A) the Member, officer, or employee participates in the event as a speaker or a panel participant, by presenting information related to Congress or matters before Congress, or by performing a ceremonial function appropriate to the Member's, officer's, or employee's official position; or

''(B) attendance at the event is appropriate to the performance of the official duties or representative function of the Member, officer, or employee.

''(2) A Member, officer, or employee who attends an event described in subparagraph (1) may accept a sponsor's unsolicited offer of free attendance at the event for an accompanying individual if others in attendance will generally be similarly accompanied or if such attendance is appropriate to assist in the representation of the House of Representatives.

''(3) Except as prohibited by paragraph (a), a Member, officer, or employee, or the spouse or dependent thereof, may accept a sponsor's unsolicited offer of free attendance at a charity event, except that reimbursement for transportation and lodging may not be accepted in connection with the event.

''(4) For purposes of this paragraph, the term 'free attendance' may include waiver of all or part of a conference or other fee, the provision of local transportation, or the provision of food, refreshments, entertainment, and instructional materials furnished to all attendees as an integral part of the event. The term does not include entertainment collateral to the event, or food or refreshments taken other than in a group setting with all or substantially all other attendees.

''(f) No Member, officer, or employee may accept a gift the value of which exceeds $250 on the basis of the personal relationship exception in paragraph (d)(3) or the close personal friendship exception in section 106(d) of the Lobbying Disclosure Act of 1994 unless the Committee on Standards of Official Conduct issues a written determination that one of such exceptions applies.

''(g)(1) The Committee on Standards of Official Conduct is authorized to adjust the dollar amount referred to in paragraph (c)(5) on a periodic basis, to the extent necessary to adjust for inflation.

''(2) The Committee on Standards of Official Conduct shall provide guidance setting forth reasonable steps that may be taken by Members, officers, and employees, with a minimum of paperwork and time, to prevent the acceptance of prohibited gifts from lobbyists.

''(3) When it is not practicable to return a tangible item because it is perishable, the item may, at the discretion of the recipient, be given to an appropriate charity or destroyed.

''(h)(1)(A) Except as prohibited by paragraph (a), a reimbursement (including payment in kind) to a Member, officer, or employee for necessary transportation, lodging and related expenses for travel to a meeting, speaking engagement, factfinding trip or similar event in connection with the duties of the Member, officer, or employee as an officeholder shall be deemed to be a reimbursement to the House of Representatives and not a gift prohibited by this paragraph, if the Member, officer, or employee—

''(i) in the case of an employee, receives advance authorization, from the Member or officer under whose direct supervision the employee works, to accept reimbursement, and

''(ii) discloses the expenses reimbursed or to be reimbursed and the authorization to the Clerk of the House of Representatives within 30 days after the travel is completed.

''(B) For purposes of clause (A), events, the activities of which are substantially recreational in nature, shall not be considered to be in connection with the duties of a Member, officer, or employee as an officeholder.

''(2) Each advance authorization to accept reimbursement shall be signed by the Member or officer under whose direct supervision the employee works and shall include—

''(A) the name of the employee;

''(B) the name of the person who will make the reimbursement;

''(C) the time, place, and purpose of the travel; and

''(D) a determination that the travel is in connection with the duties of the employee as an officeholder and would not create the appearance that the employee is using public office for private gain.

''(3) Each disclosure made under subparagraph (1)(A) of expenses reimbursed or to be reimbursed shall be signed by the Member or officer (in the case of travel by that Member or officer) or by the Member or officer under whose direct supervision the employee works (in the case of travel by an employee) and shall include—

''(A) a good faith estimate of total transportation expenses reimbursed or to be reimbursed;

''(B) a good faith estimate of total lodging expenses reimbursed or to be reimbursed;

''(C) a good faith estimate of total meal expenses reimbursed or to be reimbursed;

''(D) a good faith estimate of the total of other expenses reimbursed or to be reimbursed;

''(E) a determination that all such expenses are necessary transportation, lodging, and related expenses as defined in this paragraph; and

''(F) in the case of a reimbursement to a Member or officer, a determination that the travel was in connection with the duties of the Member or officer as an officeholder and would not create the appearance that the Member or officer is using public office for private gain.

''(4) For the purposes of this paragraph, the term 'necessary transportation, lodging, and related expenses'—

''(A) includes reasonable expenses that are necessary for travel—

''(i) for a period not exceeding 4 days including travel time within the United States or 7 days in addition to travel time outside the United States; and

''(ii) within 24 hours before or after participation in an event in the United States or within 48 hours before or after participation in an event outside the United States,

unless approved in advance by the Committee on Standards of Official Conduct;

''(B) is limited to reasonable expenditures for transportation, lodging, conference fees and materials, and food and refreshments, including reimbursement for necessary transportation, whether or not such transportation occurs within the periods described in clause (A);

''(C) does not include expenditures for recreational activities or entertainment other than that provided to all attendees as an integral part of the event; and

''(D) may include travel expenses incurred on behalf of either the spouse or a child of the Member, officer, or employee, subject to a determination signed by the Member or officer (or in the case of an employee, the Member or officer under whose direct supervision the officer or employee works) that the attendance of the spouse or child is appropriate to assist in the representation of the House of Representatives.

''(5) The Clerk of the House of Representatives shall make available to the public all advance authorizations and disclosures of reimbursement filed pursuant to subparagraph (1) as soon as possible after they are received.

''(h) In this rule:

''(1) The term 'client' means any person or entity that employs or retains another person for financial or other compensation to conduct lobbying activities on behalf of that person or entity. A person or entity whose employees act as lobbyists on its own behalf is both a client and an employer of such employees. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is—

''(A) the coalition or association and not its individual members when the lobbying activities are conducted on behalf of its membership and financed by the coalition's or association's dues and assessments; or

''(B) an individual member or members, when the lobbying activities are conducted on behalf of, and financed separately by, 1 or more individual members and not by the coalition's or association's dues and assessments.

''(2) The term 'lobbying firm'—

''(A) means a person or entity that has 1 or more employees who are lobbyists on behalf of a client other than that person or entity; and

''(B) includes a self-employed individual who is a lobbyist.

''(3) The term 'lobbyist' means a person registered under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or required to be registered under any successor statute.

''(4) The term 'State' means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.''.

SEC. ___03. MISCELLANEOUS PROVISIONS.

(a) AMENDMENTS TO THE ETHICS IN GOVERNMENT ACT.—Section 102(a)(2)(B) of the Ethics in Government Act (5 U.S.C. 102, App. 6) is amended by adding at the end thereof the following: ''Reimbursements accepted by a Federal agency pursuant to section 1353 of title 31, United States Code, or deemed accepted by the Senate or the House of Representatives pursuant to rule XXXV of the Standing Rules of the Senate or clause 4 of rule XLIII of the Rules of the House of Representatives shall be reported as required by such statute or rule and need not be reported under this section.''.

(b) REPEAL OF OBSOLETE PROVISION.—Section 901 of the Ethics Reform Act of 1989 (2 U.S.C. 31–2) is repealed.

(c) SENATE PROVISIONS.—

(1) AUTHORITY OF THE COMMITTEE ON RULES AND ADMINISTRATION.—The Senate Committee on Rules and Administration, on behalf of the Senate, may accept gifts provided they do not involve any duty, burden, or condition, or are not made dependent upon some future performance by the United States. The Committee on Rules and Administration is authorized to promulgate regulations to carry out this section.

(2) FOOD, REFRESHMENTS, AND ENTERTAINMENT.—The rules on acceptance of food, refreshments, and entertainment provided to a Member of the Senate or an employee of such a Member in the Member's home State before the adoption of reasonable limitations by the Committee on Rules and Administration shall be the rules in effect on the day before the effective date of this title.

(d) HOUSE PROVISION.—The rules on acceptance of food, refreshments, and entertainment provided to a Member of the House of Representatives or an employee of such a Member in the Member's home State before the adoption of reasonable limitations by the Committee on Standards of Official Conduct shall be the rules in effect on the day before the effective date of this title.

SEC. ___04. EXERCISE OF CONGRESSIONAL RULEMAKING POWERS.

Sections ___01, ___02, and ___03 (c) and (d) are enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and accordingly, they shall be considered as part of the rules of each House, respectively, or of the House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (insofar as they relate to that House) at any time and in the same manner and to the same extent as in the case of any other rule of that House.

Mr. WELLSTONE. Mr. President, as I promised I would do several weeks ago, today I am submitting, on behalf of myself, Senators FEINGOLD, LAUTENBERG, and BAUCUS, the tough, comprehensive gift ban that some of us have been pushing for over 2 years. These are exactly the same gift ban provisions that were developed last year by House-Senate conferees, but that were blocked at the end of last Congress, and again at the beginning of this Congress, by opponents of reform. They are the same gift ban provisions that were contained in last year's conference report on S. 349, the Lobbying Disclosure Act. So that there is no confusion, let me repeat that: these are exactly the same gift ban provisions that were contained in the conference report on the Lobbying Disclosure Act last year, and that have been supported by the vast majority of Democrats and Republicans on this Senate floor last year.

I do not need to rehearse the long history on this legislation, which made an arduous journey, with many twists and turns, through both houses of Congress last year, and through a House-Senate conference committee, only to be stopped by a Senate filibuster at the end of the 103d Congress. I intend to continue to press it forward, and I also intend to support efforts to enact promptly the lobbying disclosure bill to which this gift ban was attached in the last Congress. I believe that because the registration bill contains tighter definitions of who exactly is a lobbyist than current law, and actually imposes sanctions against representatives of special interests who fail to comply with the new rules, they work most effectively in tandem. But I also believe that because there will likely again be attempts to direct seemingly high-minded, though false, criticisms against the purported ''chilling effect'' on lobbying of the lobbying disclosure bill—a charge that is preposterous on its face, since the bill simply requires paid, professional lobbyists to register, it doesn't limit their activity—there should be another straight up or down debate and vote on the gift ban itself. These attacks, as they did last year, could come from the lobbying community, from right-wing radio talk show hosts, and others, even though the language which they claimed to be concerned about had been deleted altogether from the bill. I urge my colleagues to support both without weakening changes.

Today I am filing the gift ban as a proposed amendment to S. 652, the telecommunications legislation that is currently pending on the Senate Calendar. This has been one of the most heavily lobbied pieces of legislation in recent memory, from all sides, so it is appropriate that this be a vehicle for the gift ban—and perhaps also for the lobbying disclosure legislation to which it was attached last year.

I intend to bring the gift ban amendment to a vote in the Senate soon after we turn to this bill. If the Senate does not soon turn to the telecommunications bill, then I intend to continue to survey other appropriate vehicles for such an amendment. I suspect that the decision not to turn the telecommunications bill immediately following the budget resolution might have been affected by our decision to move forward now on the gift ban legislation as a proposed amendment to it. But whatever the vehicle, I intend at the very least to prompt a full and thorough debate on this issue, and I hope to get it voted on soon.

I hope that this time, unlike in January, the Majority Leader and my colleagues on the other side of the aisle will support this important legislation, as they publicly indicated they would do last year. In fact, last year 37 Republicans cosponsored these same gift ban provisions, but then proceeded to vote against them in January, after an indication from the Majority Leader that he intended to deal with this issue on the Senate floor this month.

Americans are watching closely to see if the new majority in Congress delivers on its promise of reforms. So far, they have not. This should not come as a surprise, since these were the same people who blocked major reform last year in each of these areas, solely out of a political concern that Democrats might get some credit for cleaning up Washington. Their reform promises have rung hollow all the way along, and they ring hollow today.

In a recent editorial the Washington Post again challenged the new congressional majority to enact a number of tough, sweeping political reform measures that have been opposed by congressional incumbents and bogged down for a number of years. They observed that the simplest and most straightforward of these reforms is legislation to impose a tough, sweeping ban on the gifts, meals, vacation travel and other perks—the same provisions that were killed at the end of the last Congress.

The President is prepared to sign this bill now, and I think we could and should have it on his desk within a few weeks. The President called for lobbying reform and a gift ban in his State of the Union Address, and yet my colleagues in the majority have blocked our bill and put forward no alternative. As I observed 2 weeks ago on this floor, our majority colleagues, frozen like deer in headlights, refuse to move forward on the gift ban. Enthusiastic about slashing free or reduced-price lunches for children, opponents wither when it comes to eliminating free lunches for Members of Congress. This bitter irony has not been lost on the American people. Passing the gift ban, and tough new lobby disclosure rules

developed in tough bipartisan negotiations last year led by Senator LEVIN, is one of the best ways we have to begin to restore the confidence of Americans in the integrity of the legislative process.

It is long past time for enactment of this gift ban. This amendment would help to significantly change the Washington culture of special interest perks, favors, meals, travel, and gifts being provided to Members of Congress. There is no doubt that these kinds of gifts and other favors from lobbyists have contributed to Americans deepening distrust of government. They give the appearance of special access and influence, eroding public confidence in Congress as an institution and in each Member individually as a representative of his or her constituents.

This legislation imposes a sweeping ban on gifts, meals, entertainment and lobbyist-sponsored vacation travel, and imposes tough new restrictions on nonlobbyists. It should be passed and enacted this month, if necessary over the objections of those would-be reformers who have talked so much about reform out of one side of their mouths, while opposing it out of the other.

I point out again that these are the same provisions that were opposed by the Majority Leader when we offered them as an amendment to the Congressional Accountability Act in January. At that time, the Majority Leader indicated that he intended to have an alternative gift ban bill on the floor in May. Now it is well into May, and nothing has happened.

No hearings have been held, no bills have been introduced, nothing on gift reform is scheduled for floor consideration anytime soon. In the other body, it is basically the same story. The question today is: Where is the Majority Leader and where are the Republicans with their version of gift reform? Since 37 of them, including the Majority Leader, already cosponsored, at the end of last year, the same provisions that we offered in January, and will offer again soon to an appropriate vehicle here on the floor, what changes do they intend to try to make in the bill?

Do they again intend, as some did last year, to try to gut the provisions on charitable vacation travel to golf and tennis hotspots like Vail, Aspen, Florida, or the Bahamas, where Members and their families are wined and dined at the expense of lobbyists and major corporations? I hope not, but I expect that such an attempt will be made.

Do they again intend to try to hollow out gift ban reforms by just slightly lowering the existing thresholds for expensive meals, sports tickets, and other gifts paid for by special interests here in Washington, so they can say they are for reform? Again, I hope not, but is possible.

Do they really intend in this climate to try to stall their way through another Congress, or worse to sneak something through Congress that's not real reform? I hope not, and I will do everything I can to make sure that doesn't happen.

It is not by change that the so-called ''Contract with America'' contains not a word about real reforms like these that would clean up the way Washington works. It is because there is seemingly no commitment to the real reform agenda of campaign reform, lobby reform, and the gift ban on the part of the new Congressional majority. In the other body, proponents of the gift ban announced recently that they have again been forced to resort to complex procedural strategies to circumvent the normal committee process by trying to discharge gift ban legislation, in order to even get a vote on it in that body.

The real standard for gift ban reform is the tight, tough bill that Senator LEVIN and I and others put forward in January, the same provisions as were contained in last year's House-Senate conference report which after months of struggling had been supported by overwhelming bipartisan majorities in both houses—until push came to shove at the end of the Congress and the bill was killed in the face of a massive disinformation campaign by the Republican leadership and their friends in the right-wing talk show circuit.

In the past there have been those on both sides of the aisle who have opposed a ban of gifts and other perks. But in the end, overwhelming majorities of both parties have voted for this legislation. And overwhelming majorities would support it again. We have waited over two years for a bill that should have taken us two weeks to enact into law. I intend to fight to make sure this bill is enacted into law this year.

