Judge Hale pled guilty to defrauding the Small Business Administration. He has testified to a Federal grand jury that he was pressured by Gov. Bill Clinton and his Whitewater partner, James McDougal, and by Jim Guy Tucker, to provide an illegal $300,000 loan to McDougal's wife, Susan McDougal. This loan was never repaid, and more than $100,000 of the loan reportedly ended up in Whitewater Development Company's account.

The day after the Tucker indictment, Mr. Starr secured a guilty plea from Stephen A. Smith, who was one of Bill Clinton's top aides during his first term as Arkansas Governor. Smith pleaded guilty to defrauding the Small Business Administration, lying to obtain $65,000 from David Hale's lending agency, Capital-Management Services.

The indictment of Jim Guy Tucker and the guilty plea of Stephen Smith show us that the grand jury—made up, incidentally, of normal citizens of Arkansas, not a bunch of right-wing Clinton critics is looking closely at the documents and listening very carefully to the testimony offered by David Hale. The actions taken by Mr. Starr tell us that both the independent counsel's office and the grand jury consider David Hale a credible witness.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Washington [Mrs. SMITH] is recognized for 5 minutes.

[Mrs. SMITH of Washington addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

ACCOMPLISHMENTS OF THE REPUBLICAN MAJORITY REGARDING APPROPRIATIONS MEASURES

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

Mr. FOX of Pennsylvania. Mr. Speaker, as we move forward to the fiscal 1996 legislative branch legislation dealing with the budget, I think it is important to note, Mr. Speaker, that the conference report to the legislative branch appropriations bill, H.R. 1854, ends 40 years of bloated congressional bureaucracy. The bill shows that House Republicans are keeping their word to make Congress less costly and more accountable to the American people. We are doing that by cutting our own spending first before cutting any other Federal programs, with the principle in mind, of course, Mr. Speaker, to make sure that vital services are retained, but where there is duplication and waste, that is removed.

By way of recapitulation, Mr. Speaker, let us look to see what has been accomplished. First we have put our own House in order by reducing congressional funding of $207 million below the fiscal year 1995 levels, which was a 9-percent cut. We also eliminated duplicative bureaucracies. The bill eliminates the Office of Technology Assessment, whose functions have already been duplicated by CRS, Congressional Research Service, and GAO, and the National Academy of Sciences. This saves at least $18 million.

We downsized bloated bureaucracies. The bill cuts, again, the duplicative Government Accounting Office funding by 17 percent, which will save $75 million. It cuts the number of congressional staff. Some $57 million was cut from House operations, Mr. Speaker, including committee staff, Members' allowances, and the House support offices. It cuts by one-third the House franking privileges for the congressional mail. It further eliminates three committees and 25 subcommittees.

While this is a good start, and there have been millions of dollars saved here in the House, and we know it will also happen in the Senate, we know as we move forward to look to each of the Federal agencies that are in existence we will downsize, privatize, consolidate, and make sure that we are giving for the American taxpayers real services for the tax dollars and eliminating waste, just as we have seen in local businesses all across the country. Where people at their own homes are trying to save money, we can do no less for the American taxpayer here in Congress.

Mr. KINGSTON. Mr. Speaker, will the gentleman yield?

Mr. FOX of Pennsylvania. I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Speaker, I appreciate what the gentleman is saying. Having just returned from a series of meetings, what people have said is they are interested in consolidating, eliminating, reducing programs, but at the same time they want to make sure that Congress has stepped forward.

If I heard the gentleman correctly, the bottom line of the congressional cuts, about $67 million—is that the number the gentleman mentioned? I was off the floor and I was not sure. I think that is about the figure we are talking about.

Mr. FOX of Pennsylvania. That is about the figure.

Mr. KINGSTON. We have 163 different Federal job training programs. We have 240 different miscellaneous education programs that the Federal Government funds, 30 different nutrition programs. There is clearly room to consolidate. Yet, if you picked up the headlines and heard that FOX or KINGSTON moved to cut 25 different job training programs, people back home would think you have gone berserk, but yet you still have some 135 other job training programs left.

