Others, they say, could not get their veterans benefits applied for today. Frankly those veterans will get their benefits, but it has been delayed because the President did not sign the balanced budget.

The President says he favors a balanced budget, Mr. Speaker, but yet, when given the opportunity by having a bill from the House and the Senate, he failed to sign that bill which he says he really wanted originally. The crisis has not been caused by the Congress, the House or the Senate. It has been caused by the President's reluctance to sign the balanced budget.

And you say, ''What's important about a balanced budget?'' A balanced budget will help us decrease mortgages for families, decrease car payments, decrease the cost of a college education, decrease the cost of health care. The Federal Government has a role to provide services, but I submit to you, Mr. Speaker, it is not to continue the waste, fraud, and abuse that we have seen in the Government, but rather to make sure that the Federal Government takes care of those services that cannot be handled by State government or cannot be handled by private sector.

The big problem you hear about is Medicare, yes, but we are going to save Medicare. The fact of the matter is the trustees, the President's own trustees, have said recently, just back in this last spring, that Medicare as we know it will go bankrupt if we do nothing, and yet you might say, ''Well, how did we get to that point?''

Well, health care goes up 4 percent a year, but Medicare is going up 10 percent a year, and the reason is fraud, abuse, and waste, $30 billion a year in fraud, abuse, and waste.

Our solution: a Medicare Preservation Act that will create for the first time health care fraud in this country for those who abuse or commit fraud and abuse with Medicaid and Medicare. If you commit such an offense, 10 years jail, and you no longer can be a provider in that area.

We are also looking to reduce paperwork costs. Currently Medicare has 12-percent costs just in paperwork. That should be reduced to 2 or 3 percent at most because we want to see those services go to seniors. We also created a Medicare lockbox. Any savings in fraud and abuse will in fact go back to seniors' health care. We do not want to see, and the legislation does not provide for, any increase in copay, no increase in deductible. In fact this Congress under Republican leadership has given us two very good favorable senior citizen legislations that have passed; one, the increased eligibility for seniors who now presently make $11,280 a year but frankly want to make more without a deduction from Social Security. They will be able to do it now as a result of our bill. In addition, seniors who have had to pay the onerous 1989–93 tax increase on Social Security, that has been rolled back, so frankly it is the Republican-led Congress that is trying to find the ways to cut out the fraud, and abuse, and waste in Medicare, but make sure the health care that seniors deserve on the Medicare is preserved, and we can do that, and it is well helped by making a balanced budget, and we are hoping that the next time the President receives a bill from the House and Senate that has such wide support, that it in fact will get the President's signature because he knows, as we know, and the American people knew, when we can balance our budget and make sure we stop the waste of the bureaucracy in Washington, we will give the Government services people need and we will make sure that the people get their money's worth, just like they do from their State government, just like they do with the local government.

THE FEDERAL SHUTDOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. BISHOP] is recognized for 5 minutes.

Mr. BISHOP. Mr. Speaker, there has been a lot of talk about a balanced budget and what the Republicans have offered, but the record ought to be set straight that they are not the only ones that have offered a balanced budget. The conservative Democrats have offered a balanced budget which was rejected by Republicans. It was a proposal to balance the budget in 7 years, consistent with the resolution passed by the House. It balances the budget through reductions in Government programs while preserving the Government programs that benefit society in maintaining the fundamental commitment of Government to its contract with people.

On welfare reform, the Democratic budget cuts welfare $60 billion less than the Medicaid cuts in the leadership budget. The Democratic budget cuts $40 billion over 7 years and the Republican budget cuts $100 billion over 7 years. The Democratic budget places stronger work and personal responsibility requirements on individuals than the Republican budget, including a requirement that each individual implement an individual responsibility plan: immediate job training and a 5-year time limit on welfare benefits. It provides incentives and assistance in helping the poor get off welfare, including full funding for child care, full funding for workfare requirement, and State options to extend transitional medical assistance.

Regarding the earned income tax credit, the Republican plan would reduce the size and scope of the earned income tax credit. That amounts to a tax increase on the working poor. It would also roll back an important tax incentive for choosing work over welfare. The Democratic budget does not make these eligibility changes. Instead it changes only those things to those which improve targeting and tax compliance with the program.

