12, 1995, the gentleman from West Virginia [Mr. WISE] is recognized during morning business for 2 minutes.

Mr. WISE. Mr. Speaker, we are all delighted of course that the Government is back to work and in West Virginia 17,000 Federal employees are back on the job.

I also want to thank my congressional staff, over half of whom were furloughed during this period. It is not that they were nonessential. It is that they were, in the decision of the Committee on House Oversight, nonlegislative. Today the mobile office is back on the road visiting one of the many counties it visits every day. The caseworkers are working, schedulers are putting together events, constituent organizers are working. We are back in business.

Americans finally are once again getting the Government that they are paying for. That is what was lost in this whole debate. Americans were not getting the Government that they are paying taxes for.

I believe there are two reasons that we reached this situation today, this compromise. First of all, the public was telling everyone, Republicans, Democrats, the White House, it is time to get back to work. Do not hold us as hostages to this budget battle that is taking place.

The second reason is, I believe, not reported as much, is the decision on Saturday by Democrats and then joined by a lot of Republicans to say, no, we are not going to shut this House down, this House should not adjourn even for 1 day while there are Federal employees out on the street.

So let us get to the good news. The good news is that this side-bar, this preliminary fight on this boxing card, is behind us at least for 3 weeks. Now we can get down to the real issues; the real issues of what kind of budget we have in this country and what kind of priorities is Medicare and Medicaid; what kind of tax cuts are they going to be and are they going to go to the wealthiest or to the low- and middle-income; what kind of education programs are we going to have; how you are going to actually balance this budget over 7 years.

The good news is hopefully that this will not be affected by temporary events, the fact that the Speaker is dissatisfied with the seat that he gets on an airplane or somebody's attack on somebody else on the floor of the House. Now we have a fight over principles, and that is a fight that I welcome.

We are going to hear a lot about scorekeeping, whether Congressional Budget Office or Office of Management and Budget will keep the score and make the estimates on growth. The fact is, the people should be the scorekeepers, and that is what this battle is going to be about.

CALL FOR PRESIDENT'S BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Mexico [Mr. SCHIFF] is recognized during morning business for 3 minutes.

Mr. SCHIFF. Mr. Speaker, both sides did compromise to bring us to the point where we are today. The Republican leadership gave up some original provisions that were not related to the budget in the originally proposed continuing resolution.

This weekend the President agreed to a 7-year goal for reaching a balanced budget, combined with using the Congressional Budget Office economic forecasts, although with consultation with other agencies. Now we have to head to the task of passing a long term 7-year balanced budget.

Very shortly, the Republican majority in Congress will pass such a budget. Seven years, scored by the Congressional Budget Office. I do not agree with every single decision in that budget, but it is a budget that meets the requirements of the framework that has been agreed upon.

Mr. Speaker, I respectfully suggest it is now time for the President of the United States to submit a new budget to Congress, a budget that is also within the framework that we have agreed upon, a budget where the President proposes a balanced budget in 7 years, rated by the Congressional Budget Office.

I understand that the President of the United States has some very strong feelings about budget priorities. This is not only his prerogative, I think it is his responsibility in his office.

However, how do we know what his priorities are, how do we negotiate differences between the two, unless we have a budget from this administration that lays out those priorities so that we can compare the two budgets, the congressional budget and the administration's budget, on a side-by-side basis? If the President proposes, for example, that spending be raised in one category, how will we know how to pay for that increase in spending unless we can see where the President has proposed reducing spending elsewhere?

Mr. Speaker, so the American people can compare our priorities, so that the Congress can negotiate with the President to reach a 7-year balanced budget, we need the President and the administration now to send us their version of a balanced budget in 7 years.

BUDGETARY PRIORITIES

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized during morning business for 2 minutes.

Mrs. SCHROEDER. Mr. Speaker, I must say how very proud I was to be a Democrat this weekend, because this weekend the Democratic party and this House stood up in the grand tradition of Roosevelt and Truman for work, for work.