Since it was decided that Members and the Ethics Committee would have needed some time to digest these new rules, last year's bill would not have become effective until the end of this month. There is no good reason that we cannot have new rules in place to meet the deadline. As those of us who have pushed this issue forward for two years said before the congressional recess, we are tired of waiting. The American people are tired of waiting. It is long past time to act on tough new gift reforms.

The Senate should act, now, on tough, sweeping gift ban reforms. And we should follow it up with comprehensive lobbying registration and campaign finance laws. That is the real reform agenda. That is what Americans are really looking for as they press for changes that will clean up Washington. I urge my colleagues to support this legislation, and I invite them to cosponsor our amendment which embodies a tough gift ban bill when it comes to the floor.

Mr. FEINGOLD. Mr. President, I would like to commend the Senator from Minnesota for his persistence on this issue and join with him in once again pointing out the need for legislation that will fundamentally reform the way Congress deals with the thousands and thousands of gifts and other perks that are offered to Members each year from individuals, lobbyists and associations that seek special access and influence on Capitol Hill.

It has been roughly one year since this body approved a strong, bipartisan gift ban bill by a vote of 95 to 4. 95 to 4. That bill would have strictly limited the acceptance of gifts from lobbyists and provided only a few limited exceptions for non-lobbyists. One would think, that on a 95 to 4 vote, that this body, invigorated by the new Republican leadership supposedly determined to change the way Washington does business and to bring government back to the people, would have no problem raising this issue in the new Congress and passing another strong bipartisan piece of legislation.

But here we are, several months into the new Congress, and still no action from the Republican leadership.

Perhaps some of our Republican colleagues feel that there is not really a problem with gift-giving to elected officials and their staffs.

Maybe they feel that the American people really do have faith and trust in their government and their elected officials.

But the fact is, once you leave the greater Washington area, you cannot help but immediately sense the anger and the cynicism with which the American people have come to look upon this institution. They do not see the beltway as a simple road encircling this city—they have come to see it almost as a boundary separating the rest of America from a kingdom of special interest influence known as Washington, D.C.

Mr. President, I firmly believe that there should not be an easier vote to cast than a vote to ban the gift-giving practice. I have said before that this should be a no-brainer. I have held nearly 175 listening sessions in my home State of Wisconsin in the past 2½ years. Thousands of constituents have raised their concerns and expressed their views on a wide spectrum of issues at these listening sessions. There is almost always disagreement about these issues, whether it is government spending, trade agreements, gun control or reforming our health and welfare systems.

But on this issue of gift-giving, the audience sentiment is almost always in perfect unanimity. They are disgusted that this practice is permitted. Without exception, every time I raise the idea of a gift ban I cannot even get a full sentence out before the audience breaks out in spontaneous applause and approval of free gifts and trips.

I have said it now a number of times here on the floor and I will say it again: the Wisconsin State Legislature has had a strict gift prohibition in place for over 20 years now and it has worked fine. In fact, the Wisconsin Legislature is regarded as one of the most ethical legislative bodies in the

country. And as has been pointed out by my former colleague in the Senate, Congressman TOM BARRETT, no one in the Wisconsin State Legislature has starved to death because of the gift ban.

Well, Mr. President, there are several of us who are determined to bring this practice to an end. Acting on a tough gift ban will fundamentally reform the way Congress deals with the many gifts and other perks that are offered to members each year, and would mark a sea change in the way Washington, D.C. does business.

But we need to do more than simply pass though gift ban legislation. We need to strengthen our current lobbying disclosure laws that are riddled with gaping loopholes. We need to shut down the revolving door that allows public officials to trade on their government experience and contracts for lucrative post-employment in the private sector.

But most importantly, Mr. President, most importantly we need to pass comprehensive campaign finance reform that will level the playing field between incumbents and challengers, and diminish the role of special interest money that has come to dominate our election system. It is my sincere hope that this body will begin this process of reform by acting on this measure at the earliest possibility.

These are all links in a chain of special interest influence that is wrapped around the U.S. Capitol. Each link of the chain must be broken and this would mark a dramatic first step.

CONGRESSIONAL BUDGET RESOLUTION

DOMENICI AMENDMENT NO. 1111

Mrs. HUTCHISON (for Mr. DOMENICI) proposed an amendment to the concurrent resolution (S. Con. Res. 13) concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, and 2000, as required by section 301 of the Congressional Budget Act of 1974.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 1996.
Sec. 2. Recommended levels and amounts.
Sec. 3. Debt increase.
Sec. 4. Social Security.
Sec. 5. Major functional categories.

TITLE I—LEVELS AND AMOUNTS

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, and 2000:

(1) FEDERAL REVENUES.—(A) For purposes of the enforcement of this resolution—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,040,900,000,000.
Fiscal year 1997: $1,072,200,000,000.
Fiscal year 1998: $1,122,400,000,000.
Fiscal year 1999: $1,172,900,000,000.
Fiscal year 2000: $1,226,000,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: $2,100,000,000.
Fiscal year 1997: $11,300,000,000.
Fiscal year 1998: $12,600,000,000.
Fiscal year 1999: $14,600,000,000.
Fiscal year 2000: $20,200,000,000.

(iii) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: $103,800,000,000.
Fiscal year 1997: $109,000,000,000.
Fiscal year 1998: $114,900,000,000.
Fiscal year 1999: $120,700,000,000.
Fiscal year 2000: $126,900,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund)—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $937,100,000,000.
Fiscal year 1997: $963,200,000,000.
Fiscal year 1998: $1,007,500,000,000.
Fiscal year 1999: $1,052,200,000,000.
Fiscal year 2000: $1,099,100,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

Fiscal year 1996: $2,100,000,000.
Fiscal year 1997: $11,300,000,000.
Fiscal year 1998: $12,600,000,000.
Fiscal year 1999: $14,600,000,000.
Fiscal year 2000: $20,200,000,000.

(2) NEW BUDGET AUTHORITY.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1996: $1,337,500,000,000.
Fiscal year 1997: $1,385,100,000,000.
Fiscal year 1998: $1,454,200,000,000.
Fiscal year 1999: $1,520,200,000,000.
Fiscal year 2000: $1,600,600,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:

Fiscal year 1996: $1,230,700,000,000.
Fiscal year 1997: $1,267,400,000,000.
Fiscal year 1998: $1,325,100,000,000.
Fiscal year 1999: $1,378,700,000,000.
Fiscal year 2000: $1,446,700,000,000.

(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1996: $1,325,500,000,000.
Fiscal year 1997: $1,385,900,000,000.
Fiscal year 1998: $1,441,800,000,000.
Fiscal year 1999: $1,520,500,000,000.
Fiscal year 2000: $1,601,300,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:

Fiscal year 1996: $1,219,000,000,000.
Fiscal year 1997: $1,266,200,000,000.
Fiscal year 1998: $1,310,700,000,000.
Fiscal year 1999: $1,377,700,000,000.
Fiscal year 2000: $1,445,300,000,000.

(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1996: $284,600,000,000.
Fiscal year 1997: $313,700,000,000.
Fiscal year 1998: $319,400,000,000.
Fiscal year 1999: $347,600,000,000.
Fiscal year 2000: $375,300,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:

Fiscal year 1996: $281,900,000,000.
Fiscal year 1997: $303,000,000,000.
Fiscal year 1998: $303,200,000,000.
Fiscal year 1999: $325,500,000,000.
Fiscal year 2000: $346,200,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1996: $3,851,500,000,000.
Fiscal year 1997: $4,109,500,000,000.
Fiscal year 1998: $4,372,300,000,000.
Fiscal year 1999: $4,658,300,000,000.
Fiscal year 2000: $4,964,600,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1996: $37,600,000,000.
Fiscal year 1997: $40,200,000,000.
Fiscal year 1998: $42,300,000,000.
Fiscal year 1999: $45,700,000,000.
Fiscal year 2000: $45,800,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1996: $193,400,000,000.
Fiscal year 1997: $187,900,000,000.
Fiscal year 1998: $185,300,000,000.
Fiscal year 1999: $183,300,000,000.
Fiscal year 2000: $184,700,000,000.

SEC. 3. DEBT INCREASE.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1996: $5,252,300,000,000.
Fiscal year 1997: $5,627,200,000,000.
Fiscal year 1998: $6,006,900,000,000.
Fiscal year 1999: $6,404,800,000,000.
Fiscal year 2000: $6,823,200,000,000.

SEC. 4. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1996: $374,700,000,000.
Fiscal year 1997: $392,000,000,000.
Fiscal year 1998: $411,400,000,000.
Fiscal year 1999: $430,900,000,000.
Fiscal year 2000: $452,000,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1996: $299,400,000,000.
Fiscal year 1997: $310,900,000,000.
Fiscal year 1998: $324,600,000,000.
Fiscal year 1999: $338,500,000,000.
Fiscal year 2000: $353,100,000,000.

SEC. 5. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2000 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:

(A) New budget authority, $257,700,000,000.

(B) Outlays, $261,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,700,000,000.

Fiscal year 1997:

(A) New budget authority, $253,400,000,000.

(B) Outlays, $257,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,700,000,000.

Fiscal year 1998:

(A) New budget authority, $259,600,000,000.

(B) Outlays, $254,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,700,000,000.

Fiscal year 1999:

(A) New budget authority, $266,200,000,000.

(B) Outlays, $259,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,700,000,000.

Fiscal year 2000:

(A) New budget authority, $276,000,000,000.

(B) Outlays, $267,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,700,000,000.

(2) International Affairs (150):

Fiscal year 1996:

(A) New budget authority, $18,800,000,000.

(B) Outlays, $17,500,000,000.

(C) New direct loan obligations, $5,700,000,000.

(D) New primary loan guarantee commitments, $18,300,000,000.

Fiscal year 1997:

(A) New budget authority, $17,600,000,000.

(B) Outlays, $16,700,000,000.

(C) New direct loan obligations, $5,700,000,000.

(D) New primary loan guarantee commitments, $18,300,000,000.

Fiscal year 1998:

(A) New budget authority, $16,800,000,000.

(B) Outlays, $16,500,000,000.

(C) New direct loan obligations, $5,700,000,000.

(D) New primary loan guarantee commitments, $18,300,000,000.

Fiscal year 1999:

(A) New budget authority, $15,800,000,000.

(B) Outlays, $16,000,000,000.

(C) New direct loan obligations, $5,700,000,000.

(D) New primary loan guarantee commitments, $18,300,000,000.

Fiscal year 2000:

(A) New budget authority, $17,300,000,000.

(B) Outlays, $15,800,000,000.

(C) New direct loan obligations, $5,700,000,000.

(D) New primary loan guarantee commitments, $18,300,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1996:

(A) New budget authority, $17,300,000,000.

(B) Outlays, $17,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $16,700,000,000.

(B) Outlays, $16,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $16,400,000,000.

(B) Outlays, $16,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $16,100,000,000.

(B) Outlays, $16,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $15,700,000,000.

(B) Outlays, $15,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1996:

(A) New budget authority, $5,300,000,000.

(B) Outlays, $4,500,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $4,900,000,000.

(B) Outlays, $4,300,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $5,000,000,000.

(B) Outlays, $4,300,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $4,500,000,000.

(B) Outlays, $3,900,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $4,400,000,000.

(B) Outlays, $3,300,000,000.

(C) New direct loan obligations, $1,200,000,000.

(D) New primary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1996:

(A) New budget authority, $22,900,000,000.

(B) Outlays, $21,900,000,000.

(C) New direct loan obligations, $100,000,0000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $22,300,000,000.

(B) Outlays, $22,200,000,000.

(C) New direct loan obligations, $100,000,0000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $21,700,000,000.

(B) Outlays, $21,900,000,000.

(C) New direct loan obligations, $100,000,0000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $21,200,000,000.

(B) Outlays, $21,500,000,000.

(C) New direct loan obligations, $100,000,0000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $20,600,000,000.

(B) Outlays, $20,800,000,000.

(C) New direct loan obligations, $100,000,0000.

(D) New primary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1996:

(A) New budget authority, $14,500,000,000.

(B) Outlays, $13,100,000,000.

(C) New direct loan obligations, $11,500,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

Fiscal year 1997:

(A) New budget authority, $14,200,000,000.

(B) Outlays, $12,800,000,000.

(C) New direct loan obligations, $11,500,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

Fiscal year 1998:

(A) New budget authority, $13,800,000,000.

(B) Outlays, $12,700,000,000.

(C) New direct loan obligations, $10,900,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

Fiscal year 1999:

(A) New budget authority, $13,500,000,000.

(B) Outlays, $12,300,000,000.

(C) New direct loan obligations, $11,600,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

Fiscal year 2000:

(A) New budget authority, $13,300,000,000.

(B) Outlays, $12,100,000,000.

(C) New direct loan obligations, $11,400,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1996:

(A) New budget authority, $4,300,000,000.

(B) Outlays, −$5,800,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

Fiscal year 1997:

(A) New budget authority, $3,600,000,000.

(B) Outlays, −$3,500,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

Fiscal year 1998:

(A) New budget authority, $3,000,000,000.

(B) Outlays, −$4,700,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

Fiscal year 1999:

(A) New budget authority, $2,700,000,000.

(B) Outlays, −$2,500,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

Fiscal year 2000:

(A) New budget authority, $5,200,000,000.

(B) Outlays, $900,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $123,100,000,000.

(8) Transportation (400):

Fiscal year 1996:

(A) New budget authority, $38,600,000,000.

(B) Outlays, $39,300,000,000.

(C) New direct loan obligations, $200,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $40,300,000,000.

(B) Outlays, $37,900,000,000.

(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $38,700,000,000.
(B) Outlays, $38,400,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $35,600,000,000.
(B) Outlays, $37,900,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $35,000,000,000.
(B) Outlays, $36,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1996:
(A) New budget authority, $9,900,000,000.
(B) Outlays, $10,900,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1997:
(A) New budget authority, $9,400,000,000.
(B) Outlays, $10,700,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1998:
(A) New budget authority, $9,300,000,000.
(B) Outlays, $10,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $10,700,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2000:
(A) New budget authority, $8,600,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1996:
(A) New budget authority, $58,300,000,000.
(B) Outlays, $56,400,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
Fiscal year 1997:
(A) New budget authority, $57,000,000,000.
(B) Outlays, $57,300,000,000.
(C) New direct loan obligations, $16,300,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
Fiscal year 1998:
(A) New budget authority, $56,800,000,000.
(B) Outlays, $56,900,000,000.
(C) New direct loan obligations, $19,100,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
Fiscal year 1999:
(A) New budget authority, $57,300,000,000.
(B) Outlays, $57,200,000,000.
(C) New direct loan obligations, $21,800,000,000.
(D) New primary loan guarantee commitments, $14,300,000,000.
Fiscal year 2000:
(A) New budget authority, $57,600,000,000.
(B) Outlays, $57,400,000,000.
(C) New direct loan obligations, $21,900,000,000.
(D) New primary loan guarantee commitments, $15,000,000,000.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $127,500,000,000.
(B) Outlays, $126,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $137,900,000,000.
(B) Outlays, $138,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1998:
(A) New budget authority, $149,900,000,000.
(B) Outlays, $150,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1999:
(A) New budget authority, $163,000,000,000.
(B) Outlays, $163,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2000:
(A) New budget authority, $176,500,000,000.
(B) Outlays, $176,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $184,200,000,000.
(B) Outlays, $181,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $201,600,000,000.
(B) Outlays, $200,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $219,900,000,000.
(B) Outlays, $218,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $239,600,000,000.
(B) Outlays, $237,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $259,400,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:
Fiscal year 1996:
(A) New budget authority, $64,800,000,000.
(B) Outlays, $64,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $71,600,000,000.
(B) Outlays, $71,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $79,200,000,000.
(B) Outlays, $78,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $87,800,000,000.
(B) Outlays, $87,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $97,100,000,000.
(B) Outlays, $96,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $228,500,000,000.
(B) Outlays, $232,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,0000.
Fiscal year 1997:
(A) New budget authority, $241,500,000,000.
(B) Outlays, $249,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,0000.
Fiscal year 1998:
(A) New budget authority, $263,200,000,000.
(B) Outlays, $263,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1999:
(A) New budget authority, $271,000,000,000.
(B) Outlays, $280,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 2000:
(A) New budget authority, $285,400,000,000.
(B) Outlays, $297,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(15) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $11,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $39,100,000,000.
(B) Outlays, $37,300,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,700,000,000.

