killed by their current or former male partners than by any other kind of assailant. And every year more and more children find themselves living in violent homes, often the victims of violence themselves. Mr. Speaker, we cannot allow these staggering statistics to continue.

I will be holding a domestic violence public forum in my district in the coming weeks to explore how to reduce this growing problem. At this forum I will be speaking with professionals from domestic violence and family crisis agencies who last year served over 10,000 individuals in the State of Maine. They provided 10,626 hours of crisis intervention through their hotline; 15,829 bed nights of shelter; and 14,252 hours of community education about the horrors of domestic violence. While we are fortunate that such facilities exist to help us cope with the massive numbers in need of assistance, it is unfortunate that such facilities are needed at all.

We need to continue funding such legislation as the Violence Against Women Act. We need to continue supporting law enforcement and family crisis agencies in their efforts to create community based responses to coping with domestic violence. We need to continue to train health care professionals to recognize and respond to domestic violence. And we need to continue to educate men and women alike about the evils of domestic violence, reminding them that no one asks to be the victim of domestic violence, no one deserves to be beaten while in the supposed safety of one's own home.

Working together, we can create a society where there is no longer a need for shelters, for hotlines, or for domestic violence counselors. Until that time, however, we must continue to work to break the silence surrounding this issue, and to address the critical needs of battered women and their children.

In closing, Mr. Speaker, again I want to thank the gentlewoman from Texas [Ms. JACKSON-LEE] for yielding the time to give these remarks in regard to domestic violence and Domestic Violence Awareness Month, and applaud her efforts in bringing more attention to the overall budget reconciliation and what is going to be happening this week in the House. I want to thank the gentlewoman.

Ms. JACKSON-LEE. I thank the gentleman from Maine for his very important statement, Mr. Speaker. He is joining in with many of us in adding to some of the problems with the Budget Reconciliation Act. Mr. Speaker, let me applaud him for that, and add, as well, my comments on domestic violence. It is a crisis, and for any diminishing of the domestic violence funding, we are again doing something extremely tragic to this Nation. I will add my comments on this issue for the RECORD and expand on such.

THE RECONCILIATION BILL

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

Mr. GUTKNECHT. Mr. Speaker, I am delighted to be here tonight with my colleague, the gentleman from the Keystone State of Pennsylvania [Mr. JON FOX], to talk a little bit about this reconciliation bill that we are going to vote on here in the next couple of days. The debate will begin tomorrow. It really is a historic time in American history.

I note that some of my colleagues from the other side of the aisle have had pictures of children with them tonight to show. When we were sworn in as new Members of this body, we were given essentially two things. One is this nice little card case that included our voting card, and which some have said is the most expensive credit card in the world, because on this credit card our predecessors have run up something like $4.9 trillion worth of debt on our children and grandchildren.

I put into my little card case three of the most important people in my life, and they are my three kids. They are all teenagers, and some people would say that teenagers are difficult, and all the things about teenagers you have heard. Some of it is true, but in truth, they are really the inspiration to me about what this is about and what our real responsibilities are.

I carry those picture of my kids with me, because I think when we talk about reconciliation, we talk about the budget, we talk about balancing the budget, we really are talking about what are we going to do for future generations of Americans, what are we going to do on behalf of our kids.

I would like to, before we really get into this, and I want to yield to my colleague, the gentleman from Pennsylvania, remind my colleagues and some of the folks who may be watching this special order on C–SPAN of a quote, and we have heard a lot about children, but one of my favorite quotes is from one of our colleagues over in the Senate, representative PHIL GRAMM from the great State of Texas. He has said many times that we will hear, especially in the next several days, that this is a debate about children. It is a debate about how much we are going to spend on education and how much we are going to spend on nutrition, how much we are going to spend on medical care.

The truth of the matter, Mr. Speaker, this is not a debate about how much we are going to spend on children or how much we are going to spend on education or how much we are going to spend on health care. This is a debate about who is going to do the spending. We know government bureaucracies and we know families. Some of us on this side of the aisle, at least, know the difference. So the debate is about who is going to do the spending.

We are talking about balancing the budget for the first time in 25 years, and really, it is about future generations, because historically, and I do not know, you probably do not represent as many farmers as I do, I would say to the gentleman from Pennsylvania [Mr. FOX]——

Mr. FOX of Pennsylvania. We have our share.

Mr. GUTKNECHT. Back in my district, it is fairly heavily agricultural, and those who do not actually live on farms are not far removed from living on the farm, and they understand this, that historically what Americans wanted to do was to pay off the mortgage and leave their kids the farm. But what we have been doing as a society and what we have been doing as a government, what this Congress has been doing for the last 40 years, is we have been selling the farm and leaving our kids the mortgage.

I think we all know, deep down in our bones, that there is something fundamentally immoral about that. For the first time in 25 years, as we approach this reconciliation, we are going to do something about that. I think it is a very historic moment. Frankly, the people who should be the most enthusiastic about this are young people, because it is their future that has been mortgaged. I think it is important, that step we are going to take.

Mr. Speaker, I yield to the gentleman from the great State of Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding. He has been at the forefront in our freshman class in this 104th Congress in identifying those issues that are most important to Americans, and one of them is to make sure we achieve a balanced budget, without forgetting that we have human concerns to be addressed; that what we want to see is elimination of waste in the Federal Government, but using the moneys we have in the Government to make sure we take care of children, that we take care of working families, that we take care of seniors. We can do that. By having a balanced budget, I believe what we are on the threshold to achieve is to make sure we lower housing costs and in fact balance the budget.

We have heard from the National Association of Realtors that the average 30-year mortgage will drop almost 3 percentage points; that if we balance the budget, we will be lowering car expenses about 2 percentage points lower than they otherwise would be. We will be lowering the cost of college for students. Student loan rates will be 2 percentage points lower because we have balanced the budget. A college student who borrows, for instance, $11,000 at 8 percent will pay almost $2,200 less in schooling costs.

Mr. GUTKNECHT. That's $2,200 less if we balance the budget?

Mr. FOX of Pennsylvania. Finally, after 22 years.

Mr. GUTKNECHT. These are college students. We are talking about changing the rules slightly, so some may have to pay $7 more, but over a net basis they could be spending over the life of the loan over $2,200 less, just because we balance the budget?