I think what Congress is doing is trying to set an example that, in eliminating 25 committees, we are taking this real serious. I was a member of two of the committees that were eliminated. Last year I served on the Committee on Merchant Marine and Fisheries. In the coastal area of the district I represent we have a lot of marine issues, shipping issues, dredge issues, Corps of Engineers, and so forth. However, that committee has been eliminated, those functions rolled into other committees that were duplicating what the Committee on Merchant Marine and Fisheries were doing.

Mr. FOX of Pennsylvania. Frankly, the gentleman from Georgia has led the way here in Congress, I would say. What we are trying to do is take a page out of the American industries' book. If you are running a corporation, you want to make sure the bottom line is that, ''We are doing our services and we are not wasting, because if we are wasting, then we are not delivering for the taxpayer,'' or in the case of business, a customer, what is a fair return on their investment.

We want to make sure we are doing exactly what the American public wants, I think whether it is the downsizing of the Federal bureaucracy and agencies duplicating each other's work or whether it is the line item veto, which the House has now passed. We are waiting for the conference committee from the Senate's passage of a slightly different bill, and eventually the President's signature, that line item veto will cut out the wasteful pork barrel which every taxpayer in every jurisdiction knows has caused a great deal of harm, along with unfunded mandates, which we passed.

Mr. KINGSTON. The other thing I think is important to emphasize is that we are not sitting around waiting on the line item veto to be responsible, nor are we set back by the fact that the other body did not pass the balanced budget amendment.

It is clear that the American people want the budget balanced, so every one of our 13 appropriation bills moves us in the direction of balancing the budget by the year 2002.

Mr. FOX of Pennsylvania. This is the first year since 1969 that we have actually had a balanced budget here in Congress, and we did it without having, as you say, even though we passed the balanced budget amendment and it has not been passed in the Senate, we did not wait for that to happen, we made sure we moved along. I thank the gentleman from Georgia [Mr. KINGSTON] for his leadership in allowing us to move along in this dialog in the progress of reducing the cost of the Federal Government.

AVOIDING THE TRAIN WRECK OF A GOVERNMENT SHUTDOWN

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

Mr. GEKAS. Mr. Speaker, the train wreck about which everyone is speaking these days is to occur if the Congress fails to pass the 13 appropriations bills, or having passed them, if the President of the United States vetoes them. Then we will have reached the point where, with no budget, the Government shuts down. This is an absolute crime against the people of the

United States to allow its Government to shut down.

What can we do about it? The train wreck requires two trains. All we have to do is stop, look, and listen, and take steps to avert the train wreck. We have those in place, if only we would utilize them. What are they, Mr. Speaker? No. 1, for almost every term since I have been here this same train wreck has loomed in the vision and the future of each Congress since 1980, I believe. What happens? When September 30 comes and no budget has been enacted, then the Congress engages in all kinds of legalistic and legislative contortions to keep the Government going until the next impasse should occur, with still a deadline that has not produced a budget.

If the President of the United States should veto the appropriation bills that the House passes, he will be saying in no uncertain terms: ''I want these bills to be revisited, and I want more money spent in them,'' because the budget appropriation bills that the House Republicans have fashioned to present to the President call for lower spending, so the President, I suppose, in sending them back and vetoing them, says ''I want more spending.''

Should we allow him to veto those bills with no plan for then enacting a full budget to his liking? That is why the train wreck may occur. What I have proposed in term after term since I have been here is the following: Instant replay. If the Congress and the President have failed to enact the budget by September 30 of any given year, then, according to my legislation, the next day, October 1, beginning the new fiscal year, automatically will go into place by way of instant replay the budget of last year.

What does that do? That frees the spending at the levels of the previous year. What else does it do? It prevents for all time, forever, the possibility of and the reality of shutting down the Government. Was it not awful to have in 1990 the spectacle of our youngsters, all of them, gathered in Desert Shield in Saudi Arabia waiting for Desert Storm to occur, and while they are waiting there, preparing for battle, the U.S. Government, their country's Government, shuts down? That actually happened.

