thank those people in my district. They have been calling me the last few days telling me, hang tough. I am telling you, 85 percent of those people telling me, hang tough, hanging in there. I am glad I did it.

Thank you again, American people. Thank you. God bless you.

VINCE FOSTER INVESTIGATION

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

Mr. BURTON of Indiana. Mr. Speaker, over the past couple of years I and some of my colleagues and some staff people have been doing an investigation into the death of Vince Foster who was found at Fort Marcy Park a year ago July. It was in 1993, 2 years ago in July. And over the past couple of years we have researched, we have looked into the Fiske report.

We have gone out to Fort Marcy Park. We have talked to numerous people who were witnesses or not witnesses to his death but were at Fort Marcy Park and we found some startling things. One of things that has really bothered a number of us in the past couple of months is that we found out, when we looked at the report that was filed by the FBI, that there is some severe inconsistencies.

The man who found Vince Foster's body, who was called the confidential witness, was alleged to have said in the FBI report that when he found Vince Foster's body he looked directly into the face, specifically observing that the eyes of his body were partially open and slightly glazed and that traces of dry black blood were running from the side of the mouth and nose down the right side of his face.

When I talked to the confidential witness, he swore under oath before a court reporter that there was no blood on the side of the man's face. You might say that might be just a mistake. But the report went on, he further advised that there were traces of blood stains on the shirt to include the upper right shoulder area, along with traces of what he considered to be vomit or spilled wine, possibly purplish in color. He says there was no blood on his shirt, that there was no blood on the side of his face and no blood on his shirt, and he told the FBI that. Yet the FBI put in a report that there was blood on the side of his face and on his shirt.

Another part of the report says, he further maintained, this is the FBI saying this, he further maintained that he was fixated on the face of the body and did not pay specific attention to body extremities, including the hand. In this regard, he advised he could not remember the exact position of the thumb, stating that while he did not observe a gun, there could have been a gun in his hands.

When this was read to the confidential witness, he went into orbit. He said there is absolutely no question whatsoever that I say the hands clearly, the thumbs were out, the palms were up and there was no gun in the hands. He said, I was right there. I looked right down in his face, no further than 18 inches from the body. So the FBI, according to him, misstated that.

Now you would say if that was the only problem with the investigation by the FBI, that they may have just made some mistakes, even though there is some glaring ones here.

Then we ran into another witness who was out at the park that same day and an hour earlier. That fellow, when he was there, his name was Patrick Knowlton. He said that when he went into the park he saw a car, a brown car with Arkansas plates, and it was a Honda and that it was an older model.

Yet in the FBI report they say it is a light blue car with Virginia plates. He said, I never said that. I said it was a dark brown car with Arkansas plates and they put it down as a Virginia car with Virginia plates and it is light blue.

He also saw some suspicious people in another car who were doing some things there and they may have been involved in the Foster case. And he said, in the report according to the FBI, he could not further identify this particular individual nor his attire and stated that he would be unable to recognize him in the future. He said that is an absolute lie, because I told the FBI agent specifically I not only could identify him, I could draw a picture of the guy because I would never forget his face. Yet the FBI says he could not identify the gentleman.

Then we go back to the confidential witness. There is another part of the report that says, and the possibility does exist that there was a gun in or near his hands that he might have seen. The confidential witness said that is an absolute lie.

Now, another lady drove up near the park and her car broke down, and it was a Mercedes. When she went into the park to try to find help, she sighted two cars and in her report to the FBI she states the cars were of different color than what she said. She has been contacted.

The interesting thing about all of this is the two FBI agents that did the investigation, gentlemen named Larry Monroe and Bill Colombell. All three of these people say that the report that they gave to the Fiske Commission was wrong, that it was lies.

If one of them was a lie or a mistake, you could understand it or if two of them. But three, these people interviewed three people and there are glaring misrepresentations in these reports.

I have said to the chairman of the Committee on Government Reform and Oversight here in the House, the gentleman from Pennsylvania [Mr. CLINGER], and to the gentleman from New Mexico [Mr. SCHIFF], who is also looking into this for the Speaker, that we ought to have those FBI agents come in and explain these inequities and inconsistencies, these inconsistencies in this report, because according to the witnesses who found the body, according to the witnesses who were there, according to the witnesses who saw the cars and the people involved, they say these are out and out lies in these reports.