In education, the Democratic budget provides $50 billion more in discretionary spending than the Republican budget over the next 7 years. the funds will make it possible to restore funding for Goals 2000, title I, impact aid, drug-free schools, and other programs that were cut by the Republicans. the budget rejects educational entitlement cuts.

The leadership budget, the Republican budget, makes $10.2 billion in cuts. It would raise the cost of student loans by charging students interest during the 6-month grace periods after graduation. It would increase the cost of loans as much a $2,500 over the repayment period. It will raise interest rates on parent loans. It would terminate direct student loan programs.

Regarding agriculture, the Democratic budget makes reasonable cuts in agriculture, $4.4 billion over 7 years. It continues existing farm programs with reasonable cuts so that farmers' operating programs, their financing and their investment plans will not be disrupted. The Republican budget, the so-called Freedom to Farm provisions, make $13.4 billion in cuts. It makes no provision for the continuation of agriculture programs beyond the year 2002. It makes it more difficult for farmers to receive credit. It discourages cost-efficient investments in capital equipment.

□ 2045

Also it removes the safety net of economic stability in rural communities. The President should not give in to blackmail. The Republican leaders in Congress are attempting to blackmail the American people into accepting a budget-balancing plan that pays for a massive $245 billion tax cut for the rich by extreme $450 billion reductions in Medicare and Medicaid.

The Republicans threaten to force the Government to default on its obligations and shut down unless the President lets them balance the budget in 7 years their way, a way that hurts seniors, hurts children, hurts farmers, hurts rural hospitals, and hurts college students.

I am a fiscal conservative. I support a balanced budget. Conservative Democrats offered a bill to balance the budget in 7 years that is credible, makes reasonable reductions in Government programs, while preserving those that benefit our Nation's people. The Republican majority reject this fair bill. Let us get a bipartisan agreement to balance the budget in a way that is fair and just to all Americans, not just the rich, but let us not give in to blackmail.

REPORT ON HOUSE RESOLUTION 250, AMENDING THE RULES OF THE HOUSE OF REPRESENTATIVES TO PROVIDE FOR GIFT REFORM

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104–337) on the resolution (H. Res. 250) to amend the rules of the House of Representatives to provide for gift reform, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2020, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1996

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104–338) on the resolution (H. Res. 267) waiving points of order against the conference report to accompany the bill (H.R. 2020) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under a previous order of the House, the gentleman from Alabama [Mr. HILLIARD] is recognized for 5 minutes.

[Mr. HILLIARD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SECRETARY O'LEARY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Georgia [Ms. MCKINNEY] is recognized for 5 minutes.

Ms. MCKINNEY. Mr. Speaker, it appears that some of my colleagues on the other side of the aisle are salivating at the chance to use a rumor against Secretary of Energy Hazel O'Leary.

Some of my Republican colleagues who are upset with Secretary O'Leary for not greasing their districts with sufficient Federal lard, are trying to make a mountain out of a mole hill as their revenge. Apparently the Wall Street Journal—not known to be a Democrat-friendly newspaper—wrote that the Secretary of Energy had hired an advanced news-clipping service to gauge what newspapers across the Nation and the world were saying about the Department which she is working to reform.

However, some of my bitter Republican colleagues who did not get the bacon they wanted from the DOE, are charging that Secretary O'Leary was spying on reporters, newspapers, and was concerned about the Department's image. What a farce.

This coming from Members of Congress who spend tens of thousands of dollars on their press secretaries who basically do the same thing: clip newspapers and respond when they get bad press. This coming from Members of Congress who use the House recording studio, send out newsletters, get official photos et cetera, et cetera. My Republican colleagues are charging Secretary O'Leary with spending $43,000 on what every major corporation in America does: monitor how the press is receiving them.

Yet when one compares how much Members of Congress spend on their press secretaries, news letters and so on, we will find that they spend much more than $43,000 on image. Can you imagine the nerve of my colleagues who have the audacity to stand up here and accuse the Secretary of Energy of being concerned about the image of her Department, when they are doing the exact same thing?

