

A REALISTIC BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. KINGSTON] is recognized until midnight.

Mr. KINGSTON. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. PALLONE], my friend.

Mr. PALLONE. You mean the stimulation of the economy.

No, I believe that it is more important to balance the budget than to rely on a theory that says with these tax breaks that will go to most wealthy Americans that we can stimulate the economy. I think the economy would be better served by balancing the budget and not using and not providing the tax breaks.

Mr. KINGSTON. I thank the gentleman for his honesty on that. We will have to debate that further and continue.

Let me yield to the gentleman from California [Mr. HUNTER], my friend.

Mr. HUNTER. Mr. Speaker, I thank the gentleman from Georgia [Mr. KINGSTON] for yielding and, let me just say that in listening to my friend from New Jersey I have learned I have got some new terms for what I call my liberalspeak dictionary. The first term is the rich.

The rich, according to liberalspeak, is anybody who has children, because the tax cuts and credits that are given in the Republican budget are given to people who have children.

□ 2345

That means if you get a \$500 tax credit per child and you are a working guy who pays \$1,500 a year in taxes, you have three children times \$500, you take \$1,500 off your taxes and you have reduced your taxes to zero. If you are a guy that pays \$50,000 and you have three children at \$500 apiece you take \$500 off your \$50,000 tax liability, and you still pay \$48,500. The first liberalspeak term that they have been using extensively is "the rich." "The rich" are any people that have children. That makes you rich in America. I guess in a way it does.

The other liberal-speak term that we have all been learning is "a cut." This is why we have a \$5 trillion deficit today. For the liberals, any increase that is less than 40 percent is a cut, because Medicare payments per senior citizen are going under the Republican budget from \$4,800 to in excess of \$6,700 per senior.

Mr. KINGSTON. If I could reclaim my time, I think I could enhance the gentleman's words. This is what is happening with Medicare under the Republican plan. It goes from \$4,816 in the year 1995 to \$7,101 in the year 2002. Only in Washington, DC would that be called a cut. I would suggest it is really a mathematics problem.

Mr. HUNTER. The gentleman is absolutely right. But we have to accept this liberal dictionary because all of our Democrat friends are using it across

the country. Any increase in a government program that is less than a 40 percent increase they will call a cut.

Lastly, they have a new term. It is called "radical." Anybody that believes that working men and women who earn money with their own sweat should be allowed to keep that money is a radical. The moderate view, the accepted view for the liberals, is that all the money belongs to the government, and only in times of extreme prosperity can the government afford to give back working men and women the money that they earned with their own sweat. Otherwise, you are a radical. So we have some new terms from the liberal dictionary, and I just heard the fine gentleman from New Jersey expound on those terms and once again define them for us.

Mr. KINGSTON. I yield to the gentleman from Arizona [Mr. HAYWORTH], but for a minute I want to point out the infamous \$1 million check that is waiting here for any Democrat or any member of America who can show where the Republican plan is cutting Medicare. It is interesting that this check is dated December 6, and it has been collecting interest because nobody can prove there is a cut and nobody can collect this check.

Mr. HAYWORTH. I thank the gentleman for yielding, and to have our colleague, the gentleman from California, and another great gentleman from Georgia [Mr. COLLINS] here during the course of this special order with my good friend, the gentleman from Savannah, Georgia, in the well.

It is worth noting for the RECORD, though, there have been those who have tried to change the terms of the offer, just as they have tried to change the terms of the debate. Indeed as my colleague, the gentleman from California [Mr. HUNTER] pointed out, this liberal lexicon is not limited only to the other side of the aisle in this Chamber. As my good friends know, Mr. Speaker, that liberal lexicon exists on the other end of Pennsylvania Avenue, with a President who I am sure means well but who has the most inventive approach to history that I have ever seen.

For example, this afternoon the President of the United States went out to a press conference and said that there was one group in this institution that was causing all the problems, these infamous 73 freshman in the House of Representatives. I know my colleagues here take great umbrage at that, because indeed they are part of the new majority.

It is not only 73 percent of the freshman class, nor the 236 or maybe 237 Members now of our new majority, but if the President would check the RECORD he would find, Mr. Speaker, that yesterday when his budget was brought to this floor no one, no Republican, no Democrat, not even the independent in this Congress cast a vote in favor of that budget.

Mr. KINGSTON. Let me claim the time now, Mr. Speaker, because I want to make sure I understand what the

gentleman is saying. Does the gentleman mean to tell me that the President of the United States had a balanced budget on the floor and not one Democrat voted for it? Is that what you are saying?

Mr. HAYWORTH. I would ask my friend to yield, because that is the important caveat. You see, again the President, who talked about a balanced budget as a campaigner in 1992, said we could balance it in 5 years, and who more recently has said 7, 8, 9, 10 years, the President of the United States has yet to send to this Congress a budget that will balance in 7 years. So I think, quite forthrightly and responsibly, Democrats, independents, and Republicans rejected that budget yesterday.