If the FBI lied to Mr. Fiske or if they were asked to lie to Mr. Fiske, that is a breach of faith. It is something that has misled the American people as to whether or not this may have been a suicide someplace else or maybe even a murder. These things need to be brought to the attention of the American people.

We have, I believe, Mr. Starr, the special counsel or prosecutor, who has been looking into this. it has been brought to his attention. I hope he pursues this and finds out why these FBI agents did not write the report the way the people who found the body and the way the people who were at the park saw it. I think he should ask those FBI agents directly, why did you misrepresent these things in this report?

In addition to that, I believe it is incumbent upon the Congress of the United States and our committee to call these FBI agents in and go ask them directly face to face why these things are inaccurate.

THE BUDGET

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

Mr. PALLONE. Mr. Speaker, I will try not to use the entire hour this evening. But I did want to get to address the House tonight because I do feel that the two major bills or resolutions that we passed today are rather significant.

First of all, the continuing resolution, which, as I think most of us know, allows the Government to continue to operate, prevents the partial shutdown of the Federal Government, which forced many Federal employees to go home and not provide the services that they normally provide to the public.

Second, I would like to address the budget reconciliation or the budget bill that was passed today in final form before it goes to the President, which obviously seeks to plan or map out our budget priorities for the next decade in this Nation.

□ 1915

I have to start out by saying with regard to the continuing resolution and the effort which was successful today to prevent the continued Government shutdown, Mr. Speaker, I was very pleased to see that it was passed. I think it was very wrong to have the Federal Government partially shut

down. There were Federal employees who were home, I guess, for almost a week. They were not working, but of course were going to be paid anyway, and there were many hardships, if you will, for Americans who wanted to sign up for Social Security, for Medicare, for veterans' benefits, those who wanted to join the Army at the recruiting stations; all of these things were prevented over the last few days as we argued in the House and in the Senate over our budget priorities.

As happy as I am over the fact that we were able to come to an agreement on that continuing resolution and the fact that the Government is back to work, I do not think it was necessary to close the Government down, and I hope it does not happen again.

Mr. Speaker, I do not really think that tonight is the place to talk about who to blame, but there is no doubt in my mind that the reason for the partial shutdown was because Speaker GINGRICH and the Republican leadership were determined to impose their own ideology about the budget on the Congress, and on the Democrats, and on the President, and this is really an unprecedented situation. In the past, when we have had disagreements on the budget between Democrats and Republicans or between the President and the Congress, we have not prevented the Government from operating because of our ideological differences.

Essentially what happened today was that the continuing resolution was adopted with language that said that the Congress will try to achieve, and the President will try to achieve, a balanced budget no later than fiscal year 2002, or 7 years from now, and that the balanced budget must protect future generations for such important priorities as Medicare, Medicaid, education, and the environment, and there are others. Well, if you look at this resolution, what it basically says is that we will adopt, or we will try as a goal, to achieve a 7-year balanced budget, and we will try in the context of that 7-year balanced budget to make sure that we do not cut Medicare, that we do not cut Medicaid too much, that we provide adequate funding for the environment and adequate funding for education.

Well, frankly, Mr. Speaker, we knew that this was the reality a few weeks ago. We all were very much in favor of a balanced budget, and Speaker GINGRICH felt that that budget should be balanced in 7 years. We all were very much in favor of trying to make sure that certain programs were protected, but the President insisted that Medicare, Medicaid, the environment, and educational programs, in particular, be protected.

So, if we knew that 2 weeks ago or 1 week ago, and if those are still the goals that we are trying to achieve, why was it necessary to shut the Government down? It was not, and I hope it does not happen again. I hope that over the next few weeks, as these budget priorities on which there are differences are worked out and negotiated, that we do not find ourselves on December 15 in a situation again where the Speaker and the Republican leadership says, ''Look, if you don't meet our goals or our priorities, we are going to shut down the place again.'' It is not necessary. We can continue to work while we work out our differences over the budget.

Now, the second thing that happened today is that we passed the budget reconciliation or the Republican leadership budget bill. It was passed without the support of most of the Democrats. I opposed it. And the reason why the Democrats, or most of the Democrats, opposed it and the reason why President Clinton opposes it is because it essentially provides tax breaks, if you will, tax cuts or tax breaks, primarily for wealthy Americans to the tune of $245 billion, and it takes those tax breaks basically by cutting funds from Medicare and Medicaid as well as for education and environmental programs.