Fiscal year 1997:
(A) New budget authority, $38,900,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $21,600,000,000.
Fiscal year 1998:
(A) New budget authority, $39,000,000,000.
(B) Outlays, $39,000,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
Fiscal year 1999:
(A) New budget authority, $39,100,000,000.
(B) Outlays, $39,100,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $18,600,000,000.
Fiscal year 2000:
(A) New budget authority, $39,100,000,000.
(B) Outlays, $40,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $19,300,000,000.
(17) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $21,900,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $23,300,000,000.
(B) Outlays, $22,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $23,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $24,700,000,000.
(B) Outlays, $24,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Government (800):
Fiscal year 1996:
(A) New budget authority, $14,700,000,000.
(B) Outlays, $14,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $13,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $13,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $13,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $13,600,000,000.
(B) Outlays, $13,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $300,000,000,000.
(B) Outlays, $300,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $315,900,000,000.
(B) Outlays, $315,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $330,600,000,000.
(B) Outlays, $330,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $350,800,000,000.
(B) Outlays, $350,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $372,600,000,000.
(B) Outlays, $372,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) For purposes of section 710 of the Social Security Act, Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $310,300,000,000.
(B) Outlays, $310,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $325,700,000,000.
(B) Outlays, $325,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $339,500,000,000.
(B) Outlays, $339,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $358,300,000,000.
(B) Outlays, $358,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $378,200,000,000.
(B) Outlays, $378,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1996: $371,300,000,000.
Fiscal year 1997: $386,800,000,000.
Fiscal year 1998: $402,300,000,000.
Fiscal year 1999: $423,900,000,000.
Fiscal year 2000: $446,800,000,000.
(22) Allowances (920):
Fiscal year 1996:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(23) Undistributed Offsetting Receipts (950):
Fiscal year 1996:
(A) New budget authority, −$31,900,000,000.
(B) Outlays, −$31,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$34,800,000,000.
(B) Outlays, −$34,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$35,700,000,000.
(B) Outlays, −$35,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$33,300,000,000.
(B) Outlays, −$33,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$34,900,000,000.
(B) Outlays, −$34,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):
Fiscal year 1996:
(A) New budget authority, −$29,400,000,000.
(B) Outlays, −$29,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$32,200,000,000.
(B) Outlays, −$32,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$33,000,000,000.
(B) Outlays, −$33,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$30,500,000,000.
(B) Outlays, −$30,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$31,900,000,000.
(B) Outlays, −$31,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

NOTICES OF HEARINGS

Mr. McCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will be holding a hearing on Tuesday, May 23, 1995, beginning at 9:30 a.m., in room 485 of the

Russell Senate Office Building on S. 479, a bill to provide for administrative procedures to extend Federal recognition to certain Indian groups.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, May 18, 1995, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 p.m. The purpose of this hearing is to receive testimony on administration of timber contracts in the Tongass National Forest, and administration of the Tongass Timber Reform Act of 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Finance Committee be permitted to meet Thursday, May 18, 1995, beginning at 9:30 a.m. in room SD–215, to conduct a hearing on various flat tax proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 18, 1995, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, May 18, 1995, at 10 a.m., for a hearing on Executive Reorganization: Various Proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, May 18, 1995, beginning at 9:30 a.m. in room 485 of the Russell Senate Office Building on the recommendations of the Joint DOI/BIA/Tribal Task Force on Reorganization of the Bureau of Indian Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, May 18, 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate on Thursday, May 18, 1995, at 9:30 a.m., in room SD–628, to conduct a hearing focusing on the Small Business Administration's 7(a) Business Loan Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, May 18, 1995, at 9:30 a.m., to hold a hearing to receive testimony on the Smithsonian Institution: Management Guidelines for the Future.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY PRODUCTION AND REGULATION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Energy Production and Regulation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, May 18, 1995, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2 p.m. The purpose of the hearing is to receive testimony on S. 283, a bill to provide for the extension of the deadline under the Federal Power Act applicable to two hydroelectric projects in Pennsylvania, and for other purposes; S. 468, a bill to provide for the extension of the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Ohio, and for other purposes; S. 543, a bill to provide for the extension of the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Oregon and for other purposes; S. 547, a bill to provide for the extension of the deadlines applicable to certain hydroelectric projects under the Federal Power Act, and for other purposes; S. 549, a bill to provide for the extension of the deadline under the Federal Power Act applicable to the construction of three hydroelectric projects in the State of Arkansas, S. 552, a bill to provide for the refurbishment and continued operation of a small hydroelectric facility in central Montana by adjusting the amount of charges to be paid to the United States under the Federal Power Act and for other purposes; S. 595, a bill to provide for the extension of a hydroelectric project located in the State of West Virginia; and S. 611, a bill to provide for the extension of the time limitation for a FERC-issued hydroelectric license.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEAPOWER

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Seapower of the Committee on Armed Services be authorized to meet at 1 p.m. on Thursday, May 18, 1995, in open session, to receive testimony on the U.S. Marine Corps program and current operations in review of S. 727, the National Defense Authorization Act for Fiscal Year 1996 and the future years defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet at 3 p.m. on Thursday, May 18, 1995, in open and closed session, to receive testimony on bomber force issues in review of S. 727, the National Defense Authorization Act for fiscal year 1996, and the future years defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FEDERAL GUN DEALER LICENSE ABUSES

• Mr. SIMON. Mr. President, today, I would like to share an important Chicago Sun-Times article with my colleagues. It examines yet another example of the sometimes deadly link between federally licensed firearms dealer and the sale of weapons to criminals.

James L. Bush, of Bolingbrook, IL, a federally licensed gun dealer, has pleaded guilty to selling 350 guns to criminals. To make extra money, he and a friend used a grinding stone attached to an electric drill to erase the guns' serial numbers, and then sold those guns to gang members and drug dealers in the market for guns. Those guns were then added to the explosion of weapons on the streets of our communities. Mr. Bush's case reminds me of the 1992 arrest of James Board of Highland, IN, who police say sold more than 1,000 guns to Chicago street gangs. At least 50 of those guns have been recovered from crime scenes, according to an ATF spokesman.

Certainly, Mr. Bush is responsible for his criminal actions, but we should not disregard the fact that since receiving his license in January 1990, he heard from an ATF agent only once. In Illinois, 15 ATF inspectors must monitor 6,529 federally licensed firearms dealers. These inspectors are overburdened and underfunded. Given the evident connection between unmonitored licensees and the presence of illegal weapons on our streets, we must ensure that licensees undergo sufficient scrutiny to detect such criminal activity.

That is why I sponsored Federal firearms dealer license reforms last year. As a result of my reforms, Federal firearms licenses now require a photograph and fingerprints, dealers are required to comply with State and local laws, and the ATF now has 60 days, instead of 45, to investigate before granting a license. Additional reforms raised the licensing fee from a mere $30 to $200.

As a result of these common-sense reforms, there is some good news. Since

licensing reform was enacted in December 1993, the number of dealers in the United States has dropped from 283,000 to 239,000 in December 1994. For the first time in years, according to the Violence Policy Center, there are now more gas stations than gun dealers in this country.

Opponents of gun control legislation say that measures such as these make no difference in crime and the flow of illegal weapons. Even supporters of gun control legislation often dismiss these type of reforms as too small, too narrow, and insufficient to address such overwhelming problems.

Clearly, these reforms do not solve our problems with violence and crime. But there should no longer be any doubt that small steps make a big difference. The struggle to free our communities from rampant gun violence will only be won with commitment, determination and measures just like these. I ask that the article be printed in the RECORD.

The article follows:

CONFESSIONS OF A GUN RUNNER; HOW SUBURBANITE SUPPLIED CHICAGO GANG

(By Alex Rodriguez)

Easy money, James L. Bush thought to himself. Buy a gun for $100, sell it for $250 on the streets. And in the bullet-scarred neighborhoods of the West Side, customers weren't hard to find.

So several times last winter Bush—suburbanite, homeowner and father of two—drove to the city and sold boxes of guns to the Vice Lords street gang. He drove away with a wallet stuffed with cash.

Getting the guns wasn't a problem. Bush owned a federal firearms dealer license, about as easy to get as a library card.

''It was very easy to abuse the system,'' Bush, 39, said during a recent interview at his home in Bolingbrook. A federal judge will sentence him this summer on a conviction of illegal delivery of firearms.

''There are probably people out there doing it right now,'' he continued, ''but they just haven't gotten caught.''

Just how significant a role crooked federal firearms dealers play in the availability of guns to criminals is hard to measure, federal officials say. Most federal firearms dealers don't break the law, and law enforcement agencies don't keep statistics on those who do.

Still, the access to volume that comes with the license means that just one crooked firearms dealer can become a street gang's conduit for hundreds, even thousands of guns, federal law enforcement officials say. Bush supplied gang members and drug dealers with more than 350 guns before federal agents arrested him in February. In 1992, federal agents arrested James Board of Highland, Ind., who police say sold more than 1,000 guns to Chicago street gangs.

At least 50 of those guns have been recovered from crime scenes, said Jerry Singer, spokesman for the U.S. Bureau of Alcohol, Tobacco and Firearms. Board pleaded guilty to one count of illegal firearms delivery and was sentenced to 21 months in jail.

The federal government has responded by tightening regulations governing the issuance of federal firearms licenses.

Before the changes, anyone could obtain a federal firearms license by paying $30 and filling out a one-page application.

With that license, they could buy and sell large numbers of guns across state lines—from home if they wanted. They could buy in volume because they bought wholesale.

License holders can still do all that, but now applicants must pay $200 for a license, submit fingerprints and live in a town without laws prohibiting gun dealerships.

Gun proponents have decried the new regulations as unnecessary and misguided.

''We see (ATF) as committed to driving down the number of federal firearms license holders as a ploy to drive down lawful gun ownership,'' said Mary Sue Faulkner, spokeswoman for the National Rifle Association. ''It's like gun control. There are already plenty of laws on the books to enforce.''

ATF officials, however, say the new regulations are needed to pare down the universe of license holders. One reason the agency struggles to ferret out crooked firearms dealers is that it isn't armed with enough inspectors to monitor them.

In Illinois, 15 inspectors must cover 6,529 federally licensed firearms dealers along with countless other duties, including making sure distilleries, breweries and wineries pay federal liquor taxes.

''It's a very difficult job, when you have that few inspectors for that many federal firearms licenses,'' Singer said. ''There's only so much resources to go around.''

If the goal is fewer dealers, the new regulations are working. Before December, 1993, when the federal government raised the application fee from $30 to $200, ATF had to oversee some 284,000 license holders nationwide. Nine months later, the number of licensed dealers dropped to around 255,000.

Then in September, Congress enacted new rules that required applicants to submit fingerprints, notify their local police chief of their application and certify that their dealership isn't prohibited by local law.

Since then, the number of licensed dealers has dropped to 223,476. By 1997, ATF officials predict the number of licensed dealers will dwindle to 80,000.

''Maybe by 1997 we'll have a more manageable universe,'' said ATF spokesman Michael Fitzgerald.

Bush only heard once from the ATF after getting his federal firearms license in January, 1990. An agent visited him February, 1993, to review his records. Later that month, the agency renewed his license.

At the time, Bush was a Chicago Transit Authority purchasing clerk living with his family in a $180,000 house in Bolingbrook, but struggling to erase a $40,000 debt from a failed laundromat business, according to Bush and court documents.

In September, 1994, an acquaintance of Bush—not named in court documents—offered to find Bush gang members and drug dealers in the market for guns, court records showed. The two agreed to split the profits.

According to court records, Bush sold 350 guns to criminals, at first with the help of his friend—a driver with United Parcel Service—and later on his own. The two used a grinding stone attached to a cordless drill to erase the guns' serial numbers.

Bush was arrested Feb. 2 after selling 47 guns to an undercover ATF agent. He pleaded guilty April 4 and faces sentencing in July.

Bush, who is black, says he wrestles daily with the knowledge that he sold guns in mostly black neighborhoods under siege from gangs for decades.

''I know it wasn't right,'' Bush said. ''They were going in the hands of gang-bangers, and it was mostly black-on-black crime. Maybe by me getting busted, that was God's way to tell me to stop.''

As a federally licensed firearms dealer, James L. Bush supplied West Side gang members with more than 350 guns before U.S. agents arrested him in February, seizing dozens of weapons. The Bolingbrook resident was convicted in April of illegal firearms delivery.●

CHELSEA NEIGHBORHOOD HOUSING SERVICES, INC., AND CITIZENS BANK OF MASSACHUSETTS

● Mr. KERRY. Mr. President, I rise to commend Chelsea Neighborhood Housing Services, Inc. [CNHS], and Citizens Bank of Massachusetts [Citizens], which were nationally recognized for their exceptional partnership achievements by the Social Compact in its 1995 Outstanding Community Investment Awards Program Tuesday night. Together, CNHS and Citizens have developed a unique pilot program that helps former low-income renters become homeowners and building managers. The two organizations have designed this successful program specifically to meet the needs of low-income residents in Chelsea, MA.

Chelsea, historically a city of immigrants, has a population that often is the last hired and the first fired. Consequently, when the State of Massachusetts experienced a severe economic downturn in the early 1990's, Chelsea's residents were greatly affected. This population, with a per capita income of less than $8,600, is unable to accumulate savings for downpayments or closing costs for home purchases, even when working overtime or holding two jobs. Nevertheless, despite the problems, many residents are determined to stay in Chelsea and buy their own homes.

Citizens—formerly known as Boston Five—originally approached CNHS to discuss a collaboration because it wanted to increase loans in Chelsea and create a successful program that could be replicated in other cities. When CNHS and Citizens designed rent-to-own, they carefully considered the needs of Chelsea residents. They recognized that additional financial assistance would be needed for first-time homehbuyers in order for them to have downpayments and meet closing cost requirements. Triple-decker properties, three-story buildings with a two-bedroom apartment on the ground floor and two three-bedroom apartments upstairs, provided part of the answer. The income from rental units helps decrease the barrier to homeownership. To qualify for the program, the potential managers/buyers must commit to a 3-year program that requires them to attend monthly training sessions and learn how to be good landlords. In return for their work and training, they receive 100 points a month and are docked if absent from training or if they do not fulfill management responsibilities. At the end of each year, the points earned are converted to a maximum of $1,200 and deposited to an escrow account at Citizens Bank. After 2 years, the account's balance—potentially $2,400—is considered the manager/buyer's cash downpayment toward the average purchase price of $120,000 for his or her home.

CNHS piloted the program in one of the poorest neighborhoods in the city. With initial financial assistance from Citizens and further assistance from the Neighborhood Reinvestment Corporation, a State grant from the corpus of the Federal community development block grant to Massachusetts, Neighborhood Housing Services of America, and the State Executive Office of Communities and Development, CNHS bought a vacant and vandalized condominium and converted the early 20th-century building into four triple-deckers now called Garden Apartments I.