We insisted that this body keep working as we ran out of ''no'' cards, when the other side finally decided we should not adjourn, that we should stay in session until we got some kind of an agreement to get Federal workers back to work. That happened, and how proud I was of the solidarity on our side of the aisle as they chanted ''work, work, work,'' to the other side to get all of the petty nonsense of the last week behind us.

That is now behind us. And now for the next 3 weeks this body must sit down with the American people and we must all dialog about what our priorities really are.

Today we are going to see the first priority category. We see the defense bill going to the President. And after all of this that you have heard about balanced budgets, they are going to put a defense bill on the President's budget that is $7 billion over what the Joint Chiefs of Staff asked for. That was never done, even during the cold war. So we will be spending more than the whole rest of the planet combined on defense.

If you think this year is expensive, wait until you see the rest that is coming in behind it for the next 7 years. This is just the teeny little Ritz cracker hors d'oeuvre, for the banquet that we will be ordering if we cannot override the President's veto of that bill.

These are the kind of priorities we are going to talk about as we figure out what we do in this next 7 years. These are the priorities that are taking us into the 21st century. This is going to be a historic 3-week debate. Everyone in America should roll up their shirt sleeves and join it. It is our country and it is our future.

PRESIDENTIAL PROMISES ON BALANCING THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. STEARNS] is recognized during morning business for 3 minutes.

Mr. STEARNS. Mr. Speaker, I am certainly glad the President finally agreed to balance the budget in 7 years.

It really should not have been quite as difficult as it turned out to be, because really when you go back and look at what the President said in his State of the Union Address in 1993, and what he said when he ran for the Presidency in 1992, and when you put them all all together, it would not have been possible for him to continue to say he was not for a balanced budget in 7 years.

Let me quote what the President said in 1993 in the State of the Union Message.

> My budget plan will use independent Congressional Budget Office numbers. I did this so no one could say I was estimating my way out of this difficulty. I did this so that the American people will think we are shooting straight with them.

That is our President, 1993, using CBO numbers.

In 1992, the President, while on the ''Larry King Show,'' stated emphatically that his first piece of legislation would be a balanced budget in 5 years. Then again as recently as last week, the President was saying, ''CBO numbers are unacceptable to us because it commits us to accepting Republican cuts.''

Well, now I am glad the President finally agreed to a 7-year balanced budget using CBO numbers. My point again, Mr. Speaker, is that the debate we had on that issue is going to be the same debate we will have on Medicare.

The American people should know that the President, while he accuses us of hurting Medicare recipients, is again not remembering what he proposed with his ill-fated Health Security Act of 1993. The numbers speak for themselves. Let's compare his plan of 1993 with our plan today.

Now, under our plan, we would allow the Medicare Program to grow at the rate of about 6½ percent after 1999. President Clinton, who claims Medicare is one of his chief concerns and does not want to see it hurt the elderly unfairly, proposed in 1993 that his program would grow at less, less than 5 percent a year. There were 130 colleagues over there that sponsored his bill back then.

Now that was reported today in the Investors Business Daily. Mr. Speaker, I would like to include this complete article as a part of this official RECORD.

[From the Investor's Business Daily, Nov. 20, 1995]

HOW RADICAL IS THE GOP BUDGET?

(By John Merline)

If you listen to the rhetoric from both political parties, it appears the GOP wants a revolution.

From the Clinton camp, words like ''radical,'' ''extremist,'' ''terrorist,'' and so on pepper comments about the Republican's seven-year balanced budget plan.

''America can balance the budget without extreme cuts in Medicare, Medicaid, education or the environment—and that is what we must do,'' President Clinton said last week.

The GOP itself likes to characterize its budget plan as revolutionary. House Speaker Newt Gingrich, R–Ga., has called the bill an ''heroic fiscal achievement.''

But how radical is it?

Put in context, the seven-year plan is a relatively modest one. And, many of the specific reforms have been pitched by Clinton himself in the past.

''It is in both parties'' interest to exaggerate the changes proposed,'' said former Congressional Budget Office head Robert Reischauer.

He did say, however, that the GOP is offering fundamental changes in federal entitlement programs.