So what the Democrats are saying, what President Clinton is saying, what I am saying, is that we have to go back; now that this budget has been passed, the President will veto it; we have to go back and negotiate a balanced budget over the next few weeks that will not cut Medicare and Medicaid so severely and that will make sure that there is adequate funding for education and also for the environment.

Just to give you an idea of some of the problems with this budget, when I talk about increased tax breaks for wealthy people, at the same time the budget actually provides tax increases for working people and people at a lower income but who continue to work, and just as an example of that, Mr. Speaker, I have a statement, if you will, or a phrase from the Citizens for Tax Justice which did a distributional analysis of the conference or budget agreement, and it shows the following, that the average tax cut for those in the top 1 percent of taxpayers who get a tax cut would be $15,438, but 99.7 percent of all taxpayers in the bottom fifth would have a tax increase or see no change. For those in this group, who have a tax increase, would see their taxes go up by an average of $173 a year.

So here we have it, really for the first time that I can think of in American history, we are passing a budget that is going to give these tax breaks to wealthy Americans but actually increases taxes on working families or lower income families who are still working and still paying taxes.

Now you might say to yourself how is it there is a tax increase on lower income people. Well, basically the reason for that is because of the cuts in the earned income tax credit.

The earned income tax credit is basically something that was implemented a few years ago in a bipartisan way to try to encourage people to get off welfare and to start working and paying taxes, and so, therefore, people in a lower income bracket who are still working get a tax credit essentially to encourage them to continue working rather than go on the welfare rolls.

Well, right now in this budget, the conference agreement, the changes in the earned income tax credit will basically hurt 4 million childless workers who have incomes less than $9,520. That type of person, the childless worker, if you will, loses up to $324 per year. The cuts in the earned income tax credit affect millions of families with children as well.

For example, it affects families with two or more children who have incomes between $18,000 and $28,000. Some of these families will benefit from the children's tax credit that is in the bill, but not all. Put a different way, those who will get something from the children's credit will have much or all of that benefit taken away by cuts in the earned income tax credit.

Essentially what we are doing here is, while we may be giving some of those low-income people a tax credit because they have children, the tax credit they will lose because of the cut in the earned income tax credit will more than make up for that so they will be paying more in taxes, and if they do not have children, then they are going to lose even more in the tax credit because they do not have the children's credit to make up for it.

Again, I know it is complicated, and sometimes it is difficult to understand, but the bottom line is that, if you are an individual who is making less than $30,000 a year, you are more likely to get a tax increase under this Republican leadership budget than a tax cut.

Now I want to walk briefly though about the main concerns that I have with this budget, this Republican budget, in terms of how it affects Medicare and Medicaid because that is where the deepest cuts take place. Those are the two programs, the two health care programs, that are run by the Government which are most deeply impacted by the priorities in the Republican budget. Medicare, for one, is not abolished. It continues to exist. But the nature of the program changes, and essentially senior citizens are asked to pay more to get less in terms of their health care coverage.

Just as an example of that, the part B premium that seniors now pay for their doctors' care—part A Medicare, part A, takes care of the hospital care; Medicare part B takes care of physicians' care—and seniors pay now a premium per month for Medicare part B. Well, Medicare part B premiums are doubled under this Republican budget proposal. At the same time though that seniors are paying more for their physicians' care under Medicare part B, what is happening is that the amount of money that is available to the Medicare Program, particularly for both hospitals, as well as physicians, is significantly decreased.

Now what that means is that hospitals will not get the same level of reimbursement rate that they need, or that they get now, or will need in the future in order to make ends meet, and so what we are predicting and what we know will happen if you talk to the American Hospital Association, for example, is a lot of hospitals will close, or alternatively they will have to cut back on services, and they are essentially squeezed so that they cannot provide the same quality of care.

I know in my own State of New Jersey we have a large number of hospitals that depend on Medicare and Medicaid for a majority of their income. So if that income is significantly cut back, they either close or they cut back on what they can provide.

The other thing that the budget does with Medicare in a very sort of sneaky way is that right now, if you are a senior citizen, most senior citizens simply go to a doctor of their choice, and that doctor gets reimbursed by the Federal Government in what we call a fee-for-service system. You get the service, the Government pays the fee. Well, what this Republican budget bill does is it changes the emphasis and basically encourages seniors to enroll in HMO's or managed care programs because over the life of the 7-year budget or over the life of the budget essentially the amount of money that is reimbursed to individual physicians as opposed to HMO's is skewed. Higher reimbursement rate, more money going to HMO's or managed care systems, less money as the years go by going to doctors who stay in the traditional fee-for-service system. So essentially seniors are encouraged, or almost forced because of their doctors, into HMO's or managed care systems, and a lot of doctors probably would not even take Medicare any more on an individual basis the way we operate now.

