

we would bring the budget to balance in 7 years, and today we plan to deliver on that promise.

While balancing the budget in itself is an admirable and worthwhile goal, our bill does much more. These provisions, taken as a whole, mark a clear shift in power from Federal bureaucrats to families, States, and communities, who know what works best for them. I had the opportunity myself to vote in Committee on many of the provisions included in the bill, and I commend my colleagues for their fine work in constructing the other reforms included in this bill.

I would like to outline some of the major items included in our bill.

As many already know, the Medicare trustees reported last April that unless Congress takes "prompt, effective and decisive action," Medicare will go bankrupt in 2002. Consequently, House Republicans have passed the Medicare Preservation Act of 1995, which has been included in this bill. This legislation will bring Medicare back onto solid financial ground by infusing it with the innovation and efficiency found in many private health plans. By giving seniors a wide choice of options, while maintaining traditional Medicare as one option, and by cracking down on waste, fraud, and abuse, we can ensure a strong Medicare Program well into the future.

Another major highlight of this legislation is the \$245 billion tax cut for American families. As included in the Contract With America, our bill includes a \$500 per-child tax credit, a reduction in the capital gains tax, and a repeal of President Clinton's 1993 tax on Social Security benefits. While President Clinton promised tax relief for the middle-class, and subsequently delivered the largest tax increase in American history, our bill delivers on our promise of needed tax cuts.

This package also incorporates the Personal Responsibility Act of 1995, as passed by the House earlier this year. Simply stated, welfare has become a way of life for far too many recipients. By making it easier to collect a handout than to work, the current system has destroyed individual initiative and actually perpetuated poverty. A Contract With America priority, this pro-work, pro-family bill will reform our welfare system by providing a helping hand, not a handout, to the millions of Americans caught in this dead-end trap.

As some may know, the cost of Medicaid has been growing at the uncontrollable rate of nearly 10 percent a year, and eating up one-fifth of State budgets. Our bill includes Medicaid reform that will provide more money, fewer bureaucrats, and greater protections against fraud and abuse. With the help of our Nation's Governors, Republicans have developed a plan to block grant Medicaid funds to States in the form of new MediGrants. Given this new flexibility States will be able to design innovative, cost-effective programs targeted toward their specific needs and populations.

In our continuing effort to make Government both smaller and more efficient our bill includes language, which I personally shepherded through the Commerce Committee, to abolish the Department of Commerce. While our bill will maintain the Department's legitimate functions, such as the census and statistical recordkeeping functions, we eliminate the unnecessary and duplicative functions for an estimated \$7 billion in savings.

Another issue that I was personally involved with was the spectrum auction. Our bill will ex-

pand the auction to raise an additional \$15.3 billion over 7 years. Having been an early proponent of the spectrum auction, I am pleased that revenue raised by auctioning radio spectrum, which was previously given away for free, will now be used to balance the budget.

Other meaningful reforms included in our bill include: The creation of tax deductible personal medical savings accounts, the closing of corporate tax loopholes, public housing reforms to eliminate duplicative programs, terminating the overly bureaucratic and costly Direct Student Loan Program, and the adoption of a taxpayers' bill of rights.

I believe that it is time for these reforms, because the American people deserve more than higher taxes and a bigger, more bureaucratic Federal Government. This bill represents much more than your average yearly spending reconciliation plan, it represents a blueprint for the future. Under our plan Americans will have more in the family budget, greater control over the workings of their Government, and the peace of mind that their children and grandchildren will live in a debt-free America full of opportunity.

THE 7 YEAR BALANCED BUDGET RECONCILIATION ACT OF 1995

SPEECH OF

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2491) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996:

Mr. DOYLE. Mr. Chairman, I rise today in opposition to H.R. 2425, and to speak on behalf of our communities, hospitals, and the health of today's and tomorrow's senior citizens. If we are to bring about Medicare reform which will prove to be truly beneficial, we must first reach a consensus that reforms must achieve specified goals without creating new, more difficult problems.

In the Pittsburgh area alone, there are seven hospitals which would face almost certain shut-down as a result of these proposed cuts. This situation is certainly exacerbated by the elimination of disproportionate share payments to these hospitals. It is neither prudent nor logical to make devastating cuts to Medicare in such an arbitrary fashion. The sound thinking, hard-working people of western Pennsylvania and across this country will tell you that putting the cart before the horse will get Medicare nowhere fast.

It has been documented that both proposals we are considering today, H.R. 2425 and the Democratic alternative, will result in the Medicare trust fund being put on sound financial footing through the year 2006. However, the Democratic alternative saves \$90 billion, all of which is put back into the Medicare system, while H.R. 2425 cuts \$270 billion, far more than is necessary, simply to help pay for huge tax cuts we cannot afford.

A recent national poll shows that 72 percent of those polled oppose Medicare cuts being made to pay for tax breaks. One has to question how making major cuts to Medicare in a

quick fix effort to fund tax breaks could be construed by anyone as fiscally conservative.

I urge my colleagues to oppose the ill-conceived and reckless cuts called for in this bill which will not only shake the current foundation, but will cause irreparable damage to the health of American senior citizens in the future.

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HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, October 30, 1995

Mr. SMITH of New Jersey. Mr. Speaker, instead of rolling out the red carpet this week for Slobodan Milosevic, the Clinton administration should hand over the Serbian President to international investigators for his alleged role in war crimes perpetrated in the former Yugoslavia. Having ignited the firestorm of extreme Serb nationalism which has consumed most of Bosnia and part of Croatia, Milosevic is now being enlisted as a member of the Clinton administration's fire brigade assembled to douse the smoldering ashes in its aftermath.

Milosevic, who has earned the title "Butcher of the Balkans," has reincarnated himself, in the eyes of the Clinton administration, as a peacemaker despite the fact that he was named a suspected war criminal by Secretary of State Eagleberger during the final days of the Bush administration, and that he heads a government being sued for genocide before the International Court of Justice. The Clinton administration views the Serbian leader as the one who can deliver the Bosnian Serbs in support of a United States-brokered peace plan which will effectively divide Bosnian-Herzegovian along ethnic lines.

Is he really a new peacemaker or is he after something else? I fear the latter is true. Reeling under the devastating impact of economic sanctions imposed in 1992 by the U.N. on Serbia for its role in the wars in neighboring Croatia and Bosnia, Milosevic is keen to cut a deal which will pave the way for the sanctions to be lifted. I am not convinced he has given up on his dream of creating a "Greater Serbia."

The Clinton administration has embraced Milosevic as part of its full-court press to conclude a Bosnian peace accord, at almost any cost, as the presidential campaign season nears. Mr. Speaker, I welcome the fact that the President has finally begun to focus on the crisis in Bosnia. At the same time, I have reservations about the conduct of the current negotiations and am vehemently opposed to allowing Mr. Milosevic into the United States.

Despite the hype and new spins, one fact is abundantly clear—Milosevic was the mastermind behind extreme Serb nationalism which spawned mayhem in Bosnia and Croatia and ultimately has led to the murder of tens of thousands of innocent civilians in these countries. Warren Zimmerman, the last United States Ambassador to Yugoslavia has observed "nobody in Belgrade doubts that the war in Bosnia is being masterminded by Milosevic in collusion with his Bosnian Serb henchman, Radovan Karadzic." Zimmerman has characterized the Serbian President as a liar "almost totally dominated by his dark