Mr. FOX of Pennsylvania. Absolutely. And another thing that is important to senior citizens, what we are going to do under this legislation is be able to roll back the unfair taxes applied in 1993 for Social Security recipients. We will also be able, for the first time under this legislation, Mr. Speaker, be able to in fact allow seniors who are under 70 who want to continue earning money through a job, they are now capped at $11,200. Under our legislation they can make up to $30,000 a year without deductions from Social Security.

Under Medicare plus, not only will they have the options of having traditional fee-for-service, but you will also have the managed care option, the Medisave accounts, and be eliminating the fraud, abuse, and waste, which is $30 million, Mr. Speaker, we will be able to make sure that those funds go back in the Medicare lockbox for improvements in the health care system, so our senior citizens will have the health care dollars that they want.

Mr. GUTKNECHT. So with the lockbox, we are not using any funds for the Medicare savings and reform, we are not using that for the tax cut?

Mr. FOX of Pennsylvania. Not for any tax cut, not for any government program. It must go back for senior citizens, for their health care.

Mr. GUTKNECHT. Into the trust fund?

Mr. FOX of Pennsylvania. Absolutely.

Mr. GUTKNECHT. You understand that, I understand that, and I think everybody on the other side of the aisle understands that, yet there has been an awful lot of disinformation and misinformation spread in the last several months.

Mr. FOX of Pennsylvania. The fact of the matter is Medicare is very important. It was the President's trustees just in April, Mr. Speaker, that came out and said if in fact we do nothing by the year 2002 Medicare will be out of business, so to do nothing would be irresponsible, whether you are Republican, Democrat, whether you are in the House and Senate, or you are the President. Everyone agrees we must do something to improve the system.

I think by reducing the paperwork costs, which have been 12 percent, by eliminating $30 billion a year in fraud and abuse in the system by the providers, and by making sure that we have a streamlined system that offers options to seniors, so they can have managed care if they want to have things like prescriptions filled and eyeglasses included, they can design their own health care program. I think that is what the objective here is, to make sure seniors have the independence. People are living longer, and we want them to live better.

Mr. GUTKNECHT. In fact, what we are really trying to do is convert the seniors from being consumers of medical care into being buyers of medical care. We are trying to use market forces, give them more choices, do some of the things that are working in terms of the private sector right now.

We know on a national basis right now health care inflation in the private sector is running about 1.1 percent. That is what it is running in the State of Minnesota, about 1.1 percent in the private sector, but then on the government-run side of the health care expenditures, it is running 10.4 percent. You do not have to be an MBA from Wharton in the State of Pennsylvania to understand that if we can take some of those ideas and use market forces, give people more choices, offer the option of managed care, medical savings accounts, preferred provider networks and some of the things that are working so well in the private sector, if we give them those choices, we can dramatically reduce the overall cost of health care, give people more options, give people more choices, and I think in the long run give them more services than they currently get, and control the cost so we eliminate some of the waste, fraud, and abuse that is currently in the system and everybody wins except some of those providers that have been gouging the system.

Mr. FOX of Pennsylvania. I thank the gentleman for the recognition.

And the ones who have been gouging the system, under the legislation which we have cosponsored, not only do those providers who have been violating the law face a 10-year jail sentence, but they will not be able to participate in the system any longer, because they will have violated the Medicare law which says you can no longer participate if you have in fact violated the fraud and abuse statutes that are in the bill.

Mr. GUTKNECHT. In fact, and I think we need to be honest, because under our plan, the total cost to the average senior citizen may go up by as much as $7 more than under the President's proposal. That is $7 a year. When I have had a chance, and I do not know if you have had a chance to talk to some of the seniors in your district, when I explain what they are going to get for their $7, with all the options, with all the choices, with better managed care and hopefully better services available to them, when I explain that to them, and that the real benefit is we not only save the system, we do not just patch it up to get through the next election, we are trying to save it to get to the next generation. This is really about generational equity.

When I explain that to my senior citizens and they hear all the facts, they say ''What are these people grousing about? This is a great deal. This is what you should be doing. We are delighted you have the courage to finally step up to the plate and do what needs to be done with Medicare.''

Mr. FOX of Pennsylvania. Prior Congresses have said ''We know Medicare is in trouble, but we will get around to it sometime.'' But frankly, there is not anyone who wants to make sure that we want to take care of the system for our seniors more than the people who are here. We were sent here, and many of the senior citizens in our district have said ''Save Medicare, make it work.'' Believe me, what I like about the bill now that was not in the original bill, I would say to the gentleman from Minnesota [Mr. GUTKNECHT], is the lockbox feature, making sure all the savings go back to Medicare, and the fraud and abuse statutes, which will finally, for the first time, go after those who have violated the law and stop them from participating in the system.

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You only have to read the Reader's Digest September issue to see the litany of cases where people have violated the law, have in fact gotten away with it, because we do not have a government system now that will enforce existing laws, or have sufficient penalties to discourage the waste and abuse in Medicare. $30 billion a year. It is a remarkable, unbelievable item.

Frankly, if we had run this system of Medicare in a private industry setting, we would have made the changes we are now doing 10 years ago so the system would have worked. Although now, I should think seniors need to know that the restrictions that are being placed on the system are to providers and not to seniors.

We are saying to the providers, you must give quality health care at a fair price to the Government. We are not going to change one iota in the quality of care for our seniors. That must be held to the highest standard possible, or else they will not participate in the system any longer.

Mr. GUTKNECHT. Well, the whole key of service networks, provider service networks, PPO's, HMO's and the other forms of managed care has been to put some kind of a manager in place to help control these costs so that we do not have the waste, fraud and abuse, and frankly, we do not have the unneeded tests and services that are out there. Right now we have a system, and I think most people who participate in the system, including many senior citizens, understand that there is an awful lot of waste, an awful lot of fraud and abuse.

We have had 33 town meetings on the subject, and again, I am surprised sometimes that our colleagues on the other side of the aisle say, we have not had enough meetings. We have literally had thousands of meetings with all kinds of people. We have talked to providers and insurance companies; we have had meetings with seniors.

Most of us have had anywhere from 10 to 40 town meetings. I have had 33,

and at one, the whole issue of waste, fraud and abuse comes up. However, the problem has been with the old system and the way it exists today, it was like it was nobody's money, and if a senior complains and says, wait a minute, I did not get this particular treatment or service or whatever, the attitude was, what are you complaining about? It is not your money.

It has sort of been that attitude that I think has become almost a cancer on the entire Medicare system. If we can begin to change those attitudes and if we can make people more responsible, if we can put managers in place to help control costs, we can save the system, we can reduce costs dramatically.