The commitment of Citizens to the rent-to-own project is impressive. Over 150 hours of staff time was logged to develop and shape a program that would fit the needs of both clients and sponsoring institutions. Additionally, Citizens' senior staff worked with CHHS to gain approval of the program for Fannie Mae's secondary market.

Since the first days of occupancy, the rent-to-own project has been self-sufficient. The residents keep the building immaculate, so its presence visibly improves the entire neighborhood. Both partners are pleased—Citizens is achieving its original mission, the development of a model program that can be expanded and adapted in other cities, and CNHS has a program that serves its special constituency. They are now acquiring one building a month, and 50 percent of those will be rent-to-own units.

On behalf of the Commonwealth of Massachusetts, I commend Chelsea Neighborhood Housing Services and Citizens Bank for their distinguished cooperation and success, and suggest that their model be considered for replication throughout the country.●

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384–22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1995

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Patrick Leahy.									
Haiti	Gourde	1,896.5	150.00					1,896.5	150.00
William N. Witting.									
Haiti	Gourde	1,896.5	150.00					1,896.5	150.00
Total			300.00						300.00

MARK O. HATFIELD,
Chairman, Committee on Appropriations, May 1, 1995.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1994

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Barbara A. Mikulski.									
Vietnam	Dollar		289.88				103.56		393.44
Thailand	Dollar		415.42				313.31		728.73
Hong Kong	Dollar		691.53				609.42		1,300.95
France	Dollar		50.00				65.21		115.21
China	Dollar		444.67				233.33		678.00
Malaysia	Dollar		711.48				470.00		1,181.48
Richard L. Collins.									
China	Yuan	6,386.80	747.00					6,386.80	747.00
Philippines	Peso	2,982.50	125.00					2,982.50	125.00
Korea	Won	242,400	303.00					242,400	303.00
United States	Dollar				1,229.45				1,229.45
Total			3,777.98		1,229.45		1,794.83		6,802.26

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Apr. 7, 1995.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1995

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Richard D. DeBobes.									
Belgium	Franc	7,720	266.39					7,720	266.39
England	Pound	213.5	339.64					213.5	339.64
John Douglass.									
Belgium	Franc	7,600	252.08					7,600	252.08
England	Pound	168.5	283.08					168.5	283.08
Germany	Mark	297.90	204.03					297.90	204.03
Senator John S. McCain.									
Germany	Mark	375.44	247.00					375.44	247.00
Senator William S. Cohen.									
Germany	Mark	427.79	282.00					427.79	282.00
Senator Sam Nunn.									
Belgium	Franc	9,040	299.82					9,040	299.82
England	Pound	126	211.68					126	211.68
Germany	Mark	175	119.87					175	119.87
Senator John Glenn.									
Germany	Mark	423.80	279.36					423.80	279.36
Senator Joseph I. Lieberman.									
Germany	Mark	451.44	297.00					451.44	297.00
James M. Bodner.									

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1995—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Germany	Mark	426.45	281.20					426.45	281.20
Senator Sam Nunn.									
Haiti	Gourde	1,218	87.00					1,218	87.00
Richard D. DeBobes.									
Haiti	Gourde	2,436	174.00					2,436	174.00
	Dollar						25.00		25.00
Total			3,624.15				25.00		3,649.15

STROM THURMOND,
Chairman, Committee on Armed Services, May 8, 1995.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1995

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John D. Rockefeller IV.									
Japan	Yen		1,534.00						1,534.00
Taiwan	Dollar		648.00						648.00
United States	Dollar				5,359.95				5,359.95
Lane Bailey.									
Japan	Yen		1,534.00						1,534.00
Taiwan	Dollar		648.00						648.00
United States	Dollar				2,994.95				2,994.95
Total			4,364.00		8,354.90				12,718.90

BOB PACKWOOD,
Chairman, Committee on Finance, Apr. 28, 1995.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1995

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Elizabeth De Moss.									
Costa Rica	Colon	71,514	415.18					71,514	415.18
	Dollar		30.36						30.36
United States	Dollar				605.00				605.00
Michael Haltzel.									
France	Dollar		1,500.00						1,500.00
United States	Dollar				647.05				647.05
Total			1,945.54		1,252.05				3,197.59

JESSE HELMS,
Chairman, Committee on Foreign Relations, Apr. 25, 1995.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM JAN. 1 TO MAR. 31, 1995

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William V. Roth, Jr..									
Germany	Mark	666.35	439.25					666.35	439.25
Senator Connie Mack.									
Germany	Mark	380	250.49					380	250.49
Total			689.74						689.74

ROBERT J. DOLE,
Majority Leader, Apr. 26, 1995.

ADDENDUM—CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE REPUBLICAN LEADER FROM JULY 1 TO SEPT. 30, 1994

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John Warner.									
United Kingdom	Dollar				1,763.95				1,763.95
Total	Dollar				1,763,95				1,763.95

ROBERT J. DOLE,
Republican Leader, Apr. 26, 1995.

TRIBUTE TO MOUNTAIN CITY CARE CENTER

● Mr. FRIST. Mr. President, I rise today to recognize this week as Nursing Home Week in Tennessee, and to commend one of the finest nursing homes in east Tennessee for its excellent staff and the generous care it provides its residents—the Mountain City Care Center in Mountain City, TN.

Nursing homes in Tennessee are reviewed each year in a Tennessee State survey, with the results highlighting each center's strengths and weaknesses. Just 2 years ago, Mountain City Care Center was widely recognized as one of the worst facilities in east Tennessee, and it was almost forced to close. After receiving poor State survey results, the staff and new management of the facility immediately began retraining and hiring new care providers. Within 90 days, the State found that significant changes were being made, and Mountain City Care Center's surveys, as well as public opinion about the facility, have been improving ever since.

Just 2 weeks ago, the care center received its best inspection yet in the annual surveys, and it is widely recognized as one of the most improved, progressive nursing homes in east Tennessee. Mountain City Care Center even sponsors school projects, Johnson County Little League, sports programs, Rotary Club, American Red Cross, and other community programs.

Mr. President, I would like to thank the Tennesseans who were involved in turning around Mountain City Care Center and turning it into one of the best facilities in the State. Without their hard work and dedication to quality care, elderly residents in Mountain City would not receive the attention and care that they deserve.●

MUSICALYMPICS

● Mr. BIDEN. Mr. President, earlier this week an article in the Science Times section of the New York Times explored what it called ''the mystery of music.'' Scientists are attempting to find how and where the sense and art of music arise in the brain. It is a search in which much remains to be discovered, but it has already produced fascinating results, including the possibility that, even as it provides the child with a constructive source of pleasure and reward, early musical training may also enhance the ability to think and reason in terms of time and space. That possibility suggests, in turn, the significant role that music and musical education play in achieving the fundamental goals of our educational system.

That suggestion lends a special emphasis to an innovative musical program inaugurated this spring at three Los Angeles-area high schools. This program, I believe, serves as an excellent model for improving education through the cooperation of the private and public sectors.

''Musicalympics,'' an artistic competition for high schools, was conceived by David Griffin, a Warner Brothers Records representative. Griffin enlisted the interest of Warner Brothers Records chairman, Danny Goldberg, who signed the record company on as the Musicalympics' founding benefactor, the first, Griffin hopes, of other corporate sponsors to follow. Similarly, he hopes to see this year's inaugural competition among the three high schools extended to other schools in the future. The thoughtful design of the competition and the solid professional backing it is receiving make its prospects good, I believe, on both counts.

Each school participating in Musicalympics has created a team of student songwriters, musicians, choreographers, dancers, costume designers, set designers and production personnel such as television camera operators, lighting designers and recording engineers to pursue the creation of a musical performance from the writing of an original song to the final television production. Each school has been given a small cash stipend to underwrite expenses, and production professionals have guided the students in mastering technical production details.

Professional Musicalympics television crews have visited each school periodically to videotape students preparing their productions. David Griffin is producing and directing a television documentary special which showcases the competition, which will end in a complete television performance of each school's production. The competition is being judged by Griffin, a Warner Records artist and other television professionals. The documentary will premiere early next month and the winning school will be announced before each school's participating students and invited guests, sponsors, contributors and other key supporters. Each participating student will receive a videotape of the finished television program, and all three participating schools will receive cash prizes, or musical instruments and recording equipment.

Mr. President, the Musicalympics directly addresses a number of educational dimensions which concern the Nation today. In the first place, it offers an opportunity for interested students to participate directly in the creation of an original artistic performance; it provides those students with an intimate, personal perspective on the origin and nature of a production in one of the performing arts which are a chief feature of our culture. It helps these students develop the practical, hands-on skills that make such performances possible. It combines the resources of the private and public sectors to achieve a worthwhile goal few schools could manage on their own. It provides for both the participating students and their schools the challenge and the reward of disciplined teamwork focused on a constructive conclusion. And, finally, it takes broad theoretical and practical advantage of the fundamental, universal, and characteristically human creation and appreciation of music.

Mr. President, I commend the founders and supporters of Musicalympics. This is a program that deserves scrutiny, encouragement and support.●

IN SUPPORT OF THE NEA

● Mr. SARBANES. Mr. President, I rise today to express my concerns about proposals in the House of Representatives that would abolish the National Endowment for the Arts. Support for the arts and humanities is the hallmark of a civilized society and since our nation's founding, the arts have held a respected place in our country.

The National Endowment for the Arts and the National Endowment for the Humanities were created 30 years ago with the passage of the National Foundation on the Arts and Humanities Act of 1965. This act was conceived fundamentally to maintain intellectual freedom and preserve American culture for future generations. Since its inception, the National Endowment for the Arts and Humanities have become the principal funding organizations for many of our national museums, historical sights, and cultural institutions.

While we are currently facing a time of serious budgetary constraints, it is important for us to remember how small our investment in the arts really is. If you look at other civilized countries, they do far more from the public treasury in helping support the arts and humanities than we do in this country. Currently, the United States spends 64 cents per American per year, the equivalent of 2 postage stamps. In light of the tremendous return on investment in the arts and humanities, proposals to terminate funding for the Endowments seem shortsighted.

Federal support for the arts and humanities constitutes only five to ten percent of the total funding for the arts in this nation. This small investment functions as a catalyst to draw into the arts very significant amounts of money from the state and local levels as well as from private sources.

A grant from the NEA or NEH gives a tremendous boost to organizations such as symphonies and museums by assisting them in fundraising efforts in their own communities. Organizations all across the State of Maryland—from Baltimore's Museum of Art to Hagerstown's Maryland Symphony Orchestra—have all been able to use their NEA grant awards to leverage much-needed funding from their own communities. In fact, $1 endowment attracts $11 for the arts from States and local governments, regional and local art agencies, foundations and corporations, and businesses and individuals.

All of these contributions recognize the tremendous return on an investment in the arts. The arts have

brought increased economic development to communities across the Nation's revitalizing inner cities, stimulating revenue and creating jobs. Nationally, the nonprofit arts industry generates an estimated $37 billion in economic activity and employs 1.3 million Americans. The arts attract tourist dollars, encourage business development, spur urban renewal, and improve the overall quality of life in our cities and towns.

Endowment grants also support important education and public programs. In my own State of Maryland, NEH grants are assisting Essex Community College in developing its curriculum and training faculty members to teach it; aiding in the preservation of historic Maryland newspapers such as the Log Cabin Advocate and the Independent Farmer; and funding museum exhibits such as the one on enlisted airmen in World War II at the Airmen Memorial Museum in Suitland, Maryland.

Endowment grants enrich the lives of all Americans by bringing diverse aspects of our cultural heritage right into our own communities. Among the most important beneficiaries of the arts are the children of this Nation. Exposure to the arts motivates children—stimulating their imaginations and increasing their confidence. For young people especially, a whole new world opens up to them when they enter a museum. The House proposals terminating funding for the arts would effectively slam the door to that new world. In my view, it is imperative that we keep that door open for Americans of all ages.●

OFFICE FOR RARE DISEASE RESEARCH ACT

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 104, S. 184.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 184) to establish an Office for Rare Disease Research in the National Institutes of Health, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 184) was passed, as follows:

S. 184

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Office for Rare Disease Research Act of 1995''.

SEC. 2. ESTABLISHMENT OF OFFICE FOR RARE DISEASE RESEARCH.

Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end thereof the following new section:

''SEC. 404F. OFFICE FOR RARE DISEASE RESEARCH.

''(a) ESTABLISHMENT.—There is established within the Office of the Director of the National Institutes of Health an office to be known as the Office for Rare Disease Research (in this section referred to as the 'Office'). The Office shall be headed by a director, who shall be appointed by the Director of the National Institutes of Health.

''(b) PURPOSE.—The purpose of the Office is to promote and coordinate the conduct of research on rare diseases through a strategic research plan and to establish and manage a rare disease research clinical database.

''(c) ADVISORY COUNCIL.—The Secretary shall establish an advisory council for the purpose of providing advice to the director of the Office concerning carrying out the strategic research plan and other duties under this section. Section 222 shall apply to such council to the same extent and in the same manner as such section applies to committees or councils established under such section.

''(d) DUTIES.—In carrying out subsection (b), the director of the Office shall—

''(1) develop a comprehensive plan for the conduct and support of research on rare diseases;

''(2) coordinate and disseminate information among the institutes and the public on rare diseases;

''(3) support research training and encourage the participation of a diversity of individuals in the conduct of rare disease research;

''(4) identify projects or research on rare diseases that should be conducted or supported by the National Institutes of Health;

''(5) develop and maintain a central database on current government sponsored clinical research projects for rare diseases;

''(6) determine the need for registries of research subjects and epidemiological studies of rare disease populations; and

''(7) prepare biennial reports on the activities carried out or to be carried out by the Office and submit such reports to the Secretary and the Congress.''.

ORDERS FOR FRIDAY, MAY 19, 1995

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 8:45 a.m. on Friday, May 19; that following the prayer, the Journal of proceedings be deemed approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the concurrent budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mrs. HUTCHISON. For the information of all Senators, tomorrow morning the Senate will debate the Domenici substitute, which is the text of President Clinton's budget, with that vote to occur at 10:45 a.m. That will be the last vote for the day. However, Senators LAUTENBERG and ROCKEFELLER will offer an amendment on which there will be debate. A vote will occur on that amendment at 3:15 p.m., Monday, under a previous order. That 3:15 vote on Monday is the first vote of the day. Additional rollcall votes can be expected throughout the day and into the evening on Monday.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 6968(a), appoints the following Senators to the Board of Visitors of the U.S. Naval Academy:

The Senator from Oregon [Mr. HATFIELD], from the Committee on Appropriations; the Senator from Arizona [Mr. MCCAIN], from the Committee on Armed Services; the Senator from Maryland [Ms. MIKULSKI], from the Committee on Appropriations; and the Senator from Maryland [Mr. SARBANES], at large.

The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 4355(a), appoints the following Senators to the Board of Visitors of the U.S. Military Academy:

The Senator from Mississippi [Mr. COCHRAN], from the Committee on Appropriations; the Senator from Texas [Mrs. HUTCHISON], from the Committee on Armed Services; and the Senator from Nevada [Mr. REID], from the Committee on Appropriations.

The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 9355(a), appoints the following Senators to the Board of Visitors of the U.S. Air Force Academy:

The Senator from Montana [Mr. BURNS], from the Committee on Appropriations; the Senator from Idaho [Mr. KEMPTHORNE], from the Committee on Armed Services; the Senator from South Carolina [Mr. HOLLINGS], from the Committee on Appropriations; and the Senator from Nebraska [Mr. EXON], at large.