So what I believe will happen, and I think this is what the intent is, is that this budget will increasingly force more and more seniors into HMO's or managed care where they do not have a choice of doctors.

The effect on the other health care program, Medicaid, which is for low-income people, is just as bad, if not even worse, because essentially Medicaid, which right now is a guaranteed program; if you are below a certain income, you get Medicaid, and you have your health insurance paid for by the Federal Government because you cannot work, or you are a child, pregnant woman, whatever, who is without work, or you are disabled; right now that is guaranteed, that you get Medicaid, you get the health care coverage. But this budget bill abolishes the entitlement status of Medicaid. In other words, about 36 million Americans who are now eligible for Medicaid automatically are no longer eligible necessarily, and essentially the States are given money in block grants to try to continue to run health care programs for low-income people. But what the budget does, and again in a very sneaky way, is it says ''OK, now the States are going to get money, and they're going to decide what kinds of Medicaid programs they are going to have for low-income people.'' But 18 percent less is available in Federal dollars, 18 percent less than what our Congressional Budget Office says is necessary in order to cover the people that would be eligible for the Medicaid Program over the next 7 years.

So what is happening here is again just like the squeeze in Medicare, the squeeze exists in Medicaid. States are told, look, it is up to you to decide now who you want to cover, but you are going to get a lot less money to provide that coverage, and you do not have to cover the people that previously were entitled to Medicaid, and so what are the States going to do? They are going to cut back. A lot of them will decide that certain categories of disabled people are not going to be eligible for Medicaid or that certain other people will not be eligible for Medicaid, and they do not really have a choice because their only alternative is to raise taxes somehow, and the States obviously are going to be reluctant to do that.

□ 1930

The other aspect of the Medicaid Program that is particularly damaging is with regard to seniors. I mentioned before that under Medicare, the part B program for Medicare which seniors use to pay for their doctor bills, the premiums are doubled under this budget bill; but on the Medicaid side, the guarantee for low-income seniors, that premium that was paid for by Medicaid is eliminated.

So if you are a senior who can afford to pay for your Medicare coverage, you see your premiums doubled. If you are a senior who right now cannot afford to pay your Medicaid part B premium, and it is covered by Medicaid and you do not have to pay, you now have no guarantee that the Medicare coverage is going to be paid for.

What is going to happen? A lot of senior citizens will simply not take Medicare part B or physician coverage because they cannot afford to pay for the double premium; or, alternatively, if they are too poor and they have had their Medicare part B paid for by Medicaid, they simply will not have Medicare part B coverage, and they will not have any doctors to take care of them.

What we are seeing here more and more with regard to the two health care programs is that the budget, this Republican budget, the budget put forward by Speaker GINGRICH, is going to put a lot more Americans, provide that a lot more Americans do not have health insurance at all. They either will not have physician's coverage, or in some cases they will not have hospital coverage, and we are going to see an increase in the number of Americans who have no health insurance.

Right now it is estimated that something like 40 million Americans have no health insurance. Various estimates, responsible estimates, have said that under this proposal, under this budget, we could easily see over the next 7 years as many as 60 millions Americans or more that will have no health care coverage.

The other aspect of this bill that is particularly troublesome to me when it comes to Medicaid funding, as well as Medicare funding, relates to how States will finance both programs. In other words, right now Medicaid is a program where the States have to put up one dollar for every dollar that the Federal Government provides. So when I say that Medicaid is cut by 8 percent over the next 7 years, I am assuming that a State, for example, my home State of New Jersey, would put up $1 for every $1 that comes from the Federal Government.

But when this budget bill went to conference and came back on an agreement between the House and Senate, I found that it had another provision that even makes the situation for Medicaid and for States that are making an effort to try to provide coverage even worse, because it says that a State only has to spend 40 cents of a dollar in order to get 60 cents in Federal money.