Here are the basics:

In 2002—the year the budget is supposed to be balanced—federal spending will be $267 billion higher than in 1996. Federal spending will consume 19% of the economy in 2002, down from 22% today.

Revenues climb $449 billion between the first and last year of the seven-year plan. In 2002, taxes will eat up the same share of GDP—19%—as they do today.

Over the course of seven years, the GOP wants to cut spending a total of $952 billion, according to an analysis of the plan by the Congressional Budget Office. That's ''cut'' in the Washington sense, meaning a reduction in the planned spending increase.

Most of those cuts come in the last two years of the budget plan. For the first five years, the cuts add up to $432 billion. In the last two years they total $520 billion.

That's raised eyebrows among some fiscal hawks.

''The Republican budget pushes off most of the pain of cutting spending into the next century,'' said Stephen Moore, director of fiscal policy studies at the Washington-based Cato Institute.

Keep in mind that there will be two presidential elections before those final two years' worth of cuts kick in.

Under the GOP plan, the federal government will spend a total $12 trillion dollars by 2002.

That's a mere 8.6% less than what would have been spent without the Republican cuts. And, if you take out interest savings, program cuts trim only 7% off total spending.

Fiscal conservatives complain that the GOP failed to eliminate enough programs. While many saw their funding levels clipped, too many objectionable programs remain on the books, they say.

The Appalachian Regional Commission, the National Endowments for the Arts and Humanities, Legal Services Corp., and the Economic Development Administration have long been on conservative hit lists. All get funded in the GOP bill.

Moore estimates that of the 300 programs slated to get the ax in the original House budget proposal, all but about 50 will live to see another day.

The tax cuts total $245 billion over the next seven years. The total amount of gross domestic product expected over those seven years is more than $60 trillion. So the tax cuts are equal to 0.4% of the total economy.

Those cuts do little to offset the two tax hikes imposed on the economy by Presidents Bush and Clinton. Clinton's $240 billion in hikes makes a misleading comparison—that figure counts only the five-year cost of the levy. That's because in previous years, budget plans were only made over five-year time horizons.

But the GOP plan is for seven years. So all their numbers are larger.

Clinton has offered a tax-cut plan in many ways similar to Republican proposals.

For example, his own 1996 budget plan has a $500 credit for each child under age 13 for taxpayers with incomes up to $60,000.

Clinton's credit is refundable, meaning that people with little or no income taxes would get a check from the government. The GOP's $500 per-child credit is not. And, Republicans propose to let families with higher incomes get the credit.

He also wants to expand individual retirement accounts, also included in the GOP plan.

LESS BOLD

Clinton has suggested that he could support a cut in the capital gains tax. His 1993 budget included a cut in gains taxes for investments in small companies held at least five years. The GOP would cut the gains tax for all investment.

The Republicans' seven-year deal is less bold than plans offered up by lawmakers and presidents in the past.

Since 1969, presidents have introduced 13 budgets that, they said at the time, would produce a budget surplus within five years.

The so-called Gramm-Rudman-Hollings Act, passed in 1985, was designed to balance the budget by 1991. The revised law moved the target back to 1993.

President Bush's first budget would have turned a $161 billion deficit in 1989 to a $33 billion surplus by 1994.

The GOP now wants to take seven years to move from a deficit of $178 billion in 1996 to a surplus of $4 billion in 2002.

To be sure, the GOP plan is different than many of its predecessors for one simple reason: there are no tax hikes.

''It is a departure from virtually all previous deficit reduction efforts, which were divided in some form between spending cuts and tax increases,'' said Price Waterhouse budget expert Stanley Collender.

Medicare and Medicaid cuts have proved to be a major sticking pointing point with Clinton, who says they will severely harm seniors and the poor.

But the changes proposed by Republicans are nearly identical to those offered by Clinton two years ago as part of his ill-fated Health Security Act.

Medicare: In the first five years of Clinton's Medicare plan, spending would get trimmed by $124 billion. The GOP proposes cuts of $135 billion in the first five years.

The Medicare cuts were to get even harsher in the out years under Clinton's plan. He wanted Medicare to grow at less than 5% a year after 1999. The GOP wants to leave the growth rate at about 6.5%.