As a matter of fact, if anything, I think we are being entirely too timid in the total budget targets that we are looking at for the next 7 years. Even assuming that only 25 percent of the seniors get involved in various forms of managed care, and that is what the CBO estimates, we can save the system, not just for the next 7 years, in my opinion, but we can save it for long into the 21st century.

Mr. FOX of Pennsylvania. Mr. Speaker, if the gentleman would yield, I think it is important to make sure that the Medicare bills and anything dealing with the Government is in plain English.

Many of my seniors come to me and say, I would like to help you out and eliminate the fraud, abuse and waste, but if it was in plain English it would help, so that I know the data service and what was supposedly given to me. Because I have had the same kind of stories that the gentleman from Minnesota [Mr. GUTKNECHT] has had, where seniors have told me, well, I got charged for a service, but I did not receive it, or I got charged for it twice.

Mr. Speaker, what is good about this legislation is that those seniors that report fraudulent or over-charged items over $100, they will be able to participate in the savings, so hopefully there will be an economic incentive to make sure the system works.

Mr. GUTKNECHT. Mr. Speaker, we do want to give them an incentive to say, wait a second. We had a lady who said she had been billed $232 for a tooth brush. Those are the kinds of things that are just outrageous.

Mr. FOX of Pennsylvania. In Minnesota, you have to bring those prices down.

Mr. GUTKNECHT. We cannot afford that, we cannot afford to pay for cataract surgeries which were not performed. Those are the kinds of things we have to stop, and if we can do that, we can save the system.

Mr. Speaker, let us talk a little bit about the bigger budget as well, because Medicare is certainly a part of it. One of the things that I have been proud of, and the gentleman from Pennsylvania [Mr. FOX] and I came together as freshmen as part of this historic 104th Congress. The great thing, it seems to me, about this Congress is we have not dodged the bullet, we have not ignored the big problems, we have stepped right up to the plate and started on day one, when we changed the way Congress does business, when we downsized the committee process.

The very first bill that we voted on in this Congress was H.R. 1, the Shays Act, which says, Congress is going to abide by the same rules that we impose on everybody else. Mr. Speaker, on every step we have stepped up to the plate.

Many times our critics have said, well, you did that, but you will not do this. Well, then it came to the budget and Medicare and changing the way that Congress does business, we have stepped up to the plate, and frankly, I think we as freshmen have to take at least some of the credit for that, because we forced our own leadership, and I feel good.

We look at this budget reconciliation and I think if we take it item-by-item, because it is a big package, and it includes, frankly, several things in it that I do not particularly like and I wish I did not have to vote on. However, when you look at the big picture, if you wait until all the lights are on green, you are never going to leave the House.

Mr. Speaker, for too long the Congress has basically taken an attitude that well, yes, we would balance the budget, but it would mean that we might have to cut back a little bit on military spending. It might mean that a military base in my district might have to close. I would really like to balance the budget, but I do not want to make any restrictions here. I really want to balance the budget, but I do not want to tackle Medicare head-on. I really want to balance the budget, but I do not want to deal with this problem of Medicaid. I really want to balance the budget, but.

We have had all of these ''yes, buts'' for the last 30 years. The good news about this Congress is we are moving ahead despite some of our personal concerns about particular items that are in this budget. So we are stepping up to the plate, we are not allowing the perfect to become the enemy of the good.

The bill that we are going to vote on here in the next couple of days, in my opinion, I have to say is not perfect. There are several things in this bill that I wish were not in the bill, but on the other hand, if we wait until all of the lights are on green, we are never going to leave the House, we are never going to get started down the part to a real balanced budget.

Mr. Speaker, as the gentleman said earlier, the real benefactor of a balanced budget are not the rich, it is actually middle class and lower middle class people. It is children, it is families.

Mr. Speaker, earlier, one of our colleagues, the gentlewoman from Texas [Ms. JACKSON-LEE] said something about a family at $30,000 was not going to get this benefit. Well, I am sorry, but I think that is absolutely wrong. If they have three children, they earn $30,000 a year, they are going to get a $1,500 a year tax credit.

Now, obviously you are rich, $1,500 may not seem like much. If you earn $30,000 a year, $1,500 is a lot money, and they are going to get that under our tax plan.

Mr. Speaker, I want to yield to the gentleman from Pennsylvania in a minute, but I want to talk about that average family that earns $30,000 a year, because there are a heck of a lot of them, not only in my district but all across America.

In 1950, that family was paying about 4 percent of their gross income to the Federal Government. This year, they will pay about 24 percent of their gross income; and I do not think anybody in this Congress or anybody in the United States can argue that that family is really better off because they are giving six times as much as they were giving in 1950 to the Federal Government.

That is part of what this debate about reforming and downsizing the Federal Government and reducing a family's taxes is about.

So when people talk about giving these big tax cuts to the rich, the truth is they are not being very honest with the American people. Because the broad base of this tax cut will go to families, in fact, 74 percent will go to families earning less than $75,000. This is not about a tax cut for the rich. This is about a tax cut for the middle class. It is about helping families. I think it is time we stand up for families here in the United States Congress.

Mr. FOX of Pennsylvania. Mr. Speaker, I would have to agree with the gentleman, if he will further yield.

Mr. Speaker, the gentleman has been working overtime, I would have to say, in trying to help us fashion here for the 104th Congress and the reform-minded Members, and I have been pleased to work with you on just these issues.

Balancing the budget, as we said earlier, will not only help working families provide opportunities for jobs, opportunities for decreased costs of purchasing a car, of paying for a mortgage, but the tax reform issues that are before the Congress this week will, besides the way we talked about helping seniors by lowering taxes for working seniors and providing more seniors with long-term care coverage, our bill provides incentives for employers to offer to their employees and for individuals to purchase long-term care health insurance.

Children who are adopted into families, there is a $5,000 tax credit to help defray adoption expenses.

We also have in the legislation what I think will help increase savings and increase the opportunity for businesses to grow, produce and hire, decreasing the capital gains tax. This is for small businesses.

Mr. GUTKNECHT. Could I talk just a little bit about the capital gains taxes.

Mr. FOX of Pennsylvania. There is a lot of misinformation about that, I believe.