What that means is that instead of putting up $1 and getting $1 in Federal money, the States may decide they will only put up 40 cents and get 60 cents in Federal money, which means that there is only $1 available for Medicaid as opposed to the $2 that is available under the current law. So not only will States see a lot less money coming from the Federal Government, but if they decide that they do not want to put up theirs, there may be half as much money available to the Medicaid recipients in that State than is available right now.

The other thing that really upsets me is that so many times on this floor I have heard the other side, my colleagues on the other side, basically give the impression that somehow, as this bill has moved through committee, through the House, through the Senate, and then in the House and Senate conference until it finally came to the floor today for final consideration before it goes to the President, the suggestion that somehow they have been trying to improve the situation with regard to the States' ability to continue Medicare and Medicaid in an inadequate quality way.

Particularly in my home State of New Jersey, I have been troubled by the fact that, unlike previous to today, most of the Republicans decided to support this budget conference when it came back because of changes that were made supposedly for New Jersey that would help with our ability to continue Medicare and Medicaid coverage.

I basically disagree with what my Republican colleagues or most of my Republican colleagues from New Jersey have been saying in this regard. I think that the bill that has come back to us,

and that we voted on today, did not make any real significant changes in the Medicaid or Medicare Programs that help the State of New Jersey. Particularly with regard to our hospitals and the amount of money they are going to be getting from Medicare, it created a very biased system in favor of certain hospitals, and at the expense of other hospitals.

Ms. JACKSON-LEE. Mr. Chairman, will the gentleman yield?

Mr. PALLONE. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE. Mr. Speaker, I thank the gentleman from New Jersey for yielding to me. I was in my office and listening to his very detailed explanation and very important explanation.

I think it is very crucial on the eve of this Thanksgiving, away from what we experienced this whole last week, and we were together this whole weekend, I recall being with the gentleman and debating this issue of adjournment on Saturday, of course a separate issue on the continuing resolution. But we decided together not to leave for our home States, which many of us had obligations, to stay here to demand that this Congress deal first of all with the question of the Government shutdown. And in the midst of that discussion, of course, and we have heard a lot of people talk about wins and losses, and knowing your commitment to this whole issue of Medicare and Medicaid, I have not heard the gentleman say that, but what we did get out of the continuing resolution, which I think is very important for the American public to know, is a listing of priorities that includes Medicare and Medicaid. That is a separate issue.

Because the Democrats stayed in, we were here yesterday, we were here when this Congress reconvened late last night to give us the opportunity to vote on the 1-day CR. And then, of course, today it was voted on. It is giving direction, or that listing of priorities will now give us direction for this budget bill, which of course this budget reconciliation came again to the House floor, and it was not responsive to what you have been highlighting.

If I might just add to what you have said——

Mr. PALLONE. Absolutely.

Ms. JACKSON-LEE. We may not have heard the collective voices from the hospitals like we would have liked to. I know they were spending time trying to review all of the numbers, they were concerned that they would not speak precipitously. But now they have come and they have spoken. Five thousand hospitals and health systems nationwide have written, and I am not sure whether the Republicans have read this language, but I would just like to share with you, because your hospital association, the Texas Hospital Association, and the New York Hospital Association, it simply reads: ''The undersigned national, state, and metropolitan organizations representing more than 5,000 hospitals and health systems nationwide, cannot support the conference report on H.R. 2491.'' It did not say we want to reconsider the budget reconciliation bill. ''Our reason is straightforward as it stands. This legislation, viewed in its entirety'' it did not say a piece here or a piece there, ''Is not in the best interests of patients, communities, and the men and women who care for them.''

This is from caregivers with no axe to grind, no political or partisan position. In fact, they waited this length of time, and obviously, they agree with your interpretation.

In my State in particular, with the Texas Medical Center nearby my district, but the Harris County Hospital District largely in my district, we are finding that on the Medicaid issue we are losing some $5 billion in Medicaid. I think if people understand what that means, if we were to have a recession, in Houston we have the Johnson Space Center, and many people were hurt on this furlough and large numbers of individuals were furloughed. That is an employment base.

I am very glad to see that we have certainly made some commitments on funding on the space station, but just think, if something might happen which would create some sort of recession in Houston or in surrounding areas, the State, which the Republicans have so much bragged about as giving them block grants, would be cut off from helping those who newly need health care under Medicaid, because it would be in a block grant and they would already have lost some $5 billion out of the State of Texas.

It indicates in the gentleman's State, and he has already given the numbers, but it just lists all of the States that would do so.