Like the Republicans' plan, Clinton got most of his savings—70%—from cuts in payments to providers serving Medicare patients.

Clinton also wanted to raise premiums for Medicare's Part B program to cover 25% of the costs of that insurance plan. The GOP sets it as 31.5% of costs.

And, Clinton wanted to means-test the premiums, so high-income seniors would pick up a greater share of Part B costs. Republicans want rich seniors to pay even more.

Clinton also proposed new private-sector options similar to Republicans' ''Medicare Plus'' reform.

A summary of the Health Security Act released by the White House in September 1993 said its plan would offer ''beneficiaries greater choice of managed-care options.''

And, like the GOP bill, Clinton would let new retirees keep their old company-provided health plans.

The only difference between Clinton's and the Republican's reforms on this score is that the GOP wants to offer seniors one extra choice: the option to select a medical savings account.

A favorite among conservatives, MSAs let seniors opt for a high-deductible, catastrophic insurance policy. Premium savings are placed in a savings account, which seniors can draw on to pay up-front medical costs. Unspent funds in the account at the end of the year can be rolled over or withdrawn.

Senate Democrats tried to strip the MSA option out of Medicare reform using a parliamentary procedure.

But Democratic lawmakers have in the past supported similar ''choice'' reforms.

In 1980, Minority Leader Richard Gephardt, D-Mo., co-authored a bill that gave seniors ''the option of remaining with the present Medicare system or of choosing to receive benefits of plans being offered by the competitive system.''

Both Gephardt and Clinton say that they object to the GOP's Medicare plan because it's not part of comprehensive health care reform.

Medicaid: In his Health Security Act, Clinton wanted to strip $114 billion from Medicaid over five years. The GOP's five-year cuts total only $72 billion.

Under Clinton's health plan, Medicaid would have effectively been abolished, replaced with fixed payments to private health

plans. The poor would sign up with one of these plans to get health benefits.

The GOP proposal would block grant Medicaid payments to state governments, which could then set up their own delivery systems.

The Clinton administration has also made a fuss over changes to Medicaid's long-term care program. At one point, the GOP planned to overhaul federal nursing home standards, replacing detailed standards with broad goals to be enforced at the state level.

But as governor of Arkansas, Clinton had proposed similar changes. In fact, in 1989, Clinton joined 47 other governors to urge an end to federal ''micromanagement'' of nursing homes.

Clinton complained that restricting eligibility for long-term care would throw 300,000 old folks onto the street. Of course, he had already tightened eligibility as part of his 1993 budget.

The goal then: ''Restrict further the diverting of property to qualify for Medicaid,'' according to the administration's 1993 budget blueprint.

Mr. STEARNS. Mr. Speaker, what we have today is the President agreeing with us on the 7-year balanced budget, using CBO number. I think eventually when the President looks at the difference between his Medicare Program and Medicare and Medicaid and all the other programs, he really should accept the balanced budget of 1995.

STAND ON THE SIDE OF OPPORTUNITY FOR ALL

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized during morning business for 2 minutes.

Ms. JACKSON-LEE. Mr. Speaker, in World War II, my grandmother sent three of her sons off to World War. My father, the youngest one, remained at home with the promise of an aspiring artist, someone who would work and support the family, and he got an opportunity to be a commercial artist for a period of time.

Then the returning soldiers came home, most of whom did not look like my father. And so he was relieved of his job on the basis of the color of his skin.

Listening to that story and watching him work all those years in jobs that did not compare to his capabilities, I promised myself that I would always stand on the side of opportunity for all men and women, no matter what their race, their religion, or their ethnic background.

So when we came upon this crisis here in this country, shutting down the Government not just hurting Federal workers but for hurting Americans, 800,000 that had faces and lives and families, I promised that I would not leave this House floor, never would I leave it because I was going to stand on the side of opportunity for Americans.

I am glad to be a freshman who came here on the basis of reform and change and not to simply talk about partisan politics and discuss who is a Republican and who is a Democrat, but simply who stands for those who need an opportunity.