Mr. GUTKNECHT. Absolutely. When they talk about the tax cut for the rich, many times they are talking about the capital gains tax. But the truth of the matter is, and they know this, this is according to the House Budget Office, 44 percent of the people who get stuck paying a capital gains tax in the United States are rich for 1 day, the day they sell their farm, the day they sell their business or the day they sell some other investment that they have, in many cases, been paying taxes on for many years. So, in many cases, this is ridiculous.

And I think every economist that I have read in the last several months agrees that the United States has among the highest taxes on capital and on investment of any industrialized country in the world. If we are going to compete in the world marketplace, we have got to reduce our cost to capital.

You can argue, that, yes, the rich will benefit because they pay lower capital gains tax; but the real benefactors are those people out there looking for jobs. Because we hope, as people invest more, we are going to create more capital, more business, more production, more jobs.

So the real issue is, how do you create more jobs, a world-class economy as we go into the 21st century? I think lowering the cost of capital gains is a very important tax cut.

We are now joined by our colleague from the great State of Georgia, Mr. KINGSTON, and I would be happy to yield to him a few minutes.

Mr. KINGSTON. Mr. Speaker, I certainly appreciate that.

I wanted to follow the train of thought of the gentleman from Minnesota [Mr. GUTKNECHT] on this capital gains tax. I represent an area that is a big growth area and, actually, a lot of waterfront property. I represent the entire coast of Georgia. One of the things that I found is that you have a lot of people who moved out toward the coast 30 years ago to escape the city or just to kind of get closer to the marshes and the ocean and so forth. And now they are empty-nesters, in many cases widows living in those houses now that maybe in the 1950s they paid $25,000 for, probably a lot less than that, actually. Now they are worth $500,000. But that widow who is out there on a fixed income cannot sell it, because she would be taxed as if she was making $500,000 a year.

So when we talk about the capital gains tax cut and reduction, who is it going to help? It is going to help a whole lot of people like that widow on the fixed income. And, certainly, in terms of job creation, the numbers are incredible in terms of people investing money and turning around.

I do not know what it is about this administration that they seem to have a class war fetish: If you are rich, if you are successful, if you have done something, if you live the American dream, you are horrible as far as the crowd on Pennsylvania Avenue goes. I wish I had that Ted Turner, Steve Jobs, Colonel Sanders entrepreneurial genius. I love it. The fact is, we all do not have it.

However, think about all of the people who have gotten jobs because those entrepreneurs put the dream, put the money, put the material, put the product together and made a heck of a lot of people happy through the use of those products. Yet the administration cannot get enough of rich bashing and class warfare.

Mr. FOX of Pennsylvania. Mr. Speaker, if I could just add on to what Congressman KINGSTON just said, and I appreciate his joining us for this discussion on the issues of the day.

Frankly, by having the capital gains tax reduction, which is even greater for individuals than it is just for businesses, 19 percent for individuals and 25 percent for businesses, by creating those jobs, which are private sector jobs, as you were pointing out. If we do not give entrepreneurs and those great creators of new ideas the chance to build those new businesses here and provide jobs for our constituents, then those people can go overseas to countries that would gladly, with open arms, take them.

Let us make sure we do what you were talking about, Congressman KINGSTON, get those capital gains tax incentives there for businesses to grow, produce and hire. Therefore, we do not have the dependency on more jobs in the Government-sponsored positions, which do not necessarily help the economy and do not necessarily provide the kinds of improvements to our society and the new impetus to expansion that really is the vitality of America.

Mr. KINGSTON. That is right. There is so much in this reconciliation package that will bring us towards business prosperity and the creation of new jobs.

This is the first time I believe in 25 years that we have had a balanced budget to vote on on the floor of the House; and it is something that President Clinton, June 4th, 1992, pledged to the American people on Larry King Live that he would have a balanced budget, a 5-year plan, when he was president. So we clearly have bipartisan support on it. Now, I understand that the President has somewhat backed off of that promise, and he is not the first member of either party to do so.

Now is the time for everybody to come to the table and say, if you are interested in a balanced budget, if you are interested in turning this thing around, now, probably the month of November, is maybe one of the most critical months in terms of legislative history in our country in the last 100 years.

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Mr. GUTKNECHT. The people who care about this, I think it is important in the next week or two that they contact their Members of Congress, and tell them, ''We've heard one excuse after the other. The time has come, we've got to stand up and say, enough is enough, it's time to balance the budget, let's keep your promises.''

If it means you have to limit the growth in entitlements, then so be it. If it means you have to put a flexible freeze on defense spending, then so be it. If it means that you have to make some changes in the way Congress has done business over the years, then so be it. But you cannot use all of these, ''Well, I would balance the budget except.'' The yes, buts. I think that has to change. I think that is what the American people want, that is what they tell us. Frankly I hope they will call, I hope they will write and let their Members know that the time has come to bite the bullet. We have met the enemy, the enemy is us, let us balance the budget and let us do it now.

Mr. KINGSTON. That is right. This is a debate that is an American debate. Everybody needs to be involved in this. It might be a little more exciting right now to be watching that baseball game that is being played in Cleveland, but this is something that is going to keep everything afloat. I wanted to switch gears a minute to welfare, because so much of H.R. 4 is still in this budget, and it is the welfare reform plan. As you know, we have 4 basic goals with welfare reform—discouraging teenage pregnancy, a work requirement so that those who have the ability are required to work, State flexibility, because we may do it different than you guys do it in Minnesota and in California and in Pennsylvania, Georgia may want to do something a little bit differently; and then the fourth and final component of welfare reform is no benefits to illegal aliens. The gentleman from California I see is on the floor. He knows there were 37,000 babies born in Los Angeles County, CA last year whose mothers were not American citizens but as soon as they were born, they had dual citizenship and were entitled to $620 a month in California welfare benefits. We want to help the folks who are here, the needy, but if you are not an American, what we want to do is give you immediate medical attention, then get you home, because we do not want somebody who is just coming here for the benefits.

I have a welfare case that actually I became familiar with yesterday that I am watching closely. This is a typical case of the things that are out there.

I am not going to say which city this is in, I am not going to say the name of the family, but this is a real situation, two girls living with a surrogate father. The father is actually the common-law husband of their biological mother. The biological mother is addicted to crack and not living at home anymore. She only comes by occasionally to steal things. One occasion, when the common-law lover did not give her money, she threw potash in

his eyes and blinded him, so he is not on disability.

The two girls are on disability, or SSI because their biological father was killed when they were toddlers. They also have a brother who is in jail right now, he is 20 years old, sentenced for 7 years on a number of charges. He is from the same biological mother but has a different biological father, but that father was killed when the boy was 1 year old.