One of my Republican colleagues from South Carolina even had the nerve to stand on the floor last night to lambaste Secretary O'Leary, and say, quote, "If I as a Member of Congress took taxpayer money entrusted to my care to go out and work on somebody to make me look better, I should lose my job."

Well, maybe my colleague from South Carolina should resign. What is your press secretary for if he or she is not there to spruce up your image? What is more unbelievable, is that that same colleague, just seconds before he delivered his rumor-based attack on Secretary O'Leary, said an I quote, "This is a funny town where rumors can start without any basis." He made this statement in defense of one of our Republican colleagues who has had charges leveled against him, Yet, literally in the same speech, he then went on to accuse Ms. O'Leary of abusing the public trust based solely on a rumor. So it appears that when rumors are started about Republicans, Washington all of the sudden becomes, "A funny town where rumors can start without any basis." However, if Republicans are the ones starting those rumors then it is OK.

Mr. Speaker, this kind of duplicity just amazes me. In fact, the Washington Post reported today that the Republican National Committee uses the exact same news-clipping service which the Republicans are claiming is a spy agency.

In fact, many corporations use such clippings services. And since Hazel O'Leary has been trying to run DOE more like a business, it only makes sense that she have at her disposal the same tools that the corporations have at their disposal.

According to Mary McGrory in a Washington Post article on May 16, 1995, she said about Hazel O'Leary, and I quote, "No Cabinet officer has run a department more efficiently." In fact, for the DOE which has tens of thousands of employees, to spend $45,000 on so-called image is actually pretty good when one considers what Members of Congress spend on image.

In closing I would advise my colleagues on the other side of the isle to be very careful before they start spreading rumors about a Cabinet member who didn't give them the pork projects they wanted in order to boost their images.

PRESIDENT CLINTON'S CREDIBILITY CANYON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. HAYWORTH] is recognized for 60 minutes.

Mr. HAYWORTH. Mr. Speaker, tonight as the shadows descend from coast to coast, it is worth noting that life goes on in these United States, despite one cable network offering a countdown akin to a spacecraft countdown for the alleged shutdown of Government. Life continues.

Tonight again we are reminded that we have fateful choices to make, that we have significant differences of opinion; that, indeed, in many cases, we should rejoice in those differences, and we are certainly entitled to different interpretations.

I thought, Mr. Speaker, that tonight it would be important to offer the rest of the story. As one of our commentators so eloquently puts it on radio on a daily basis, for example, I have the greatest respect and affection for my colleague, the gentleman from Georgia [Mr. BISHOP], from the other side of the aisle, who was just in here talking about a conservative Democrat balanced budget plan. I must say, indeed, that I welcome that initiative on the part of the conservatives on the other side of the aisle. There remain philosophical differences, but unfortunately, my friends who would call themselves conservative on the other side of the aisle are in fact a minority within a minority.

The gentleman from Georgia [Mr. BISHOP], chose to characterize the outcome of the vote on his self-described conservative Democrat balanced budget plan, saying it was rejected by the majority, full disclosure demands and accurate counting of the vote.

The sad fact is, and I can understand my friend's frustration, the sad fact is that a majority of his own party rejected that plan, including the minority leader. There reaches a time, Mr. Speaker, where we cannot be content with those who would merely talk the talk. The people of the United States, in my opinion, have spoken clearly and compellingly that they want to see a change in the culture of endless taxation and spending, and yet leaders step forward, claiming one thing and ofttimes doing another.

I find it especially ironic that this Nation's Chief Executive, who made well known in his youth his opposition to some of the actions taken by the President of his party in the late 1960's, in fact, it was said of that President in the late 1960's that he suffered from a credibility gap, how unfortunate it is that our President tonight suffers from an affliction that can only be described as a credibility canyon, so wide is the gulf between what Bill Clinton, the candidate, said, Mr. Speaker, and what Bill Clinton, the President, is willing to deliver.

In 1992, then candidate Clinton, on national television, said that he would commit to balance this Nation's budget within 5 years. As President, Bill Clinton, earlier in this session of the 104th Congress, worked overtime on the