Mrs. HUTCHISON. Mr. President, for a very important negotiating session, 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.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 8:45 A.M. TOMORROW

Mrs. HUTCHISON. Mr. President, I want to report that I lost the negotiation and, therefore, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 10 p.m., recessed until Friday, May 19, 1995, at 8:45 a.m.

EXTENSIONS OF REMARKS

H.R. 961, THE CLEAN WATER AMENDMENTS ACT OF 1995

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mrs. COLLINS of Illinois. Mr. Speaker, I oppose H.R. 961, the Clean Water Amendments Act of 1995. It is interesting that the Republicans have continually claimed to have an interest in bringing common sense to the legislative process and yet they are now proposing taking one of the most successful environmental laws on the books and recklessly and nonsensically gutting it. This Dirty Water Act is a threat to our health and should be rejected soundly.

Almost half of the lakes and rivers in America are currently so polluted that it is not safe to fish or swim in them. The Clean Water Act was passed to improve this horrific situation and has been steadily improving the quality and the safety of the waters across our country. Yet, now, with our environment still not even close to the level of clean that it needs to be, the Republicans are foolishly working to overturn and undermine this most critically important clean water law.

In the State of Illinois, as in the other 49 States, substantial improvements in the quality of water have been made over the past 20 years but there is still a long way to go. In fact, 91 percent of Illinois' lakes and 55 percent of our rivers and streams are not safe for fishing or swimming or are so dead from pollution that they cannot support aquatic life. H.R. 961 would halt the progress that has been made so far and dangerously jeopardize the future health of Illinois' waterways through several damaging provisions.

First, the bill would undermine the Great Lakes initiative which seeks to control the amount of toxic chemicals being dumped into Lake Michigan and the other Great Lakes. Since this is the source of drinking water for my constituents, the quality of Lake Michigan's water is of primary interest and concern. Currently, because of high levels of mercury and PCB's, there is an advisory for women of child-bearing age, pregnant women, and children not to eat more than one fish meal per month from Lake Michigan. Lake Michigan trout now contain PCB levels that are more than 180 times their target and likely cause thousands of cancer deaths in the area.

The Great Lakes initiative seeks to improve this situation by organizing the Great Lakes border States in a unified Federal-State partnership to clean up the Great Lakes. This model initiative should be promoted and encouraged rather than weakened and undermined as H.R. 961 seeks to do.

In addition, H.R. 961 dramatically alters the definition of wetlands that are protected and eliminates the current legal protection for 70 percent of Illinois' wetlands. We need only think back to the Mississippi floods of 1993 to remember how critically important wetlands are to flood protection. Illinois has already lost 90 percent of its acres of natural wetlands and this loss of nature's flood absorption system has caused billions of dollars worth of damages. The Illinois State Water Survey estimates that every one percent increase in wetland acreage would lead to a four percent decrease in flood levels. It seems extremely short-sighted and risky to me to further reduce our wetlands and cause even more severe flooding in the years ahead.

Further, the Dirty Water Act does not address the critical issue of polluted run-off. Polluted runoff from fields, roads and cities is Illinois' number one water quality problem. It was also responsible for the cryptosporidium outbreak in Milwaukee that caused 400,000 people to become ill, and 130 children, senior citizens, and people with AIDS to become seriously or fatally ill in 1993. Seemingly, after the tragedy in Milwaukee, this bill would be used as an opportunity to take specific steps to address polluted run-off problems.

Mr. Speaker, the recklessness of this bill astounds me. Our lakes and streams are so polluted that they are almost unusable and they are posing a direct threat to our health. How much further do we want to go? Do we want to wait until all the fish die and every city experiences a Milwaukee-like tragedy? This is certainly not what my constituents want to see and I will not stand by and allow our lakes and streams to be turned into sewers. I urge my colleagues to join me in rejecting this dangerous bill.

TRIBUTE TO THE MEMBERS OF THE RETIRED AND SENIOR VOLUNTEER PROGRAM

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to the members of the Retired and Senior Volunteer Program [RSVP]. Tomorrow afternoon, Friday, May 19, 1995, the RSVP of Macomb County is saluting the many seniors who provide vital volunteer services at a luncheon in Clinton Township, MI.

The Retired and Senior Volunteer Program is a nationally recognized program for persons over 55 who serve as volunteers in their communities. In the 10th Congressional District, Catholic Services of Macomb sponsors RSVP at the local level.

By matching the talents, knowledge, and interest of volunteers with community needs, the RSVP maximizes its services provided to the needy and ill among us. RSVP volunteers serve in schools, hospitals, community centers and with numerous social, health, and welfare organizations. Last year, 433 registered volunteers performed over 50,000 hours of service and assisted 55 nonprofit agencies. The devotion RSVP volunteers have displayed to their community is an inspiration. Their contributions are many and they deserve our gratitude for their compassion and work.

Taking an active role in one's community is a responsibility we all share, but few fulfill. I applaud all of the RSVP members who rather than retire to the easy chair, continue to serve our communities.

I commend the members of the Retired and Senior Volunteer Program for their efforts and encourage them to continue their good work. Please join me in saluting the RSVP of Macomb on the event of their volunteer recognition luncheon.

HONORING JOHN VINCENT FIORE ON HIS RETIREMENT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. TORRES. Mr. Speaker, I rise today to recognize, John Vincent Fiore, vice president, trade relations of Pepsi-Cola West. Mr. Fiore is retiring from Pepsi-Cola after 41 years of service.

Mr. Fiore attended Northwestern University and specialized in business management and advertising. Prior to joining Pepsi-Cola, he served in the U.S. Army.

He has been an active member of the Mexican-American Grocers Association, California State Package Store and Tavern Owners Association, Korean Grocers Association, Chinese Grocers Association, and the National Conference of Christians and Jews. He is the past president of RecyCal and a member of the political affairs committee for the California Nevada Soft Drink Association.

In addition, under Mr. Fiore's direction, Pepsi-Cola has become actively involved with community youth programs in an effort to guide young people in the right direction. Pepsi-Cola has participated in public awareness programs such as Just Say No To Drugs and Don't Drop Out Of School. In his community and company, he has made contributions to the minority community so that it may grow and prosper.

Mr. Speaker, it is with pride that I rise to recognize my friend, John V. Fiore, and I ask my colleagues to join me in saluting him for his outstanding commitment to his community.

PUBLIC BROADCASTING

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. OXLEY. Mr. Speaker, 30 years ago, the creators of public broadcasting proposed funding it through a trust fund capitalized by various fees and taxes on commercial broadcasters. The proposal went nowhere.

Like other government-funded agencies today, public broadcasting is being asked to

reinvent itself. The leaders of CPB, NPR, and PBS have been specifically challenged to come up with new sources of funding to replace tax dollars. Given the realities of the deficit, public broadcasters were strongly encouraged to be innovative and far-reaching in their thinking, to take full advantage of the tremendous changes now taking place in the telecommunications marketplace and the resulting opportunities to get public broadcasting off the Federal dole.

And what have they come up with? PBS has proposed a trust fund capitalized in part by fees from commercial broadcasters and in part by allocations from the Government's sale and auction of spectrum, and CPB says that ''no combination of cost savings and new sources of revenue can fully 'replace' the Federal subsidy.''

Anyway you look at them, the plans rely on Government funding, slightly repackaged and devoid of a marketplace solution. Where is the vision so desperately needed in order to reinvent public broadcasting for the 21st century? Where is the innovative thinking in proposing an idea that died 30 years ago? Why should commercial broadcasters subsidize public radio and television when they themselves are faced with an increasingly competitive marketplace?

It is time for public broadcasting to reach beyond the tired proposals of bygone days and look for truly bold solutions for replacing Federal funding. It is time to look to the marketplace for ideas, alliances, and opportunities. Public broadcasting is a valuable network of local community institutions which has an intensely loyal audience. Surely this presents opportunities for more innovative solutions.

I believe we can find a way to preserve the educational mission of public broadcasting in the context of today's telecommunications market without relying on Federal funding, whether is direct appropriations or redirecting Federal revenues into a trust fund. For public broadcasting to remain viable, its leaders must first recognize that the congress will cut the umbilical cord to the Federal Treasury.

TRIBUTE TO LEROY WESLEY WATTS, JR.

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise to honor the memory of LeRoy Wesley Watts, Jr., professor emeritus of social work at Eastern Michigan University.

Some people are able to reach young people at definitive moments in their lives—and open new vistas of insight and opportunity to them. Such a man was Professor Watts. He served in key academic and administrative roles within Eastern Michigan University, was instrumental in the development of the university's African-American Studies Department, and advocated for minority and disabled students. Roy sat on the boards of several civic and professional organizations that focused on health and social welfare and worked quietly but ceaselessly to make the world a better place for us all. He was a friend and mentor to many students and encouraged them to continue educational programs that they likely would not have completed without his intervention. Roy was recognized for his humility, compassion, and abiding respect for the light in each of us.

REMARKS OF CONGRESSMAN DICK ZIMMER COMMENDING THE NEW JERSEY STUDENTS WHO PARTICIPATED IN THE BEES PROGRAM

HON. DICK ZIMMER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. ZIMMER. Mr. Speaker, I rise today to pay tribute to more than 80 high school students from Hunterdon County, Princeton and Trenton who give us hope for our Nation's environmental future. As part of an innovative pilot project called Building Environmental Education Solutions [BEES], these students have spent the last 2 months examining the complex public policy choices that we face when addressing environmental issues.

Focusing on an abandoned industrial site in Trenton, this diverse group of students explored the many issues surrounding the reclamation and redevelopment of the property. The students were required to analyze the potential environmental and economic trade-offs, perform comparative risk assessments and evaluate the arguments of the various stakeholders.

On Monday, May 22, the students will present their findings, which I plan to distribute to each of my colleagues in the hope that we can learn from such an intense examination of these very difficult issues.

I would also like to thank and congratulate the coalition of business, community groups and government agencies that made the program work, particularly the American Re-Insurance Corp. of Princeton, which spearheaded the effort. This program is an example of the type of responsible environmental activism that benefits all segments of society, but is most effective when government and business work together.

Mr. Speaker, through programs like this one, we can prepare a generation of decision-makers who appreciate the interdependence of the environment and the economy. I congratulate the students for their accomplishments and thank them for assuming the responsibility for protecting our precious natural resources in the 21st century and beyond.

HEAD START

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. OLVER. Mr. Speaker, I rise to pay tribute to Head Start.

Head Start is 30 years old today.

Over those 30 years, 13 million low-income kids have gotten their head start for success.

Parents and staff have worked together to give poor kids a better chance in school.

But today is not a happy day for Head Start.

On the very day we should be celebrating 30 years of success—funding for Head Start is about to be slashed.

The budget resolution we vote on today freezes funds for Head Start for the next 7 years. This translates into a $1.4 billion cut from current funding. Millions of low-income children will be cut off.

Why are we denying kids their head start on life? Because the Republicans want to give tax breaks to the wealthiest Americans, whose kids will never be at an educational or economical disadvantage.

What an inappropriate birthday present. Happy Birthday, Head Start.

INDIA SHOULD RELEASE SIKH LEADER

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. BURTON of Indiana. Mr. Speaker, I rise today to again speak about the human rights situation in India, which is deplorable. I want to speak about two issues today. The first is the destruction of a centuries-old mosque in Kashmir. The second is the continued imprisonment of Sikh leader Simranjit Singh Mann.

The half-a-million Indian security forces in the valley of Kashmir have for years run rampant over the civilian population there. They have gang-raped women. They have tortured and murdered political prisoners. They have shot indiscriminately into civilian crowds, and they have burned entire villages into the ground.

Just last week, in the town of Charar-e-Sharies, the Indian military, with no regard for the safety of civilians, launched an attack that resulted in the burning of hundreds of homes and the gutting of a centuries-old walnut-wood mosque, one of the most famous religious sites in Kashmir. The Indian Government, time and time again, has shown absolute disregard for basic standards of human rights in Kashmir, Punjab, and other areas. India must be held to account for the crimes that have been committed against the Muslims of Kashmir, including the destruction of the sacred shrine of Charar-e-Sharies. The Indian Government's utter disregard for Moslem mosques and other holy places is shocking and must not be swept under the rug.

The Indian Government must also be held to account for the horrible human rights abuses committed against the Sikhs in Punjab and the Christians of Nagaland. Few people know about what is happening in those areas because the government will not allow the media or human rights groups into those areas.

Indian paramilitary forces in Punjab are responsible for thousands of cases of well-documented disappearances and extrajudicial killings. Thousands of Sikhs are held in prisons throughout Punjab, and human rights groups have reported that virtually all Sikhs held in prison are routinely tortured.

Four months ago, I came to the House floor to talk about the detention of Sikh leader Simranjit Singh Mann. Mr. Mann is a former member of Parliament and probably the most prominent of all the Sikh leaders. He has been a forceful, but peaceful, advocate of independence for a Sikh homeland called Khalistan. Mr. Mann was arrested in January after addressing a gathering of thousands and speaking out

for freedom and democracy for the Sikh people. It was the most recent of dozens of times Mr. Mann has been arrested for peacefully expressing his political views. He was arrested and held without trial for 5 years in 1984. He was the target of an assassination attempt in 1993. He has been a victim of constant harassment by the Indian Government, and is once again a political prisoner who has been in detention in a windowless cell for the last 4 months.

Mr. Speaker, it is imperative that the Indian Government release Mr. Mann immediately and allow him to return to his family. The government has no right to put people in prison because it doesn't like their political views. I am enclosing for the record a chronology of the instances in which this distinguished man has been imprisoned and harassed by the Indian Government. The government of India must stop the harassment of people with whom it disagrees. It must stop the lawless activities of its security forces in Punjab and Kashmir. The abuses that the Indian security forces are committing will not snuff out the movement for an independent Khalistan among the Sikhs. They will only add fuel to the fire. India must improve its human rights record if it truly wants to be recognized as a lawful and democratic nation.

ARREST RECORD OF SIMRANJIT SINGH MANN

Name: Simranjit Singh Mann.

Father's Name: Sarda Joginder Singh Mann.

Status: Former President of the Shiromani Akali Dai (Sikh Political Party). Ex-Member of Parliament. Present Member of Ad-hoc Committee, Shiromani Akali Dal (Amritsar).

1. Nov. 29, 1984, arrested at Jogbani (Bihar State).
2. Dec. 4, 1984, sent to Bharatpur jail (Rajasthan) under different charges.
3. Dec. 10, 1984, released and rearrested by Maharasthra police.
4. Nov 24, 1989, arrested in Chandigarh.
5. Feb. 26, 1990, arrested in Bathinda, Punjab.
6. March 7, 1990, arrested in Nathu Ke Burj (District Amritsar).
7. Mar. 11, 1990, detained in Amritsar.
8. Jan. 26, 1990, detained in Jammu and Kashmir.
9. Mar. 6, 1991, detained in Usma village (District Amritsar).
10. Mar. 7, 1991, detained in Amritsar.
11. Mar. 11, 1991, detained in Jalandhar.
12. Jun 2, 1991 detained at Taran Taran (District Amritsar).
13. Jun 6, 1991, detained at Gurdwara Manji Sahib (District Amritsar).
14. June 26, 1991, detained at Sanga Village (District Amritsar).
15. Nov. 1991, arrested at Gaziabad, detained in Fatehgarh (Uttar Pradesh).
16. Jan. 28, 1992, detained near Moga (District Faridkot).
17. Jan. 30, 1992 detained at Rajpura (District Patiala).
18. Feb. 1992, arrested and kept in Nidampur Sub jail (District Sangrur).
19. Apr. 22, 1992, arrested in New Delhi.
20. Jun 25, 1992, arrested in Behla (District Amritsar).
21. Aug. 5, 1992, arrested in Tarn Taran (District Amritsar).
22. Aug. 16, 1993, detained in Amloh (District Patiala).
23. Aug. 27, 1992, arrested in Ludhiana.
24. Sep. 11, 1992, arrested in Chhapar District Ludhiana
25. Oct. 18, 1992, detained in Amritsar.
26. Dec. 17, 1992, detained at Quilla S. Harnam Singh (District Fatehgarh Sahib).
27. Jan. 6, 1993, arrested in Kaunke (District Ludhiana).
28. No. 1, 1993, arrested in Amritsar.
29. Dec. 15, 1993, arrested at Gurdwara Pariwar Vichhora Sahib (District Ropar).
30. Jan. 5, 1995, arrested at village Bassi Pathana (Dist. Fatehgarh Sahib).