One of the girls is 18. She is in 10th grade. The other girl is 15. She is in 8th grade. The 18-year-old 10th grader, which is the year she should be graduating from high school, as you know, has a 2-month-old baby.

Why do we need flexibility in welfare? Because the case that I have just given you is absolutely true, not embellished a bit. If you got confused, it took me a long time to realize it, but that welfare caseworker is trying to help these folks become independent, give them hope for tomorrow. He may need a little more flexibility than people in Washington, DC, are saying that he can have. We want to give them that flexibility.

More importantly, the bureaucrat in Washington who is telling the caseworker in Georgia what to do is commanding a salary and not a small salary but a large salary. I want the bureaucrat in Washington to lose his job and give that money back here so that we can get these folks in the socioeconomic mainstream. They are going to need a lot of help, some psychological help, some medical attention, some extra tutoring in school. This is a bigger problem than these kids and this family can get out of by themselves.

We need to have the compassion to help them. Yet, most importantly, that caseworker has to have the flexibility to do what works to get these folks independent

Mr. GUTKNECHT. But what we do not need is a bureaucratically centralized system that is centered here in Washington, DC. We need to get it out to the local communities where they understand the problems and they can help.

But I think also an important point when you talked about welfare reform and you talked about the goals, we have got to emphasize work, we have got to emphasize families, and we have got to emphasize personal responsibility. Because the system that we have today tends to consume the participants. You do not have to go very far from this building to see the results of spending over $5 trillion over the last 30 years on the war on poverty. We know right here in Washington, DC, for example, with the federally run housing projects.

I learned this just last week. I am on the Washington, DC, Oversight Subcommittee. Eighty percent of violent crime in the city of Washington, DC, is committed within two blocks of a Federal housing project. You can see it every day. You can see it in the hopelessness, the despair, the dependency that we have created with the Federal programs; and we have got to decentralize it, not just because it saves money. This is not just an exercise. This is not about saving money as it is about changing the system to help save people. The system we have today is wrong, it is destroying the participants, and it needs to be changed. If we really care about those people, then we will have the courage to reform the system we have now.

Mr. KINGSTON. I want to make one point, also.

I am on the Washington, DC, oversight on the appropriations side. The gentleman from Virginia [Mr. WOLF] and the gentleman from Virginia [Mr. DAVIS], the chairman, have offered kind of a cleanup Laurelwood, the Laurelwood Prison, which I understand that when people go to Laurelwood Prison that most of them have already been there. Absolutely no one comes out rehabilitated. What is seems to do is be a criminal think tank rather than any sort of positive rehabilitation facility.

While we are looking at things in Washington, DC, that is one more example of things that we have just got to change to make this Congress make a difference.

Mr. GUTKNECHT. And it is going to take some courage, because some of our friends on the other side are going to argue if you change welfare you are going to hurt people. I think some of us should argue unless we change welfare we are going to destroy even more human beings.

I want to yield to our colleague, the gentleman from California [Mr. RIGGS]. I am delighted to have him join us tonight for this special order.

We are talking a little bit about reconciliation, balancing the budget, some of the things that it is going to take, some of the tough votes it is going to take in the next several days if we are really serious about balancing the budget.

I yield to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. I thank the gentleman for yielding. I especially thank him for organizing this very important special order, and I thank the gentleman from Georgia for his participation and leadership, because I have had the opportunity to witness him down on this floor after hours participating in special orders over the last several weeks. He has been a very important member of what we call our theme team as we endeavor to get our message out to the American people and expose the scare tactics and this whole smoke screen of fear and deception that has been thrown up by the minority party.

I had to hustle over here, and it is unfortunate because I did not get here in time to catch the gentlewoman from Houston, TX, who had earlier tonight the audacity to stand over there on the other side of the aisle and say that we were going to completely eliminate the earned income tax credit.

As I said on the floor a few weeks ago, no matter how long I serve here, I do not believe I will ever be cynical enough to keep up with official Washington and this notion that you can literally say or do anything in this body and in the realm of Washington politics and not be accountable for what you say or do.

Really, I ask my colleagues, what is more mean-spirited or more extreme, the majority party that wants to responsibly govern and in the process give us the first balanced budget in 25 years, reform a failed welfare system that traps too many of our people in poverty and leaves too many of our young people far behind their peers, a majority party, as we proved last week, that is absolutely committed to saving and protecting Medicare for future generations and making that fund, both Medicare part A and Medicare part B, solvent well into the next century and a party that wants to cut taxes, that wants to undo the tax increase that was imposed upon American families and American businesses by the last Congress, the Clinton Democratic tax increase?

In fact, if you look at how much the Democratic party, which was the majority party in the last Congress, increased taxes, you will know pretty much how we arrived at the figure that we want to use for providing tax relief. The two figures are roughly similar.

So what is more extreme or mean-spirited? Our approach to responsibly governing as the new majority in the Congress for 9 months or those people on the other side of the aisle who apparently are unable to accept their status as the minority party, unable to make a constructive contribution in that capacity, report to these constant scare tactics and this whole fearmongering campaign that panders really to the worst instincts in the American people, actually encourage the American people to be cynical and suspicious of their elected representatives?

I want to set the record straight, because this is a terribly important issue. It is been demagogued all over this town in recent weeks. I want to talk just for a moment about the earned income tax credit.

Mr. KINGSTON. I want the gentleman to do one thing, define earned income tax credit, because I know there are a lot of people like myself unfamiliar with this.

Mr. RIGGS. I thank the gentleman for asking that question, and I thank the gentleman for continuing to yield.

I want to point out that when we take up budget reconciliation on this floor in a couple of days, it will be Thursday of this week, that several of us intend to enter into a colloguy with the gentleman from Ohio [Mr. KASICH], chairman of the House Committee on the Budget, and the gentleman from Texas [Mr. ARCHER], chairman of the

House Committee on Ways and Means, who will be managing that very important bill out here on the floor.

The purpose of the colloquy is going to be to ensure that we get language in the CONGRESSIONAL RECORD that will protect every American family. That is to say, we have worked long and hard and both chairmen, I believe, have agreed to engage in a colloquy that will assure the American people that no family will be worse off as a result of our efforts to reconcile and balance the Federal budget and almost all American families will be far better off as a result of our reducing taxes on American families through the $500 per child tax credit.