If I could just show you one other plan here, or sort of a graph if I could, because you mentioned this as well, and that is that we seem to be in this trouble because of the Republican tax plan. Certainly I do not think there is one of us who has stood here, many people we know could benefit, if you will, and this is not an issue where you do not want to take credit for giving people money. But we have to, as we did with the continuing resolution—there is a question of priorities.

If you look, the lowest income individuals, and some of those are people working—some people work for between $6,000 and $10,000 a year—would be taxed, and in actuality, would be losing $168. Then, if you want to take the average American, we understand average Americans make about $41,000; somewhere between $30,000 or $41,000, if you are $30,000, say $27,000, you get $226 in a refund.

Of course, I do not give any negatives to any amount of money, but someone was on the House floor today saying you could invest this money for your youngsters' college education. I think I could interview a number of people making $27,000 and find out whether they could get any college education money out of investing $226. Then for someone making $41,000, they would get $514. Certainly a color TV is welcome into the household, but we misrepresent to the American people that they are getting a benefit by getting this tax back but yet losing direct student loans.

Then, as I conclude, to say to you that they would likewise, if they were making $606,000 they would be getting back $13,628. That is a question of priorities. I applaud the gentleman for his persistence. I think he has spoken to me on the House floor and has been asking for Medicare hearings more fully so we can understand the facts. I want to join him in that, because I think this is an important question. I did say I was going to conclude, but if you would just allow me on one point.

Mr. PALLONE. The gentlewoman can speak as long as she likes.

Ms. JACKSON-LEE. I notice we had the VA–HUD rule, and interestingly enough, we were prepared to debate that legislation, and it was mysteriously pulled. I would simply say, coming from Texas, I certainly applaud the work that we did in securing the space station. That is important to us. I would argue vigorously that that creates the work of the 21st century. I was proud to be able to support the funding for that, and not to eliminate or undermine some of the great works of those individuals.

Yet, what we are doing to housing, and then juxtaposing it against the space station, and that effort and science, which that really is not the right scapegoat, it is the $270 billion tax cut, we find in the housing area we are literally gutting an opportunity for what has been the new trend in America, creating affordable housing. My city is just on the precipice of going in and building housing for those who need housing, and here we are, gutting that.

We are gutting historic preservation provisions to protect historic buildings, we are gutting the environment, and interestingly enough, I hope that bill goes back so that we can be fair. We have been fair to those in the science with space station and NASA, and we need to be fair to those who would create the opportunities, young people who will be raised up in these houses, so they can be the next scientists and engineers.

I think this tells a story of that continuing resolution. I will go back to it, which is establishing priorities. No one wins or loses. It is bringing your experience, bringing my experience of my parents who did not have the same opportunities that I had, bringing them to this House of Representatives, to create the doors of opportunity for those seniors, for those young people, for those working people.

I applaud your remarks, and I hope that someone will listen to what we are saying. We are not against the balanced budget. We have all said it. But

what we have emphasized is the importance of priorities. It appreciate the gentleman yielding to me.

Mr. PALLONE. I appreciate the gentlewoman for speaking up as she did. I think you are absolutely right, that one of the, if not the, major benefit from this continuing resolution was the fact that it establishes the President's and the Democrats' priorities with regard to Medicaid, Medicare, education, and the environment.

What you were saying particularly about Medicaid and Medicare, I wanted to point out, I see that our leadership is here and I want to yield to them, but I would like to point out at some point how this budget conference actually makes the situation even worse with respect to some aspects of Medicaid and Medicare. It was not an improvement. It made it worse for our area hospitals.

RESIGNATION AS MEMBER OF COMMITTEE ON SCIENCE

The SPEAKER pro tempore (Mr. BARR) laid before the House the following resignation as member of the Committee on Science:

WASHINGTON, DC,
November 18, 1995.

Hon. VIC FAZIO,
Chairman, House Democratic Caucus, Washington, DC.

DEAR CHAIRMAN FAZIO: I hereby resign my seat on the Committee on Science.

Sincerely,

PETE GEREN,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF THE COMMITTEE ON SMALL BUSINESS

The SPEAKER pro tempore laid before the House the following resignation as member of the Committee on Small Business:

HOUSE OF REPRESENTATIVES,
Washington, DC, November 20, 1995.

Hon. VIC FAZIO,
Chairman, House Democratic Caucus, Washington, DC.