TRIBUTE TO CAMARA KAMBON

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. MFUME. Mr. Speaker, today I rise to honor an individual who has demonstrated talent and ambition at a very early age. His name is Camara Yero Kambon, which means ''teacher, warrior, of the people,'' his creative aptitude and musical gifts appear endless.

Camara has a wide variety of musical interest and ability. Whether he is mastering the keyboard to produce an urban contemporary sound or melodically soothing you with a classical or jazz rendition, Camara always plays with poise and passion.

As a native of Baltimore, he began his musical career at the age of 3, when he learned to play the piano under the instruction of Odell Wilson of Delwar Studios. At 10, he was awarded a scholarship to attend the Peabody Preparatory of Music.

His early focus was exclusively on classical and jazz piano but his instructors saw in him an endless energy and inexhaustible talent. Little did they know that he was also to become a perfectionist. Camara has explored rhythm and blues, jazz, fusion, house music, classical, and straight ahead jazz, but for the past few years he has worked on developing his own new and novel sound.

His abilities have also been acclaimed in the numerous film scores he has helped produce, including several PBS documentaries and projects for Boston University, Cornell University, Blackside Film & Video, Inc., and most recently the film scores for, ''Malcolm X: Make it Plain'' and ''Frederick Douglass: When the Lion Wrote History.''

His talents have earned him several scholarships over the years, including the Eubie Blake Scholarship, the Hilton Head Jazz Society Scholarship, the Boston Jazz Society Scholarship for Jazz Performance, the Berklee College of Music Merit Scholarship, and the Jesse Stone Scholarship.

In the process of perfecting his sound he has compiled numerous awards for his hard work. He won the Emmanuel Zembelli Award for Classical Performance. He was a finalist in the ASCAP Young Composers Competition and the National Guild of Composers Competition. In 1991, he came in first place at the NAACP Act-So National Competition for music composition and won first place for contemporary music. He also won second place for music composition at the 1990 competition.

In addition to the impressive array of awards, scholarships, and competitions, Camara has performed with some of music's most distinguished artists: Dizzy Gillespie, Gary Bartz, Phil Wilson, Chuck Rainey, Dennis Chambers, and Giovanni Hidalgo to name a few.

Outside of his music, Camara finds it absolutely essential to develop himself as a role model for younger people. While others have continued to praise him as a musical prodigy, Camara hasn't forgotten his commitment to others.

Camara's mother, Anana, has sacrificed over the years in order to see both her children's talents flourish. She has never failed to encourage, support, and share in the growth and development of her children. Camara probably wouldn't have had the same opportunity to develop his gifts if it were not for his mother's selflessness and dedication to him.

This is a young man to watch, Mr. Speaker. I have no doubt that Camara's greatest artistic abilities have yet to be discovered. As he graduates this month from the Berklee College of Music in Boston I want to pay tribute to his numerous achievements and thank him for presenting his many talents with love and dedication.

Our Nation and its people join the citizens of Baltimore in congratulating Camara Kambon and wishing him continued success.

REQUIRING MEDICARE TRUST FUND TRUSTEES TO REPORT CERTAIN FINANCIAL RECOMMENDATIONS

SPEECH OF

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 16, 1995

Mr. COLEMAN. Mr. Speaker, I rise in strong opposition to H.R. 1590, a bill to require the Trustees of the Medicare Trust Fund to report recommendations on resolving projected financial imbalances in the Medicare Trust Fund. I want to see the initiation of genuine efforts to save the trust fund, and to overhaul our health care system. This bill is merely a fig leaf for the Republican budget plan of providing tax cuts for the wealthy.

I think that the Republicans are entitled to propose tax cuts. I think that they are entitled to propose cuts in programs to pay for their tax cuts. But I do not see any reason that they should then be entitled to pass the buck when it comes to actually achieving those cuts.

If they want to provide billions of dollars in tax cuts for the wealthy, that is their prerogative. But they need to demonstrate the courage of their convictions. They need to illustrate their proposed cuts in Medicare by telling health care providers that their reimbursement rates will fall. They need to be able to look the elderly in the face and tell them that their out-of-pocket costs are going to increase $1,060 by the year 2002.

Or they need to drop the idea of providing a massive tax cut to the wealthy. If they are willing to do this, I think we would all be willing to search for ways to extend the longevity and the viability of the Medicare trust fund.

H.R. 1590 was rushed through Committee without hearings or public input. No effort was made to garner bipartisan support, and I will not support the bill now. I hope that the next time my colleagues on the other side of the aisle introduce the issue of reforming the Medicare Trust Fund, they do so with greater integrity of purpose. This bill should not be tied to their tax package for the wealthy. The issue is too important.

PERSONAL EXPLANATION

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. GOODLING. Mr. Speaker, I regret my unavoidable absence for roll call votes Nos. 336 and 337, relating to H.R. 961, the Clean Water Act Amendments. I had to cast an important vote in a Pennsylvania primary election and could not remain in Washington.

Had I been present, I would have voted ''Nay'' on roll call vote No. 336 and ''Aye'' on roll call vote No. 337.

CONGRATULATIONS TO MICHAEL AND BETSY GREEN

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. BARRETT of Wisconsin. Mr. Speaker, today I congratulate Michael and Betsy Green who have been chosen as recipients of the Human Relations Award by the Milwaukee chapter of the American Jewish Committee.

The Human Relations Award is given annually to leaders in the community for exemplary dedication to the principles of pursuit of community understanding and dedication to social and economic justice for all.

Betsy and Michael Green have certainly earned this award through their volunteer and professional activities.

Betsy Green is the immediate past president of the Milwaukee Jewish Federation and the current chairperson of the Jewish Community Foundation. Betsy's achievements have been recognized with the Milwaukee Jewish Federation Young Leadership Award and the Esther Cohen Women's Community Service Award. Betsy is one of the founders of the Wisconsin Research Center, a group devoted to pluralism in our society.

Michael also has received the Milwaukee Jewish Federation Young Leadership Award and has served as a volunteer publisher of the Wisconsin Jewish Chronicle. Currently, Michael is the National Chairman of the United Jewish Appeal and will assume the chairmanship of the midwest region next month. Michael also has a commitment to creating opportunities in business for minorities with his work with the Jewish Foundation of Economic Opportunity.

Michael and Betsy Green are dedicated to making Milwaukee a community which nurtures and appreciates diversity. I am honored to have the Greens as constituents. I congratulate them for being selected as recipients of the American Jewish Committee's Human Relations Award.

DAVID BARNES, BAY CITY THANKS YOU

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. BARCIA. Mr. Speaker, we have spent a great deal of time in this Congress and the last talking about the importance of placing proper limits on the role of the Federal Government, and giving greater due to local officials. Those closest to the problems and needs of our communities often have the best capability of dealing with them in an effective and responsible fashion.

Bay City, MI, has been most fortunate to be served by one such official, our city manager, David Barnes. He is retiring after 18 years of service to Bay City, as an assessor, finance director, personnel director, the city manager, and even for 3 days its fire chief. He is being honored this weekend for his years of dedication to his neighbors, and I am pleased to be joining in this tribute to his many accomplishments for Bay City.

David Barnes understands the importance of business. That is why he has worked on behalf of a number of economic development proposals during his career. He understands the need for infrastructure. His work to secure funding for road and bridge improvements help our community move safely and efficiently. He understands the value of tourism and recreation. His work to improve city parks and other recreational attractions have provided children with enjoyable places in which to play, and adults with a sea of calm in the midst of the overwhelming demands of everyday life. His work on behalf of riverfront development provides an appropriate blend of business opportunity and more recreational opportunities for those who live and visit our city. He understands the value of a dollar, and the trust that taxpayers place in officials to be sure that dollars are well-spent. His improvements in financial management capabilities, and the improved use of technology to trace the flow of funds have saved the community money, and kept its records in impeccable order.

Most importantly, David Barnes understands people and the need to work with people in a friendly and efficient manner to accomplish goals that have been set. He has skillfully worked to settle the joint needs of both Bay County and Bay City. He has worked well with Federal and State officials, and his colleagues with other units of local government.

Mr. Speaker, I invite you and all of our colleagues to join me in wishing David Barnes, his wife JoEllen, his children Bradley, Bryan, and Valerie, a very happy retirement. I am sure he will remain a vibrant part of the Bay City community, continuing to contribute in a most productive way.

TRIBUTE TO STEVENS VAN LINES, INC.

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize an outstanding family business in the State of Michigan. For the past nine decades, the Stevens family of Saginaw, MI, has served as an admirable example of devoted community service. On Wednesday, May 24, the Stevens family and Stevens Van Lines, Inc. will celebrate 90 years of successful service to their community.

The Stevens family legacy of quality work and dedication began in 1905 when Frederick H. Stevens, Jr. Began his small shipping business with a little horsepower and a lot of muddy roads. Moving his first customers wasn't easy. It took a lot of hard work, but Mr. Stevens dedication eased the burden of moving from an area which you have grown to enjoy.

As our Nation developed in the 1920's and 1930's, Stevens Van Lines, Inc. expanded as well, further demonstrating the family's determination and keen business sense. Today, the Stevens family continues to make a significant impact on people's lives under the guidance of Morrison Stevens. Morrie has combined innovation with adherence to his grandfather's three basic tenets: Adapt to change, adopt innovations, and improve services.

This perseverance has led the business down a road of prosperity. By adapting to changes and adopting new innovations, Stevens Van Lines, Inc. has been able to increase its efficiency. As a result, Stevens Van Lines, Inc. is able to excel in their customer service. This dedicated service has made it among the top 20 certified carriers in the United States, and led to its recognition as ''Mover of the Year.''

In addition to a customer service dedication, Stevens Van Lines is also committed to community service. Today, Stevens Van Lines is a member of the National Moving & Storage Association and the American Movers Conference. Furthermore, it continues to be active in the local, State, and the national chapters of the chamber of commerce.

Mr. Speaker, that Stevens family devotion to Fred Stevens' principles demonstrates its commitment to make residential or commercial moves smoother. I ask you to join me in celebrating 90 years of Stevens Van Line's successful business growth, spanning four generations of family ownership. With its commitment to customer and community service, the Stevens family is bound to enjoy many more years of business and personal success.

TRIBUTE TO DR. ANNA MAE BURDI

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to Dr. Anna Mae Burdi, former assistant superintendent for community services in the L'Anse Creuse Public School system. Dr. Burdi retired last year and in honor of her longtime commitment to the students and the community, the L'Anse Creuse Board of Education is naming their newest educational facility the Anna Mae Burdi Center for Community Development.

Dr. Burdi devoted nearly 40 years to public education—the past 14 at L'Anse Creuse. She began her career as an elementary school teacher in 1955. However, for the majority of her career she specialized in giving adults a second chance by teaching adult basic education. She also taught at Wayne State University in Detroit.

During her tenure at L'Anse Creuse, Dr. Burdi earned the respect of her colleagues and students alike. Her expertise led to many invitations to direct education workshops in several States. She was also a workshop director for the Michigan Department of Education and has done many presentations at

National Adult Education conferences. Her efforts to improve adult education have undoubtedly benefitted students around the country.

Dr. Burdi was largely responsible for creating a community education program that is a model within our State. And, although she is missed at L'Anse Creuse, her colleagues and students throughout Michigan continue to learn because of her devotion to education. It is truly fitting for the board of education to bestow Dr. Burdi the honor of naming the new center after her.

On Sunday, May 21, 1995, when the L'Anse Creuse Public School's newest building becomes the Anna Mae Burdi Center for Community Development, a permanent legacy of a lifetime commitment to public education will be established.

I have known Dr. Burdi for many years and I know she is grateful for the distinction. I ask my colleagues to join me in applauding Dr. Burdi and the L'Anse Creuse board for their role in honoring her. Dr. Burdi richly deserves the recognition.

PIO PICO ELEMENTARY LIBRARY TO BE NAMED IN HONOR OF MARIA TONIA AGUIRRE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. TORRES. Mr. Speaker, this Saturday, May 20, 1995, the El Rancho Unified School District will name the library at Pio Pico Elementary after Maria Tonia Aguirre in acknowledgement and recognition of her exemplary contributions and tireless service to the residents of Pico Rivera.

Following her death last October, board president Raul Salcido suggested the school board name the library in honor of her legacy. A bronze bust of Maria will be permanently placed in front of the school

Mr. Speaker, on November 13, 1991, I asked my colleagues to join me in recognition of Maria's contributions to the El Rancho Unified School District Board of Education as she retired after 12 years of service. First elected to the board in 1979, and reelected in 1983 and 1987, Maria served with distinction. Maria was a near 50 year resident of the city of Pico Rivera. She served on the district bilingual advisory council, migrant education advisory council, the hall of fame committee, and the Whittier Area Trustee Association executive board, to name a few.

In addition, she worked persistently to implement education reforms which increased graduation requirements and established high levels of student academic performance standards. Throughout her years of service, she was a vocal proponent in initiating, promoting, and implementing bilingual-bicultural education in the El Rancho Unified School District.

Marie Aguirre's leadership abilities and efforts to improve education for the youth of Pico Rivera brought her noteworthy praise from civic leaders, education and business communities, and her colleagues on the board of education.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me in saluting Maria Aguirre as we honor and remember her on Saturday, May 20, 1995.

HOLOCAUST ''RESCUERS IN ITALY'' DAY

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today to recognize and commend all of those involved in the Holocaust Rescuers in Italy Day to be held at the Villa Walsh Academy in Morris Township on this coming Tuesday, May 23. This ceremony marks the extraordinary courage exhibited by ordinary people during the Second World War.

During the autumn of 1943, Italian Jews were in imminent danger of being captured by Nazi troops. In order to try and save them from the horrible fate of the Nazi death camps, Pope Pius XII sent word that the Roman Catholic religious orders should provide sanctuary to persecuted Jews by welcoming them into their monasteries and convents. Eighty percent of Italy's Jewish population survived the Holocaust because of their efforts. This took countless individual acts of courage by Italian Catholics who risked a similar fate if discovered by Nazi storm troopers.

''A Debt to Honor,'' a documentary film narrated by New Jersey resident Alan Alda and produced by Documentaries International president Sy Rotter, shows how these acts of heroism occurred when individuals, faced with extraordinary fear and adversity, simply did what was right. This film is a welcome reminder of what we are all capable of as human beings and that heroism and moral courage are not forgotten character traits.

Sister Margherita Marchione, a member of the Religious Teachers Filippini, one of the Catholic orders involved in helping the Jews of Rome, assisted Rotter in collecting the memories of Italy's Jewish survivors such as Carlo Sestieri. According to Sestieri, who was hidden in one of the Vatican buildings while his wife was provided sanctuary in a nearby convent:

> Thousands of Roman Jews would have been captured by Nazi troops on October 16, 1943, had it not been for the prudent politics of the Vatican. Without a doubt, it helped avoid worse disasters.