Remember, this is a tax credit that comes right off your bottom line in terms of your tax liability on your Federal tax return. For a family of four, the tax credit works out to a $1,000 per year tax break.

In fact, a couple of months ago, I was doing an editorial board back in my district, meeting with the editors of one of the daily newspapers in my district and this rather liberal assistant editor asked me, ''Well, what's in it for me, this $500 per child Republican tax credit?'' I said, ''Do you have any small children?'' And he said, ''Well, as a matter of fact I have two very young children.'' I said, ''I'll tell you what's in it for you, a $1,000 tax break for those two children each and every year until they reach the age of 18.''

Mr. GUTKNECHT. It is $1,000 to them. It is not a $1,000 deduction. This is a credit.

Mr. RIGGS. That is right. It is more of their hard-earned money that they keep, that they decide how to spend.

Mr. KINGSTON. Did you tell him he did not have to take the $1,000 and buy more food and clothing? He could send it to the ACLU, the American Civil Liberties Union.

Mr. RIGGS. I did not, but I could see his eyes widen as he realized what we were talking about. I daresay that gentleman would probably object to being described or depicted as a wealthy or rich individual.

The fact of the matter, and I want to get to the earned income tax credit in just a minute, but I want to explain that most of our tax cuts or tax relief go to middle- and lower-income families. If anyone on this side of the aisle takes issue with that, I defy them, come over now and we will debate this particular issue. Because the facts bear us up.

Let me stress again that the $500 per child tax credit will eliminate Federal income taxes for those families making less than $25,000 per year in adjusted gross income. You might call those families working poor or very low-income families, and the $500 per child tax credit will completely eliminate the Federal tax liability for those families, which are roughly estimated at 4.7 million American families.

So we talk about being heartless. We are accused of being heartless on this side of the aisle. Is anyone on that side of the aisle so heartless that they will come over here now and tell the American people and tell those 4.7 million working poor, very low-income American families, that they are not entitled to the $500 per child tax credit for their dependent children? I do not think that will be the case.

Furthermore, our $500 per child tax credit means those making between $25,000 a year and $30,000 a year in adjusted gross income will have their Federal taxes cut in half. So the majority of our tax cuts go to families that, by anyone's definition, even I daresay the objective, honest definition of those on the other side of the aisle who desperately want to demagog this issue, desperately demagoguing Democrats I guess you would have to call them, they would have to acknowledge this: The great majority of our tax breaks go to low- and middle-income families.

The gentleman asked an important and pertinent question about the earned income tax credit.

□ 2030

Let me just point out to him that spending on the earned income tax credit has increased 1,000 percent. You heard me right: 1,000 percent over the last 10 years, making it the single fastest-growing entitlement in the Federal Government.

When Ronald Reagan described the earned income tax credit as ''the best antipoverty program ever devised,'' it cost $2 billion a year and gave a modest tax rebate to low-income working families with children. Sounds very much like our $500-per-child tax credit, does it not? Except, again, ours is a tax credit. You can actually keep that money. You do not have to wait for a rebate from the Federal Government.

Mr. KINGSTON. Let me speak to that for a second. Is the gentleman aware on the earned income tax credit you can prefile before you have actually earned the money?

Mr. RIGGS. Yes. That is my understanding.

Mr. KINGSTON. In January you can get the tax credit on work you have not done. Then if you do not do the work, as I understand it, there is no mechanism for collecting that money.

Mr. RIGGS. That is exactly right.

The point I wanted to make, this program has actually exploded in cost and growth. I mentioned it has grown a thousand percent over the last 10 years in real dollars. That means it has grown from $2 billion a year in spending to offset the earned income tax credit to $20 billion a year. It gives a large cash rebate to people who do not even have kids.

So we want to target our tax relief to families. We want to strengthen the American family. The question is not about, you know, it is not the good old class warfare politics, the politics of envy. It is not about where we establish that income threshold, although that is, you know, as to where to cap the $500-per-child tax credit, even though that is a matter of ongoing discussions between the House and the Senate. The real issue is kids and families, and that is where we want to emphasize our efforts at tax relief, and as the gentleman from Georgia points out, the earned income tax credit is a program which today is riddled with fraud and has error rates that far outstrip those benefits.

Mr. KINGSTON. I wanted to say one other thing about this. You know, we have this frank privilege, the franking privilege, which is a fancy way of saying Members of Congress get free postage by signing their name where the stamp would be. Not long ago I saw a flier that was a franked mailing of one of our colleagues, and it looked like a lottery. It looked like Readers' Digest sweepstakes. It said in bold print, ''The government has some of your money. Call us. Come get your check now.''

I looked it over. I mean it really looked like a Readers' Digest sweepstake. What the Member of Congress, with taxpayers' dollars, was sending out was a franked piece saying, ''Come get your earned income tax credit. Come get it right now. It is free money''. And it was franked to every single person in his district.

Mr. RIGGS. If the gentleman would yield again, I happened to see that. I believe actually that was a recommended ploy in the last Congress, let us be honest about it.

Mr. KINGSTON. So why would you want to give away that? You know, hey, you see me; you are giving out money. I mean, of course, it would not be my money, and it certainly would not be money of a Member of Congress. They way this was, is, ''I am going to get you your money.'' And you talk about appealing to the basest instincts of people. It was just a horrifying flier. But to think that that was sent out at taxpayers' money just is disgusting.

Mr. RIGGS. The gentleman makes a crucial point because I will be happy to point out, as I will be happy to debate with our colleagues on the other side of the aisle, we actually propose to increase spending in its 7-year House-Senate balanced budget plan, what is now going to be incorporated into the budget reconciliation plan. We propose to increase spending on Medicare, Medicaid, welfare, the earned income tax credit. But we are reducing the size of those programs because at the same time we are trying to help people who have traditionally been dependent, in many cases, for several families, going back several generations. We are trying to help people make the transition from government dependency to independence and self-sufficiency, and, yes, we are looking long and hard at all Federal taxpayers, which subsidize dependency, but the fact of the matter is we are increasing spending. I want to make sure the American people, seeing us tonight, understand clearly that in the last Congress when the Democratic

Party controlled both Houses of the Congress, and obviously we had a Democratic President and a Democratic administration, they raised taxes by $258 billion, the largest tax increase in history.

Actually, the President tried to raise taxes even more. He originally proposed $359 billion in new taxes. So it is not quite true that he had to actually increase the amount of new taxes because of the ability to get any Republican votes on this side of the aisle. The reality is he proposed a much higher figure in new taxes, $359 billion, as I say, then came back down to $258 billion in new taxes.