I am very proud that the Democrats started out early in the week and said we need to come together, we need to understand that this battle of the budget is not something about 7 years or 10 years, it is about humanity and people. It is about understanding Medicare and Medicaid, it is about my grandmother, who died before she was able to fully accept the privileges of having worked all her life and have good health care.

So we stayed here. My freshman Democratic class argued on the House floor Friday night that we should not leave until this problem was resolved. And we did not leave here Saturday or Sunday because we knew there was an opportunity for compromise and reconciliation, not for the scorekeepers but for the American people.

And so proudly as we stayed here Saturday, when the vote showed 361 to 32 voted to stay, but because, maybe, the Speaker had to get off the back of the plane, rather than respect the will of the House and stay in session. The Republicans were instructed to leave in droves. It was the Democrats who stayed here to compromise on a document that has captured the real spirit of what Americans want.

We have got a good CR. We have got a continuing resolution, but we have got one for the people. We have got one that provides for Medicaid and education and agriculture and national defense and veterans and the environment.

We have a continuing resolution [CR] that promises a balanced budget in 7 years which I will vote for. However this CR also has the opportunity now, through the President's and Democratic negotiations of listing priorities like education, Medicare, Medicaid, the environment among others which should be protected by which the budget process is to be guided. Now we can craft a new balanced budget with the right priorities. Let us continue to provide opportunities for Americans.

SENIOR CITIZENS' RIGHT TO WORK ACT OF 1995

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Kentucky [Mr. BUNNING] is recognized during morning business for 3 minutes.

Mr. BUNNING of Kentucky. Mr. Speaker, I rise this afternoon with a very simple message for the senior citizens of America. To the senior citizens of America I say, you have not been forgotten by this Congress.

Republicans in this Congress have not forgotten the promise that we made to you to raise the unfair Social Security earnings limit imposed on those who want to remain productive after age 65.

Later today I will introduce the Senior Citizens' Right to Work Act of 1995. My bill will raise the earnings limit from the current $11,280 to $30,000 a year by the year 2002. As chairman of the Social Security Subcommittee I want hard-working seniors to know that we will keep our promise. This time, we will raise the earnings limit.

First, immediately after Thanksgiving my subcommittee will take action on this legislation. Then, the esteemed chairman of the Ways and Means Committee, Mr. ARCHER—himself a champion of legislation to raise the earnings limit for over two decades—has promised that the Ways and Means Committee will act.

Finally, the majority leader himself has promised that the House will act on this legislation just as soon as the committee has finished its work.

My bill will fully preserve the financial integrity of the Social Security trust fund. That is important to tomorrow's retirees—our children and grandchildren. We must make sure that Social Security will be there for them as well.

And, with the help of the gentleman from Illinois [Mr. HASTERT], who has worked so hard on this issue, there is no question in my mind that it will sail through the House.

And I have the word of the champion of this legislation in the other body, the Senator from Arizona, that it will enjoy the same speedy action in the Senate.

Finally, in ''Putting People First,'' the President also pledged his support to raising the earnings limit.

To my colleagues on both sides of the aisle I say, Christmas is coming. Let us give America's seniors something they want and need.

Let us raise the unfair Social Security earnings limit and give hard-working seniors the best Christmas present of all. I urge all of my colleagues to support this bill, and if you would like to cosponsor this legislation—call my office at Social Security subcommittee.

FACES BEHIND THE NUMBERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Michigan [Mr. LEVIN] is recognized during morning business for 2 minutes.

Mr. LEVIN. Mr. Speaker, there are many key lessons of the last week. A key one is that we must have a balanced budget. Americans also care deeply about how it is done. They do want us to focus on the overall budget numbers.

They also want us to look at the faces behind those numbers, at the faces of 70 percent of Michigan seniors with annual incomes less than $15,000 who would be hurt by doubling Medicare premiums as proposed by the majority; the faces of seniors who would lose quality care and choice of provider if hospital reimbursements were so drastically reduced as originally proposed, and those with private insurance to whom these costs would be shifted; at the faces of 8 million working people whose taxes would be raised by the