Sister Margherita has opened the doors of Villa Walsh to numerous Jewish and Italian organizations including the United Jewish Federation of Metrowest, the Italian Embassy, the Italian American Foundation, the Anti-Defamation League, Unico National, Order Sons of Italy in America, and the Temple B'nai Or of Morristown, who along with the National Endowment for the Humanities are sponsoring the event.

I am proud to have ''A Debt of Honor,'' filmed in Italy with the help of the Italian State Broadcasting Network, debt in my congressional district. Holocaust Rescuers In Italy Day helps to remind each of us that there are things in life larger than ourselves, things worth sacrificing for—things worth being a hero for.

HONORING MIAMI CAPITAL DEVELOPMENT, INC., AUDREY NELSON COMMUNITY DEVELOPMENT ACHIEVEMENT AWARD RECIPIENT FOR 1995

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mrs. MEEK of Florida. Mr. Speaker, I am pleased to rise today to pay tribute to a truly outstanding community-based organization, Miami Capital Development of Miami, FL.

Miami Capital Development, Inc., was recently selected in a national competition as one of only six recipients of the National Community Development Association's prestigious Audrey Nelson Community Development Achievement Award for exemplary uses of community development block grant-funded projects.

Miami Capital Development, Inc., serves as the lending arm of the city of Miami. Created in 1980, it provides financial assistance at below-market interest rates to new and existing, small and minority-owned businesses located within underserved areas of the city of Miami and Dade County. It is a public-purpose lending agency that provides financial assistance that stimulates economic development and helps create and retain jobs for low- and moderate-income people.

I know that my colleagues join me in congratulating Executive Director Pablo Perez-Cisneros and his staff for a job well done.

SOCIAL SECURITY ADMINISTRATIVE COSTS SHOULD BE OFF BUDGET

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. JACOBS. Mr. Speaker, today Mr. CARDIN and I are introducing legislation to assure that Social Security administrative costs are off-budget, just as Social Security benefit costs are segregated from the rest of the budget.

In the 101st Congress, we made the Social Security trust funds independent. In other words, the financial accounting of the Social Security Old-Age, Survivors and Disability Insurance [OASDI] Program would not in any way be intermingled with the financial accounting of the rest of the Government.

The trouble is that, despite this law, the administrative costs of the Social Security Program remain subject to the general caps on Federal spending that we passed in the Budget Enforcement Act of 1990.

The backlog of disability cases pending at the Disability Determination Services is just over 700,000 cases. Thanks to the hard work of the stalwart employees of the Social Security Administration, that backlog has not grown since last year. However, the number of cases piling up at the Office of Hearings and Appeals for review by administrative law judges is increasing.

I am introducing this legislation again this year to clarify that Social Security administrative funds are independent of the general

funds of the Government. Under this bill, administrative funds would continue to be subject to annual appropriations. In addition, the appropriations would be further limited by a budgetary point of order against any bill that provides Social Security administrative funding of more than 1.5 percent of estimated benefit payments for that year.

The people who pay the Social Security tax are entitled to get what they pay for—and that includes adequate administration of the Social Security Program. Inadequate administration means long delays in benefit checks, inaccurate payments, high telephone busy rates, and poor services to both workers and beneficiaries. Furthermore, in the Social Security Disability Program, inadequate administration can mean that justice delayed is justice denied.

USA KARATE CHAMPIONSHIP IN LONG BRANCH, NJ

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 18, 1995

Mr. PALLONE. Mr. Speaker, on Sunday, May 21, 1995, the New Jersey State Championship of USA Karate will be held at the Long Branch, NJ, Middle School. It will be an honor and a privilege for me to be in attendance at what promises to be a most exciting and impressive display of the martial arts.

Mr. Speaker, at Sunday's event, over 300 competitors of all ages, all rankings, and all styles will be competing at their respective levels. The winners will qualify for the national championship which will be held in Akron, OH, in August. This year marks the 7th consecutive year that the New Jersey championship has been held in Long Branch.

Recently, I joined with Senator BRADLEY of New Jersey in working to have USA Karate included in the Pan-American games held in Argentina in March. These fine American athletes competed and won seven medals, finishing third over all. It was an honor to get behind this initiative, which has brought honor and distinction not only to the competitors, but to our country as a whole.

Mr. Speaker, the credit for these successes is due largely to the work of Mr. Walter J. O'Neill, Jr., of Long Branch, NJ, and his wife, Patricia Booth-O'Neill. In 1979, Mr. O'Neill started the Atlantic Karate Academy in Long Branch. Walter and Patricia now serve as chief instructors. Mr. O'Neill, a black belt in several martial art disciplines, is a member of the World Karate Federation Organizing Committee, one of only three Americans on this board. He serves as a member of committees intended to get karate into both the Pan-American games and the Olympic games. The Atlantic Academy holds a number of distinctions, having produced hundreds of State and national champions.

Mr. Speaker, it is an honor and a privilege for me to pay tribute to Walter and Patricia O'Neill, the Atlantic Karate Academy, and all the fine athletes who will compete on Sunday.

Daily Digest

HIGHLIGHTS

House agreed to the budget resolution and the emergency supplemental appropriations for additional disaster assistance measure.

Senate

Chamber Action

Routine Proceedings, pages S6837–S6947

Measures Introduced: Fourteen bills and one resolution were introduced, as follows: S. 817–830, and S.J. Res. 34. **Page S6912**

Measures Reported: Reports were made as follows:

S. 419, to grant the consent of Congress to the Texas Low-Level Radioactive Waste Disposal Compact.

S. 677, to repeal a redundant venue provision. **Page S6912**

Measures Passed:

Office of Rare Disease Research: Senate passed S. 184, to establish an Office for Rare Disease Research in the National Institutes of Health. **Page S6946**

Congressional Budget: Senate began consideration of S. Con. Res. 13, setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, taking action on amendments proposed thereto, as follows: **Pages S6853–S6906**

Pending:

Hutchison (for Domenici) Amendment No. 1111, in the nature of a substitute. **Page S6906**

A unanimous-consent agreement was reached providing for further consideration of the pending amendment, on Friday, May 19, 1995, with a vote to occur thereon at 10:45 a.m., to be followed by consideration of a Lautenberg/Rockefeller Amendment relative to restoring the Medicare funds, with a vote to occur thereon on Monday, May 22, 1995 at 3:15 p.m. **Page S6887**

Senate will continue consideration of the resolution on Friday, May 19, 1995.

Appointments:

Board of Visitors/Naval Academy: The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 6968(a), appointed the following Senators to the Board of Visitors of the U.S. Naval Academy: Hatfield, from the Committee on Appropriations, McCain, from the Committee on Armed Services, Mikulski, for the Committee on Appropriations, and Sarbanes, At-Large. **Page S6947**

Board of Visitors/Military Academy: The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 4355(a), appointed the following Senators to the Board of Visitors of the U.S. Military Academy: Cochran, from the Committee on Appropriations, Hutchison, from the Committee on Armed Services, and Reid, from the Committee on Appropriations. **Page S6947**

Board of Visitors/Air Force Academy: The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 9355(a), appointed the following Senators to the Board of Visitors of the U.S. Air Force Academy: Burns, from the Committee on Appropriations, Kempthorne, from the Committee on Armed Services, Hollings from the Committee on Appropriations, and Exon, At-Large. **Page S6947**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report on the national emergency with respect to Iran; referred to the Committee on Banking, Housing, and Urban Affairs. (PM–49). **Pages S6906–07**

Transmitting the report under the International Emergency Economic Powers Act; referred to the Committee on Banking, Housing, and Urban Affairs. (PM–50). **Pages S6907–08**

Messages From the President: **Pages S6906–08**

Messages From the House: **Pages S6908–09**

Measures Referred: **Page S6909**

Communications: **Page S6909**

Petitions: **Pages S6909–12**

Executive Reports of Committees: Page S6912
Statements on Introduced Bills: Pages S6912–30
Additional Cosponsors: Page S6930
Amendments Submitted: Pages S6930–40
Notices of Hearings: Pages S6940–41
Authority for Committees: Page S6941
Additional Statements: Pages S6941–46

Recess: Senate convened at 9:15 a.m., and recessed at 10 p.m., until 8:45 a.m., on Friday, May 19, 1995. (For Senate's program, see the remarks of the Acting Majority Leader in today's RECORD on page S6946.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—FOREIGN ASSISTANCE

Committee on Appropriations: Subcommittee on Foreign Operations held hearings on proposed budget estimates for fiscal year 1996 for foreign assistance programs of the Department of State, receiving testimony from Warren Christopher, Secretary of State.

Subcommittee recessed subject to call.

APPROPRIATIONS—NIH

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education and Related Agencies concluded hearings on proposed budget estimates for fiscal year 1996 for the National Institutes of Health [NIH], after receiving testimony from Harold Varmus, Director, National Institutes of Health, Department of Health and Human Services.

APPROPRIATIONS—TREASURY/FEC

Committee on Appropriations: Subcommittee on the Treasury, Postal Service, and General Government concluded hearings on proposed budget estimates for fiscal year 1996, after receiving testimony in behalf of funds for their respective activities from Robert E. Rubin, Secretary of the Treasury; and Danny L. McDonald, Chairman, and Lee Ann Elliot and John W. McGarry, both Commissioners, all of the Federal Election Commission.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Subcommittee on SeaPower resumed hearings on S. 727, authorizing funds for fiscal year 1996 for military activities of the Department of Defense and the future years defense program, focusing on the Marine Corps modernization programs and current operations, receiving testimony from Gen. Carl E. Mundy, Jr., USMC, Commandant, United States Marine Corps.

Subcommittee recessed subject to call.

AUTHORIZATION—DEFENSE

Committee on Armed Services: Subcommittee on Strategic Forces resumed hearings on S. 727, authorizing funds for fiscal year 1996 for military activities of the Department of Defense and the future years defense program, focusing on bomber force issues, receiving testimony from Paul G. Kaminski, Under Secretary of Defense for Acquisition and Technology; and Gen. John M. Loh, USAF, Commander, Air Combat Command.

Subcommittee recessed subject to call.

TONGASS NATIONAL FOREST

Committee on Energy and Natural Resources: Committee concluded oversight hearings to review management issues with regard to the Tongass National Forest in Alaska and the implementation of the Tongass Timber Reform Act (P.L. 101–626), after receiving testimony from Senator Stevens; James R. Lyons, Under Secretary of Agriculture for Natural Resources and the Environment; Alaska State Representative W.K. Williams, Mayor Alaire Stanton, Ralph D. Lewis, Ketchikan Pulp Company, Cliff Skillings, on behalf of the Alaska Lumbermen's Association, and Ernesta Ballard, on behalf of the Alaska Forest Association, all of Ketchikan, Alaska; John C. Wisenbaugh, Tenakee Springs City Council, Tenakee Springs, Alaska; Gary L. Paxton, City and Borough of Sitka, Florian Sever, and Franklin C. Roppel, Alaska Pulp Corporation, all of Sitka, Alaska; James S. Calvin, McDowell Group, Inc., and Bart Koehler, Southeast Alaska Conservation Council, both of Juneau, Alaska; Julie Fox Gorte, Wilderness Society, Washington, D.C.; Victor M. Sher, Sierra Club Legal Defense Fund, San Francisco, California; George Leonard, Vienna, Virginia; James Mackovjak, Gustavus, Alaska; and Bill Byford, Wrangell, Alaska.

HYDROELECTRIC PROJECT EXTENSIONS

Committee on Energy and Natural Resources: Subcommittee on Energy Production and Regulation concluded hearings on S. 283, S. 468, S. 543, S. 547, S. 549 (pending on Senate Calendar), S. 552, S. 595, S. 611, and S. 801, bills to extend the deadlines applicable to certain hydroelectric projects under the Federal Power Act, after receiving testimony from Elizabeth A. Moler, Chair, Federal Energy Regulatory Commission, Department of Energy.

Testimony was also received on S. 552 (listed above) from Arthur K. Neill, Montana Power Company, Butte; and Theodore Antionoli, Missoula, Montana.

TAX REFORM: FLAT TAX

Committee on Finance: Committee resumed hearings on proposals to replace current income tax procedures with a flat rate tax, including S. 488, to impose a flat tax only on the earned income of individuals and the business taxable income of corporations, receiving testimony from Senator Specter; Representative Armey; Michael J. Graetz, Yale University, New Haven, Connecticut; Laurence J. Kotlikoff, Boston University, Boston, Massachusetts; Sheldon D. Pollack, University of Delaware, Newark; and Alvin Rabushka, Stanford University, Stanford, California.

Hearings were recessed subject to call.

EXECUTIVE BRANCH REORGANIZATION

Committee on Governmental Affairs: Committee continued hearings to examine proposals to reorganize the Executive Branch of the Federal Government, receiving testimony from Senators Faircloth and Abraham; Representatives Walker, Gunderson, Klug, and Brownback; Donald F. Kettl, University of Wisconsin, Madison; and Murray Comarow, on behalf of former President Nixon's Advisory Council on Executive Organization (Ash Council), Jeffrey A. Eisenach, Progress and Freedom Foundation, and Scott A. Hodge, Heritage Foundation, all of Washington, D.C.

Hearings were recessed subject to call.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the following business items:

S. 419, to grant the consent of Congress to the Texas Low-Level Radioactive Waste Disposal Compact;

S. 677, to repeal a redundant venue provision of the Federal judicial code; and

The nominations of Mary Beck Briscoe, of Kansas, to be United States Circuit Judge for the Tenth Circuit, Susan Y. Illston, to be United States District Judge for the Northern District of California, John Garvan Murtha, to be United States District Judge for the District of Vermont, George A. O'Toole, Jr., to be United States District Judge for the District of Massachusetts, Patrick M. Ryan, to be United States Attorney for the Western District of Oklahoma, George K. McKinney, to be United States Marshal for the District of Maryland, and Rose Ochi, of California, to be an Associate Director for National Drug Control Policy.

SMITHSONIAN INSTITUTION

Committee on Rules and Administration: Committee concluded hearings to examine management guidelines for the future of the Smithsonian Institution, after receiving testimony from Representative Sam Johnson, on behalf of the Board of Regents, Smithsonian Institution; Ira Michael Heyman, Secretary, and Tom Crouch, Chairman, Aeronautics Department of the National Air and Space Museum, both of the Smithsonian Institution; Edward T. Linenthal, University of Wisconsin, Oshkosh; and Maxine F. Singer, Carnegie Institute of Washington, Washington, D.C., on behalf of the Commission on the Future of the Smithsonian Institution.

SBA BUSINESS LOAN PROGRAM

Committee on Small Business: Committee held hearings to examine Small Business Administration's implementation of their 7(a) Guaranty Business Loan Program, receiving testimony from Philip Lader, Administrator, Small Business Administration; John J. Canning, Morristown, New Jersey, on behalf of AT&T Capital Corporation and AT&T Small Business Lending Corporation; Gary V. Hoyer, Princeton Capital Finance Company, Princeton, New Jersey; Michael Gallagher, Wells Fargo Bank, San Jose, California; Anthony R. Wilkinson, National Association of Government Guaranteed Lenders, Inc., Stillwater, Oklahoma; Joe W. Scallorns, Farmers and Traders Bank, California, Missouri; and Lyle Frederickson, Bank One, Phoenix, Arizona.

Hearings were recessed subject to call.