Our tax relief package, as it is currently crafted right now, is $245 billion in tax relief. And why? Because none of us, in fact, probably no one on that side of the aisle has ever had a constituent come up to them at a town hall meeting or, for that matter, any other public appearance, and say, ''You know, Congressman, I'd really like to pay more taxes. I really believe we are an undertaxed society.'' That is obviously not the case. We have 42 percent of our $6 trillion gross domestic product going to taxing authorities of one kind or another, local, State, Federal. We are trying to provide a little tax relief, again especially targeted to families.

Mr. KINGSTON. Last week, the President said he went too high, and he is now on record saying he raised taxes too much. So, you know, hopefully we have got an ally.

Mr. GUTKNECHT. I think I have that quote. That was a week ago tonight down in Texas. He said, ''I think I raised your taxes too much,'' and, you know, that said it all. We agree. There are two questions we talk about taxes that I think are so critically important that do not get asked very much in this town. The first question is: Whose money is it in the first place? The second question, more importantly: Who can spend it more efficiently? I think the average American family knows the greatest health and welfare system ever created is the American family, and what we are really trying to do is strengthen families, improve the economy, create more jobs, so more people can be self-reliant. The real answer is not more welfare checks. The real answer is more payroll checks. That is what we want.

I am delighted to have the gentleman from Arizona [Mr. SHADEGG], a fellow freshman of mine, to join us, and I yield to the gentleman. We are talking about budget reconciliation, balancing the budget and related matters.

Mr. SHADEGG. I am thrilled to be with you tonight. I appreciate this opportunity.

First let me commend you and your colleagues here on the floor for carrying on this debate, talking out in front of the American people about this issue, particularly about the issue of tax cuts.

I have got to tell you I am here tonight to discuss that issue. I am here because I think it is a critical part of reconciliation. It is a hot debate before the American people.

I want to begin by imploring our colleagues to just stop in their tracks for a minute and consider a few of the facts that are before us, and then I want to urge them to do what I did, which is to quit accepting kind of the public view that they have in their own mind without checking it out and go out and ask people.

Let me explain what I mean by that. First of all, I heard here on the floor of this House and in the halls of Congress over and over again this rhetoric, ''Well, we have to focus on deficit reduction. We should not be cutting taxes right now.'' You hear it clearly from the other side. You hear it occasionally from our side, Members genuinely concerned about should we be cutting taxes right now.

I have had a theory about that. I went home recently and went to an event in my district, an evening event. After the event was over, two different people came up to me, one a woman in probably her late seventies, the other a man in is sixties, and both of them came up to me and implored me not to cut taxes. They said, ''You should not be cutting taxes. What you ought to be doing is focusing on deficit reduction.''

I looked them right in the eye. I said, ''You know what, I really appreciate that. I appreciate that because what you are saying is what you honestly believe. But let me tell you, you are dead, absolutely, 100 percent wrong.''

When you say that to constituents, you get a little shocked reaction. They said, ''Well, why?'' I said, ''Well, let me tell you why you are saying that and where we are in America. Let us start with the fact we have all heard 100 times,'' and I said probably a thousand times in my campaign, I was born in 1949. The year after I was born, in 1950, the average American family with children paid $1 to the Federal Government in taxes out of every 50 it earned. You earn a hundred-dollar bill, you send $2 to the Federal Government.

You know and I know, but I wonder how many people out there know and how many of our colleagues even think about the fact that in 1993, the figure is not 1 out of 50, it is 1 out of 4. Earn $4 and send 1 of those 4 to the Federal Government in taxes. We are not talking State Government. We are not talking local government. We are not talking fees to get into a park. We are talking taxes to the Federal Government. 1 out of 4; 1 out of 50 in 1950, 1 out of 4 in 1993. I tell audiences, ''Have you gotten that much more out of the Federal Government for this mega tax increase we have had over the years?'' And they are suddenly stunned, as these two constituents were.

Then I have this theory, and I have been telling it to our colleagues around here time and time again, and they kind of do not buy it. So I decided to prove it. My theory was we are hearing from people who come to our town halls, and we are hearing from people at Kiwanis Clubs and Rotary Clubs, where we go give speeches. Let me tell you, I love this Nation, and I admire the people that come to my town halls, and I respect the people who join a Kiwanis Club and care to go and make their part of making America better by being a member of a Kiwanis Club. But real America does not have time to come to my town hall. They do not. Real America does not even have time or the money to join a Kiwanis Club or a Rotary Club. It is a financial burden.

It costs my friends who are Kiwanis Club members $20 or $30 a week to go be part of that club, pay for lunch, take time out of work and support charitable things that club does. That is not America.

Mr. RIGGS. And be fined.

Mr. SHADEGG. And be fined. They get fined for whatever they do because that supports the club and they are helping society and they are helping charities in their community. You know what, that is not America.

Real America struggles to get their kids out of bed in the morning and get them dressed and get some Cheerios in them and get them off to school. Then they rush out the door to get to work. They struggle through their 8 hours of work or maybe 9 or 10 and maybe a second part-time job, then back home, pick up the kids from school or day care. You know what they have got to do, get the kids back home, take care of Little League, a couple different things. They have got to do their homework, get them back to bed and do it again.

They are not at JOHN SHADEGG's town halls. They are not at the townhalls of the gentleman from Minnesota [Mr. GUTKNECHT]. They are struggling to get by. Those people are not saying, ''I am undertaxed.'' You said it right.

But you know what, we do not hear from them. We all go out and say, ''Well, my constituents say, 'Don't cut my taxes, take care of the deficit. I am a big charitable person.'''' They are right, we do have to take care of the deficit. That is for our children and our grandchildren.

But you know what we have to do today, we have to cut taxes because the burden is oppressive. I have been saying that whole thing about the people at town halls and Kiwanis Clubs are not real America around here for 3 months or maybe more. I finally said, you know what, with my colleagues saying, ''You are wrong, SHADEGG. They are real people.'' I said I am going to test this. You know where I was at 2 o'clock yesterday afternoon? I grabbed one of my staffers. I said, ''We are going out.'' I called last Friday, told my scheduler to put time on my calendar. We went last Friday. We went to an ABCO, a grocery store in my district, we went to a Walgreen's, a drug store in my district on the east side of my district. The east side of my district is a pretty good side of the district. They have some money. They are

comfortable with life. They are doing all right. I started asking, ''We have got this debate going on.'' I stood in one corner and he stood on the other and in front of a different store. We talked to them. We stopped everybody who would talk to us. We asked, ''We have got this debate going on in Washington. Do you think we should be focused just on deficit reduction, this huge deficit we have that does bear on our children and grandchildren, or do you think we ought to also be doing tax cuts?'' Well, on the east side of my district, kind of an even split, although somewhat favoring tax cuts. Interesting, these people said, ''I need tax relief.''