If for no other reason than to have that never happen again, we should enact my instant replay legislation, not to mention the thousands of Federal workers who have to meet budgetary outlays, pay bills, feed their families, and do the necessary things to keep house and home and family together. Why should they be used as pawns in an unnecessary game being played by the White House and the Congress? I ask for support for my legislation.

□ 1845

FOUR SIGNIFICANT CHANGES IN MEDICINE

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

Mr. KINGSTON. Mr. Speaker, there are four significant changes that are happening in our society that have to do with the field of medicine and the reason that medicine right now is going to be a hotly debated subject in the coming months, in the coming years, in our society.

I would say that those changes are philosophical changes, No. 1, in Washington, which I hate to use it but will, is a new paradigm, a new way of looking at things; No. 2, technological changes; No. 3, the possible bankruptcy of Medicare; No. 4, changes in the Medicaid delivery system.

Let me start with No. 1, though, philosophical changes in Washington. We have some 80 new freshmen this year, all of whom I would describe as very regular folks who want to cut the budget and go home. They are not trying to be the next President. They are not trying to run for other offices. They just want to do the right thing. They are very attuned to the problems of middle-class America and businesses and employers, and they are just not as political as I would say classes have been in the past.

I would say also that the reforms, the changes, are not attributable to the Republican Party alone. President Clinton, his election in 1992 did a lot to trigger the moves of reform and the debate for change in health care.

A couple of things that we have seen as evidence of a new philosophy in this House, tangible evidence, the tort reform bill that we for many years debated that never got out of committee, it actually passed the House this year; OSHA reforms, where we are trying to get OSHA to be more technological and employer-friendly and more concentrated on safety rather than concentrating strictly on fines. We are trying to get the FDA to put more money and manpower in faster approval of pills, of medical devices, rather than also being punitive and restrictive in their ways of doing business.

Then of course the biggest thing is, we are taking a serious stab at budget reduction. Interest is the third largest expenditure on our national budget right now. In 2 years it is projected to exceed the defense budget, so we have got to do things about it.

I would say, No. 1, that philosophical changes, we are looking at doing things differently; No. 2, technological changes. We passed this huge telecommunications bill recently. In that will be new avenues for such things as telemedicine. There is going to be the Internet. I believe the Internet will make medicine a lot more consumer-friendly, because a person back home right now does not know how much a broken arm or broken leg is going to cost.

On an Internet system, they can figure it out, figure out what orthopedists are charging, which ones are the best at this, which hospitals will get them in and out the fastest, and so forth. That would be the case with every operation. You could go in there, plug in whatever your ailment is, and see how much it costs for certain treatments, and so forth, and see who is best at it. I think that is going to make medicine a lot more competitive.

Those are some of the technological things, but I would say that the Federal Government's way of looking at medicine is with a slide rule, but we are in the world of pocket calculators now and we have to move. We have to make that change.

Then, No. 3, Medicare. The April trustees' report said clearly that Medicare will go bankrupt in 6 years if we do not do anything about it. We have to fix it. We have to do it in a nonpartisan way. We need to simplify it, to protect and preserve it. We need to slow down the rate of growth.

There are all kinds of options out there that people are looking at and this Congress is going to be addressing, things that will make Medicare more consumer-friendly and again, above all, simplify and protect it.

Then, finally, changes in the Medicaid system, most significantly, welfare reform and block granting this authority back to States so that States have the flexibility. For example, I represent Georgia. Our Medicaid problems, our welfare delivery problems may be different than those in New York City or San Francisco, downtown Cincinnati, and we are going to make those changes but it is going to give the States the flexibility that they need.

Mr. Speaker, this is a lengthy subject. I look forward to the months of debate ahead, but I would say that the four significant changes again in medicine are philosophical changes, new ways of looking at things; changes in Medicare; changes in Medicaid; and, above all, the new technologies.

I thank the Speaker for this time. I will not say it is good to be back completely, but I notice that I am back and it is good to be here and see you, Mr. Speaker.

TRIBUTE TO THE HONORABLE CARLOS J. MOORHEAD

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

Mr. DREIER. Mr. Speaker, there are many very pressing and important issues which we have been discussing. The previous speakers have been talking about some very pressing budget matters. But I have taken this time out this evening to talk about a personal item and that is the fact that