BUREAU OF INDIAN AFFAIRS REORGANIZATION

Committee on Indian Affairs: Committee held oversight hearings to review certain recommendations on the reorganization of the Bureau of Indian Affairs, receiving testimony from Stanley Speaks, Area Director (Portland, Oregon), Bureau of Indian Affairs, Department of the Interior; Kenneth Smith, Confederated Tribes of Warm Springs Reservation, Warm Springs, Oregon, former Assistant Secretary of the Interior for Indian Affairs; Eddie F. Brown, Tohono O'odham Nation, Sells, Arizona, former Assistant Secretary of the Interior for Indian Affairs, and Wendell Chino, Mescalero Apache Tribe, Mescalero, New Mexico, both on behalf of the Joint Tribal/Bureau of Indian Affairs/Department of the Interior Task Force; Phillip Martin, Mississippi Band of Choctaw Indians, Philadelphia, Mississippi; A. Brian Wallace, Washoe Tribe of Nevada, Gardnerville; and Edward Thomas, Central Council Tlingit and Haida Indian Tribes of Alaska, Juneau.

Hearings were recessed subject to call.

Joint Meetings

ECONOMICALLY TARGETED INVESTMENTS

Joint Economic Committee: Committee concluded hearings to examine issues relating to the funding of certain social and political projects known as economically targeted investments, after receiving testimony from Olena Berg, Assistant Secretary of Labor for Pension and Welfare Benefits; former Representative Beau Boulter, on behalf of the United Seniors Association; John Langbein, Yale University Law School, New Haven, Connecticut; Charles Rounds, Suffolk University Law School, Boston, Massachusetts; Ian Lanoff, Bredhoff & Kaiser, and Daniel J. Schulder, National Council of Senior Citizens, both of Washington, D.C.; Wayne Marr, Clemson University, Clemson, South Carolina; Edward Zelinsky, Yeshiva University Benjamin Cardozo School of Law, Manhattan, New York; James Z. Pugash, Hearthstone Advisors, San Francisco, California; and Kimberly Schuld, Seniors Coalition, Fairfax, Virginia.

House of Representatives

Chamber Action

Bills Introduced: Sixteen public bills, H.R. 1667–1682; and five resolutions, H.J. Res. 89, H. Con. Res. 69–70, and H. Res. 153–154 were introduced. **Pages H5366–67**

Report Filed: One report was filed as follows: H.R. 1062, to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, amended (H. Rept. 104–127, Part 1). **Page H5366**

Journal: By a yea-and-nay vote of 360 yeas to 37 nays, with 1 voting ''present'', Roll No. 341, the House approved the Journal of Wednesday, May 17. **Pages H5237–38**

Canada-United States Interparliamentary Group: The Speaker appointed the following Members as members of the United States delegation to attend the meeting of the Canada-United States Interparliamentary Group on the part of the House: Representatives Manzullo, Chairman, Latham, Crapo, Dunn, Zimmer, Johnson of Connecticut, Goodling, Johnston of Florida, de la Garza, Gibbons, Slaughter, and McNulty. **Page H5231**

Recess: House recessed at 9:05 a.m. and reconvened at 10 a.m. **Pages H5231, H5235**

Budget: By a yea-and-nay vote of 238 yeas to 193 nays, Roll No. 345, the House agreed to H. Con. Res. 67, setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002. **Pages H5238–H5309**

Rejected:

The Gephardt amendment in the nature of a substitute that sought to achieve a balanced budget by fiscal year 2002 by cutting entitlement spending by 207.6 billion less than the committee resolution, including $114 billion less in Medicare cuts, $50 billion less in Medicaid cuts, and $12.9 billion less in farm program cuts and calls for $60 billion less in domestic discretionary cuts than the budget resolution, providing $35 billion more for education and training, $11 billion more for health, and $6 billion more for community and regional development programs (rejected by a recorded vote of 100 ayes to 325 noes, with 1 voting ''present'', Roll No. 342); **Pages H5245–65**

The Neumann amendment in the nature of a substitute that sought to achieve a balanced budget by fiscal year 2000 by dedicating Federal surpluses to pay for the Federal debt, freezing non-Social Security outlays at or below current levels for 5 years, cutting Federal spending by a total of $612 billion more in outlays than the resolution over the next seven years, assuming the elimination of the Departments of Housing and Urban Development, Education, Commerce, and Energy, cuts Medicare by $22.6 billion more than the resolution and calls for taking Social Security off budget with any surplus in the Social Security trust funds being used only for Social Security programs (rejected by a recorded vote of 89 ayes to 342 noes, Roll No. 343); and **Pages H5265–81**

The Payne of New Jersey amendment in the nature of a substitute that sought to achieve a balanced budget by fiscal year 2002 through spending cuts of $518 billion along with $583 billion in net revenues, spending less on defense and keeping Medicare and Medicaid funding at levels that the Congressional Budget Office estimates is necessary to continue current services, and placing priorities on programs such as education and job training, and increasing taxes on multinational corporations, slowing down depreciation writeoffs for business equipment and taxing capital gains income at the same rate as ordinary income (rejected by a recorded vote of 56

ayes to 367 noes, with 1 voting ''present'', Roll No. 344). **Pages H5281–98**

Late Report: Committee on International Relations received permission to have until midnight on Friday, 19, to file a report on H.R. 1561, to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal years 1996 and 1997; and to responsibly reduce the authorizations of appropriations for fiscal years 1996 and 1997. **Page H5309**

Supplemental Appropriations for Additional Disaster Assistance: By a yea-and-nay vote of 235 yeas to 189 nays, Roll No. 346, the House agreed to the conference report on H.R. 1158, making emergency supplemental appropriations for additional disaster assistance and making rescissions for the fiscal year ending September 30, 1995—clearing the measure for Senate action. **Pages H5309–54**

H. Res. 151, the rule which waived certain points of order against the conference report, was agreed to earlier by voice vote. **Page H5309**

Presidential Message: Read the following messages from the President:

Nuclear proliferation: Message wherein he transmits a report declaring a national emergency with respect to the proliferation of chemical and biological weapons—referred to the Committee on International Relations and ordered printed (H. Doc. 104–76); and

Iran emergency: Message wherein he transmits a report on developments concerning the national emergency with respect to Iran—referred to the Committee on International Relations and ordered printed (H. Doc. 104–77). **Pages H5354–57**

Legislative Program: The Majority Leader announced the legislative program for the week of May 22. Agreed to adjourn from Thursday to Monday. **Pages H5355–56**

Meeting Hour: Agreed to meet at 10:30 a.m. on Tuesday, May 23. **Page H5356**

Calendar Wednesday: Agreed to dispense with Calendar Wednesday business of May 24. **Page H5356**

Referral: One Senate-passed measure was referred to the appropriate House committee. **Page H5365**

Amendments Ordered Printed: Amendments ordered printed pursuant to the rule appear on page H5367.

Senate Message: Messages received from the Senate today appear on page H5231.

Quorum Calls—Votes: Three yea-and-nay votes and three recorded votes developed during the proceedings of the House today and appear on pages H5237–38, H5264–65, H5280–81, H5297–98, H5309, and H5353–54. There were no quorum calls.

Adjournment: Met at 9 a.m. and adjourned at 8:14 p.m.

Committee Meetings

EXPORT MARKET FOR AMERICAN DAIRY PRODUCTS

Committee on Agriculture: Subcommittee on Livestock, Dairy, and Poultry held a hearing on the export market for American dairy products, proposals to make Federal dairy policy more export-oriented, and the relationship of export policy to the future of the dairy price support program following the implementation of the Uruguay Round. Testimony was heard from Keith Collins, Chief Economist, USDA; and public witnesses.

FARM BILL—CREDIT AND RURAL DEVELOPMENT

Committee on Agriculture: Subcommittee on Resource Conservation, Research, and Forestry held a hearing on the 1995 Farm Bill—Credit and Rural Development. Testimony was heard from John Harman, Director, Food and Agriculture Issues, GAO; Mike Dunn, Acting Under Secretary, Rural Economic and Commercial Development, USDA; Doyle Cook, member, Board of Directors, Farm Credit Administration and Chairman, Board of Directors, Farm Credit System Insurance Corporation; E. Benjamin Nelson, Governor, State of Nebraska; Alan Tracy, Secretary, Department of Agriculture, Trade, and Consumer Protection, State of Wisconsin; and public witnesses.

FEDERAL HOME LOAN BANK SYSTEM MODERNIZATION ACT

Committee on Banking and Financial Services: Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises concluded hearings on H.R. 1487, Federal Home Loan Bank System Modernization Act of 1995. Testimony was heard from public witnesses.

FINANCIAL INSTITUTIONS REGULATORY RELIEF ACT

Committee on Banking and Financial Services: Subcommittee on financial Institutions and Consumer Credit held a hearing on the broad issue of regulatory burden relief as well as those matters addressed in H.R. 1362, Financial Institutions Regulatory Relief Act of 1995. Testimony was heard from Representative Bereuter; from the following officials of the Department of the Treasury: Richard S. Carnell, Assistant Secretary, Financial Institutions;

Eugene A. Ludwig, Comptroller of the Currency; and Jonathan L. Fiechter, Acting Director, OTS; Susan Phillips, member, Board of Governors, Federal Reserve System; Ricki Helfer, Chairman, FDIC; Nicholas P. Retsinas, Assistant Secretary, Housing, Department of Housing and Urban Development; and Catherine Ghiglieri, Banking Commissioner, State of Texas.

Hearings continue May 23.

INTERSTATE TRANSPORTATION OF WASTE AND FLOW CONTROL

Committee on Commerce: Subcommittee on Commerce, Trade, and Hazardous Materials approved for full committee the introduction of a bill on Interstate Transportation of Waste and Flow Control.

CLEAN AIR ACT AMENDMENTS—IMPLEMENTATION AND ENFORCEMENT

Committee on Commerce: Subcommittee on Oversight and Investigations continued hearings on the Implementation and Enforcement of the Clean Air Act Amendments of 1990, with emphasis on Title V, Permits. Testimony was heard from Mary D. Nichols, Assistant Administrator, Air and Radiation, EPA; Karen N. T. Olson, Director, Operating Permits Program, Natural Resources Conservation Commission, State of Texas; John Ruscigno, Program Operations Manager, Department of Environmental Quality, State of Oregon; and public witnesses.

OVERSIGHT

Committee on Government Reform and Oversight: Subcommittee on Human Resources and Intergovernmental Relations held an oversight hearing on the Corporation for National and Community Service. Testimony was heard from the following officials of the Corporation for National and Community Service; Eli Segal, CEO; and Jim Joseph, Chairperson, Board of Directors; James Lee Witt, Director, FEMA; John Timoney, First Deputy Commissioner, Police Department, New York City; and public witnesses.

REGULATORY SUNSET AND REVIEW ACT

Committee on Government Reform and Oversight: Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs approved for full Committee action amended H.R. 994, Regulatory Sunset and Review Act of 1995.

ADMINISTRATION'S REVERSAL OF UNITED STATES IMMIGRATION POLICY TOWARDS CUBA

Committee on International Relations: Subcommittee on Western Hemisphere Affairs held a hearing on the Administration's Reversal of United States Immigration Policy Towards Cuba. Testimony was heard from Peter Tarnott, Under Secretary, Political Affairs, Department of State; Adm. Norman T. Saunders, USCG, Chief, Office of Law Enforcement and Defense Operations, U.S. Coast Guard, Department of Transportation; Doris Meissner, Commissioner, Immigration and Naturalization Service, Department of Justice; and public witnesses.

ANTITRUST CONSENT DECREE REFORM ACT

Committee on the Judiciary: Ordered reported amended H.R. 1528, Antitrust Consent Decree Reform Act of 1995.

NATIONAL DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Personnel approved for full Committee action H.R. 1530, National Defense Authorization for fiscal year 1996.

NATIONAL DEFENSE AUTHORIZATION

Committee on National Security: Subcommittee on Military Readiness approved for full Committee action H.R. 1530, National Defense Authorization for fiscal year 1996.

MISCELLANEOUS MEASURES

Commitee on Resources: Subcommittee on National Parks, Forest and Lands held a hearing on the following bills: H.R. 629, The Fall River Visitor Center Act of 1995; H.R. 238, Ozark Wild Horses Protection Act; H.R. 826, to extend the deadline for the completion of certain land exchanges involving the Big Thicket National Preserve in Texas; and H.R. 1508, to require the transfer of title to the District of Columbia certain real property in Anacostia Park to facilitate the construction of National Children's Island, a cultural, educational and family-oriented park. Testimony was heard from Representatives Wilson, Emerson and Norton; Denis P. Galvin, Associate Director, Planning and Development, National Park Service, Department of the Interior; Mark A. Reimers, Deputy Chief, Forest Service, USDA; Michael Rogers, City Administrator, District of Columbia; and public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on Water and Power Resources held an oversight hearing on the potential transfer of the Power Marketing Administration out of federal ownership. Testimony was heard from Representatives Foley, Klug and Payne of Virginia; Elizabeth A. Moler, Federal Energy Regulatory Commission, Department of Energy; and public witnesses.

OVERSIGHT

Committee on Resources: Endangered Species Act Task Force continued oversight hearings on the Endangered Species Act. Testimony was heard from public witnesses.

Hearings continue May 25.

FLAT TAX

Committee on Small Business: Subcommittee on Tax and Finance held a hearing on the flat tax. Testimony was heard from Senator Spector; Representative Armey; Jere W. Glover, Chief Counsel for Advocacy, SBA; and public witnesses.

BRIEFING—AVIATION SECURITY AND FAA'S ANTI-TERRORISM PROGRAM

Committee on Transportation and Infrastructure: Subcommittee on Aviation met in executive session to receive a briefing on Aviation Security and FAA's Anti-Terrorism Program in the wake of the Oklahoma City bombing. The Subcommittee was briefed by the following officials of the Department of Transportation: Cathal Flynn, Assistant Administrator, Civil Aviation Security, FAA; and Paul E. Busick, Director, Office of Intelligence and Security; and Robert M. Blitzer, Chief, Radical Fundamentalist Unit, Counter-terrorism and Middle East Section, National Security Division, FBI, Department of Justice.

EXTENSION OF GSP PROGRAM; EXTENDING MOST-FAVORED-NATION TREATMENT TO CAMBODIA AND BULGARIA

Committee on Ways and Means: Subcommittee on Trade approved for full Committee action the following bills: H.R. 1654, to renew the Generalized System of Preferences; H.R. 1642, to extend nondiscriminatory treatment (most-favored-nation treatment) to the products of Cambodia; and H.R. 1643, to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Bulgaria.

BUDGET AUTHORIZATION

Permanent Select Committee on Intelligence: Met in executive session and ordered reported H.R. 1655, Intelligence Authorization Act for fiscal year 1996.

COMMITTEE MEETINGS FOR FRIDAY, MAY 19, 1995

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations, Subcommittee on VA, HUD, and Independent Agencies, to hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Housing and Urban Development, 9:30 a.m., SD–192.

Committee on Foreign Relations, closed briefing to discuss an operational plan for the extraction of United Nations peacekeepers from Bosnia and the role of the United States and NATO, 11 a.m., S–407, Capitol.

Committee on Labor and Human Resources, Subcommittee on Education, Arts and Humanities, to hold hearings to examine adult education programs, 9:30 a.m., SD–430.

House

Committee on Commerce, Subcommittee on Energy and Power, to continue oversight hearings on the Status of the International Global Climate Change Negotiations, 9:30 a.m., 2123 Rayburn.

Next Meeting of the SENATE

8:45 a.m., Friday, May 19

Senate Chamber

Program for Friday: Senate will resume consideration of S. Con. Res. 13, Congressional Budget.

Next Meeting of the HOUSE OF REPRESENTATIVES

12 noon, Monday, May 22

House Chamber

Program for Monday: No legislative business is scheduled.

Extensions of Remarks, as inserted in this issue

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