As a matter of act, I did some verbatims from them. We took down notes on what they said. One lady said, ''Tax cuts are always good for people.'' Another one said, ''The average person is paying too much in taxes, but I don't think we will ever see a tax cut.''

So you know what we did after the first half-hour or 45 minutes at that location? We drove across to the west side of my district. Now you are in a more working-class society. You are in America. You are where people are struggling to get out of bed and pay their bills, and the numbers were dramatic. In front of the store where I stood, 11-to-1 was ratio; for 12 people I talked to, 11 said, ''I need tax relief.''

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You talk about our friends on the other side of the aisle talking about tax cuts for the rich. This is not a tax cut for the rich. This is a tax cut for Mr. and Mrs. America who just got slapped with a tax increase by Bill Clinton. You know what he said? He looked the American people in the eye, just like I am looking you in the eye, JACK, and he said ''We need a middle class tax cut.'' And you know what? He broke his word. And you know who is paying for it? Those people I was talking to on the working class side of my district, where they are struggling to get their kids out of bed in the morning, get them fed, get them to school, get them home and get their homework done, and get back to work again tomorrow. 11 to 1 they said we need a tax cut.

My staffer across the aisle, in front of a MegaFoods, as a matter of fact, that is a kind of get-groceries-cheap, those people are hurting, 17 to 1 was the ratio in front of that store.

Overall, we talked to 55 different individual people. Of that 55, 8 said they ought to be looking just at, said you and I and our colleagues watching tonight, ought to be looking at deficit reduction. 32 of the 55 said they wanted deficit reduction and tax cuts. 13 of the 55 said ''I need a tax cut. I do not know about the deficit. I know I am going under.''

Let me read you one of those quotes. ''I pay taxes on everything. I just barely scrape by as it is. I need a tax break.''

The bottom line, the number was out of 55 respondents, 45, or 82 percent, said they needed a tax cut, either as part of deficit reduction or as a part of just lowering the burden on them. Why? Because they cannot bear the burden any longer. They are not undertaxed.

You said, FRANK, not many of them come up to us and say ''I am undertaxed.'' You know, the truth is, a great philosopher once said America is great only because America is good. If America ever ceased to be good, it will cease to be great.

America is good, and the average taxpayer does not want to walk up to you and say ''I need a tax cut,'' because he cares about the other people in society who are not doing quite as well as he is. But you know what? For him bucking up and not coming to us and saying ''I need a tax cut,'' in his heart of hearts he is struggling to get through, and we are making him pay bills for all kinds of things for which there is no justification.

I cannot tell you how many people in that conversation came up to me and said ''Well, I pay my taxes, and I am not too worried about it, but, boy, I hate the way you guys spend it.''

They hate the way we spend it. They do not have faith any longer. We have said as a party, and I am going to get partisan, for a long time we have said that the Federal Government is too big and it taxes too much and it spends too much. Before we do tax cuts, we have been doing something about cutting spending. And that is part of what we believe in.

But you know what? We told them for 40 years we also believed they were overtaxed. Now it is time to prove it. And that side of the aisle that said these are tax cuts for the rich, they are dead wrong. They are tax cuts for middle Americans who need it, but who cares so much about their brothers and sisters, they ain't raising it.

Mr. KINGSTON. If the gentleman will yield, let me say this: After the Reagan tax cuts in 1982, the revenues were $500 billion. At the end of 10 years, they were over $1 trillion, with 18 million new jobs.

Mr. SHADEGG. Revenues will grow.

Mr. KINGSTON. Give money to the people, they buy more; when they do, goods and services, demand goes up, small businesses have to expand, jobs are created, more revenue goes in. So, frankly, if I was a dictator and did not care about the people, I would have a low tax rate just to keep the economy going.

Mr. SHADEGG. Mr. Speaker, I implore my colleagues, if you are in doubt about this vote two days from now, do what I did: Call a staffer back in your district, if you cannot get home, and do what I did. Go stand in front of a grocery store, go stand in front of a K-mart, or have a staffer do it, and ask them. And they will tell you, if you let them open up to you, they are overtaxed and they need a break. This is the right thing to do for America and for the American people and the American taxpayer.

Mr. RIGGS. Mr. Speaker, I thank the gentleman for organizing this special order and look forward to joining him again on the floor over the next couple days. I would just point out, our budget reconciliation balanced budget plan clearly shows we are going to keep our promise to the American people to balance the Federal budget for the first time in 25 years, without touching Social Security and while providing the American people with much needed tax relief.

Mr. GUTKNECHT. I would just close with a quote from Governors Weld, Engler, Thompson and Christine Todd Wittman, a letter they sent to Speaker GINGRICH on March 31 of this year. ''As governor, we have all cut taxes. At the same time we have balanced our budget. We have not accepted the false dichotomy that claims governments at the State or Federal level can only balance their budgets or cut taxes but not both. There is no reason Washington cannot walk and chew gum at the same time, too.''

We can balance the budget, if we are willing to limit the growth in entitlements, if we are willing cut discretionary domestic spending, as we have, by $44 billion this year. We eliminate over 300 departments and programs. And if we are willing to have a flexible freeze in the Defense Department, we can give tax relief to families and we can balance the budget, and the real winners will not be the rich. The real winners will be those blue collar folks out there, who get up every day, who do the work, who pay the bills. They are the glue, they are the mortar that hold the bricks of this society together. And they are going to be the big winners, because there will be more jobs, more income, lower interest rates and less debt only to them and their kids.

I think we can all be winners. I do agree, I hope more Members on the other side will join us in this historic vote for the first time where Congress is going to balance its budget and we are going to give tax relief to families and make it easier for businesses to grow and invest and create more jobs.

I want to thank you all for joining me tonight. This has been a great special order. I think this is going to be a very historic week for the American people.

ANNIVERSARY OF THE MINIMUM WAGE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr.OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, I would like to begin on a note of agreement tonight. The previous speakers have talked about the great need for the