DEAR CHAIRMAN FAZIO: I hereby resign my position on the House Small Business Committee. This resignation is to take place immediately.

Sincerely,

PATRICK J. KENNEDY,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

Mr. FAZIO of California. Mr. Speaker, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from California.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. FAZIO of California. Mr. Speaker, I offer a privileged resolution (H. Res. 281) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 281

Resolved, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

To the Committee on Resources: The following Members: Edward Markey of Massachusetts to rank above Nick Joe Rahall of West Virginia and Patrick Kennedy of Rhode Island.

To the Committee on Transportation and Infrastructure: The following Member: Peter Geren of Texas.

Mr. FAZIO of California. Mr. Speaker, I ask unanimous consent that the resolution be amended to put the gentleman from Texas, Mr. PETE GEREN, after the gentleman from Tennessee, Mr. TANNER, on the Committee on Transportation and Infrastructure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Without objection, the resolution, as modified, is agreed to.

There was no objection.

A motion to reconsider was laid on the table.

□ 1945

Mr. PALLONE. Mr. Speaker, when I was having the dialog with the gentlewoman from Texas before, one of the things that I found out, again in response to the fact that some of my colleagues on the Republican side from New Jersey were sort of touting the changes that happened in the conference with regard to Medicare funding, what they were saying was that $55 million in additional money would be coming to New Jersey hospitals because of changes in Medicare.

What I found out was particularly disturbing to me because of the inequities of the formula that had been put into the conference bill. Essentially, what the formula said was that if a hospital in New Jersey, and of course this is throughout the country, so it applies in every State, if a hospital had more than 60 percent, 60 percent or more Medicare patients, it was going to get a small increase in its reimbursement rate for Medicare.

But then on further discovery, I found out that that was only true if the hospital was not a disproportionate share hospital or a teaching hospital. A disproportionate share hospital is a hospital that has a high number of Medicaid patients, in other words, low-income patients, or patients that receive Social Security disability benefits. Of course, the teaching hospital is a major institution that provides teaching to residents and to young doctors; and which also tends, in many cases, many of the teaching hospitals, happen to be in urban areas.

So what essentially this new formula said was, in my interpretation, if you have a high number of seniors at your hospital, we are going to give you extra money, but not if those seniors happen to be low-income seniors or if they happen to be people who are receiving Social Security disability, or other types of low-income individuals. That is an incredible inequity.

Here we have some of the major teaching hospitals, which serve the underprivileged, disproportionate share hospitals that serve large numbers of poor people, and have the greatest need for help from the Federal Government in terms of their reimbursement rate, and they are being cut at the same time as the hospitals who have a high number of Medicare patients, but do not have a lot of poor people, are being given an increase. That really says a lot about the way Speaker GINGRICH and the Republican leadership have gone about dealing with this bill.

It is not fair; there are a tremendous number of inequities in this bill.

Mr. Speaker, with regard to Medicaid and, again, talking about my home State of New Jersey, my colleagues were touting the fact that there was an increase from Medicaid funding to New Jersey of something like $200 million, largely because now the effort or the services that you provide to illegal immigrants were going to be included, whereas they had not been in the original bill.

But what they fail to point out is that New Jersey loses $6 billion in Medicaid funding over the next 7 years under this Republican budget. So here we have some slight increase, because you are serving illegal aliens, of $200 million, but a shortfall overall of $6 billion.

This prompted one of my local newspapers, the Home News and Tribune, to write an editorial which I would like to quote from briefly. They said, and they complimented Governor Whitman because she had tried to get some extra money for Medicaid in part of this conference. But then they said that the latest GOP plan still doesn't do enough to help needy New Jersey residents.

The new game plan would leave New Jersey with almost $6 billion less than the State would have received under existing law. The undeniable fact is that New Jersey still takes a big hit.

So whether you talk about Medicare or you talk about Medicaid, the bottom line is that, around the country, both programs suffer considerably, and in many ways will not be the type of quality health care programs that they are now.

Before I finish, I wanted to go into two other aspects of this Republican budget bill that I find very objectionable. The gentlewoman from Texas [Ms. JACKSON-LEE] mentioned both of them. I just want to get into a little more detail about how this conference bill, the one that we voted on today and that I oppose, specifically affects certain education programs and certain environmental programs.

The most negative impact in terms of higher education is on what we call the direct student loan program. The Republican proposal basically caps direct student loans at 10 percent of total loan volume. What we know that this