

lobbying efforts and government outreach and contact would be exempted. That actually exempts 96 percent of these groups that we do need to have input from homeless shelters, museums, art galleries, symphonies and so forth, and that amendment takes away so much of the argument against the Istook bill that people have been giving us, where we need input, and we said okay, we have an amendment that took care of that.

You know, I agree with the gentleman that the big, big money involved in this has been abused by people who say well, we are not lobbying. If they are not, why not support the bill?

Mr. GUTKNECHT. I was just going to get to that, that the amendment that you offered would exempt 96 percent of those groups. What we are really talking about is a handful of people that have abused this system. But frankly, the abuse could amount to \$200 million a year. It is time for it to stop. We cannot afford a subsidy for special interests. I think most people agree that it is wrong, and we will have an opportunity in the next several weeks to end subsidies for special interests.

Mr. Speaker, I see my time has expired. I yield back the balance of my time.

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

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

#### BUDGET RECONCILIATION IMPORTANT FOR OUR NATION

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

Mr. KINGSTON. Mr. Speaker, happy Halloween. What I wanted to talk about tonight, and I am joined by the gentleman from Minnesota [Mr. GUTKNECHT] and some others perhaps later, this reconciliation process, this huge budget, this huge bill that we have been hearing so much about in the House and why it is so important. It is a massive bill, it is an important bill. It is right that all eyes of the Nation should be watching this particular piece of legislation. It is the bill that calls for a billion dollar budget, calls for Medicare reform, reforms that say protect and preserve Medicare. It changes the way we do our Medicaid allocation.

It has welfare reform in it, it has medical savings accounts and a tax cut for the hardworking middle class America. It is a very important bill, and it is one that we all have a horse in the race on, and so I wanted to talk about that a little bit tonight.

Let me yield the floor to Mr. GUTKNECHT. He has been a valuable

part of this as a freshman Member of this House. He knows that it was the freshman class who put the majority agenda forward, starting with the Contract With America, 10 items, 9 of which have passed the House, and then went to work on the 13 appropriations bills, even after the other body voted to end the balanced budget amendment, working on the 13 appropriations bills, saying that it is clear that the American people want a balanced budget.

That is what your freshman class ran on and that is what you followed through on, was a balanced budget. So let me yield the floor to the gentleman from Minnesota [Mr. GUTKNECHT].

Mr. GUTKNECHT. Mr. Speaker, I said to the people of my district that it was a very historic day when we passed that reconciliation bill. It really is what an awful lot of us came here to do. This is what we promised we were going to do when we ran for election, and I am so delighted that we finally got the opportunity to keep that promise. My sense is that if the President hears from the American people, once they understand what really is in this bill and how the bill was put together and they begin to tell the President and the administration how they feel about it, my sense is that the President will reconsider, and he will actually sign this bill or one that looks almost like it.

If I could say to the gentleman from Georgia, I want to just talk a little bit about what we are really doing, because we have heard so much demagoguery and so much rhetoric about these draconian cuts and how this is going to hurt this group or that group. But the truth of the matter is, what we have taken is a fairly simple approach to how we are going to balance this budget. It breaks down into, in my opinion, three categories. First of all, with defense spending, we have adopted essentially a flexible freeze on defense spending.

□ 2015

On domestic discretionary spending we have made targeted cuts. We have eliminated 300 programs, which I think most people would agree were not very effective anyway.

Mr. KINGSTON. Mr. Speaker, let me interject quickly. Many of these cuts are real cuts. Others are just slowing down of the increase and still others are consolidating programs.

Mr. GUTKNECHT. Mr. Speaker, if the gentleman would continue to yield, he is absolutely correct.

Then on the entitlement side, and this is where there is so much fear mongering going on out there with the senior citizens and other groups, for the most part whether we are talking about school lunches or talking about Medicare or the other entitlements, what we are really talking about is slowing the growth rate to approximately the inflation rate.

The good news is if we do that, if we make targeted cuts in domestic discre-

tionary spending, put a flexible freeze on defense and allow the entitlements to grow, but at a slower rate than they have in the past, the good news is we get to a balanced budget, under the plan that we have, scored by the CBO, in 7 years. My own sense is it is going to be about 5½ years, because we will see economic growth at a higher rate than is currently expected and we will see interest rates at a much lower rate than is currently expected.

The net of that is we will get to a balanced budget in about 5½ years, not 7 years. But the even better news, for those of us with children, is that we will have an opportunity, if we can stick to that discipline, which I do not think is a bitter pill to swallow. It is not tough medicine we are talking about. But if we can stick to the basic budget plan, not only will we balance the budget in 5½ years, the great news is if we stay on that path we will pay off the national debt in about 25 years.

Mr. KINGSTON. Mr. Speaker, I want to go back to a conversation that the gentleman from Minnesota and I had earlier today, and that is the basic premise of this whole bill, which is balancing the budget, and why should we balance the budget?

Mr. GUTKNECHT. Mr. Speaker, if the gentleman would yield once more, the interesting thing is some people have turned this into an arithmetic exercise. It is not about arithmetic. It is not about a lot of the things that we are reading about. It really is about preserving the American dream for our children.

President Kennedy said we all cherish our children's future. We all want our kids to have a little better life than we had. But if we stay on the path we are on now at the Federal level, if the Federal Government continues to mortgage our children's future, what we do is we guarantee that our kids will have a standard of living that will be less than ours.

As a matter of fact, we promised them, or we are promising them under the current circumstances, if we do not make changes, that they will face sure bankruptcy for the Federal Government and our economy.

Mr. KINGSTON. Mr. Speaker, I would ask the gentleman, is it not true that if a baby is born this year, in fact, I have one, little Walker Watson, who is my nephew, he was born in April. Now, I understand his share of the national debt, should he live 75 years, which I am hopeful that he will and beyond that, he will owe \$187,000 on the national debt in his lifetime, just interest. Just interest. Not paying down the principal but just interest.

And we also know that the interest on the national debt is almost \$20 billion a month. Does the gentleman happen to know offhand what the budget of Minnesota is? The annual budget.

Mr. GUTKNECHT. Mr. Speaker, the annual budget for the State of Minnesota is about \$10 billion.