Of course, 2 days prior to today there was another resolution on the floor of this House simply restating the parameters and the guidelines for the balanced budget agreement, the same words the President signed into law 30 days ago agreeing to balance the budget in 7 years, using the honest, non-partisan numbers of the Congressional Budget Office. On that occasion, 2 days ago, not only did this majority vote for that resolution, but so did three out of every four Democrats, and the lone independent in this Congress, the self-described Socialist, the gentleman from Vermont [Mr. SANDERS].

Mr. Speaker, I would make this appeal to the President of the United States. Mr. President, thanks for the credit, but in reality, if you fancy yourself a student of history and a self-described policy wonk, take a close look at the real numbers, because you see Republicans, Democrats, and independents united on this floor, and get real numbers into this budget negotiation process. Then you can join with us, Mr. President, and say that you truly have made history.

Mr. KINGSTON. Mr. Speaker, what I wanted to do was get back on the tax issue a minute. We have the distinguished gentleman from Georgia on the Committee on Ways and Means here, and the gentleman from California, Mr. DUNCAN HUNTER, who used to be in charge of the policy committee and knows all these things. It is interesting that the chart I am about to show you was actually developed by the Heritage Foundation which, while it is conservative, is certainly not Republican and is an independent think tank as opposed to some of the charts we are seeing by the Democrats.

This \$500 per child tax credit, which we have heard time and time again, "a tax credit for the rich," and I do not know when the Democrat party crossed the line, but it is obvious if you are rich in the Democrat party, it is worse than being a criminal, and it is certainly a lot worse than being an illegal alien, given the benefits they want to give to illegal aliens in California. In San Diego, goodness gracious, you cross the border and you are a lot more welcome than somebody is who is rich.

Good gosh, a rich person might be an employer.

Here are 89 percent of the people in America who will benefit from the \$500 per child tax credit, and almost 90 percent have a family income of \$75,000 or less. These are the rich people. So I guess what the extreme left is telling us is that if you make \$75,000 or less, as the gentleman from California [Mr. HUNTER] said, if you got a job, they do not like you. You are one of those big, bad, evil rich.

I am glad to yield to the gentleman from Georgia [Mr. COLLINS].

Mr. COLLINS of Georgia. Mr. Speaker, I appreciate the gentleman yielding.

A lot has been said about the agreement in the bill that the President signed some 30 days ago dealing with the balanced budget and the agreement that we would reach one by the end of this legislative session. You asked the gentleman from New Jersey a while ago a very good question about tax policy: Did he think tax policy change would actually help to create jobs, as evidenced by the \$500 per child tax credit?

I want to refer to the agreement, too, that the President also agreed with. That is, the last line in the first paragraph says "Further, the balanced budget shall adopt tax policies to help working families and to stimulate future economic growth." Even the President himself believes that if you help working families, and working families are the ones that pay the bills in the this country, they are the ones that work, earn a paycheck, and money comes out of that paycheck and comes into the government, he agrees that if you help those people, you will help and stimulate economic growth, also through tax policy that helps benefit those who provide those jobs for those working people. So the President himself has said, "Let us change and adopt tax policy that helps working America and also stimulates the economy."

Mr. KINGSTON. Mr. Speaker, I would ask the gentleman, was that candidate Clinton or President Clinton?

Mr. COLLINS of Georgia. Mr. Speaker, that is in the law the President signed some 30 days ago. He himself promotes the fact that we need to change and adopt tax codes that will stimulate the economy, and that goes back to the capital gains, the repeal of the depreciation schedule, the alternative minimum tax, the \$500 per child tax credit. All of those things will help stimulate the economy, you do have growth, economic growth, as he agreed to.

□ 2355

Mr. HUNTER. If the gentleman will yield, one thing we have noticed with the liberals with their new dictionary that says that if you are rich, that means anybody who has children is rich. They have avoided in all of their descriptions of the budget, of the Republican budget, the term children, because they know that the American

people have common sense, and if the American people know that the bulk of the tax cuts in the Republican plan are giving anybody who has children \$500, count them, \$500 per child tax credit, then everybody has enough common sense to realize that that is mostly going to be absorbed by working people.

Rich people do not have 50, 100, 200 children. They do not have more children than people in middle income class or lower income class. They know that everybody has children. They also know that working people, the working guy who is paying \$1,500 a year in tax liability who has three children at \$500 apiece will see his tax liability totally erased, and the guy who has \$50,000 a year in tax liability and has three children at \$500 apiece will only have it reduced about 1 percent, down to \$48,500.

That is why the Democrats never use the word "children." They think they want to let the American people rely on the notion that there is some obscure formula that we put together that says only the Forbes family gets this tax cut, and that is not true. Anybody with children.

Mr. COLLINS of Georgia. Will the gentleman yield? Let us look at how that \$500 actually helps that working family and then simultaneously stimulates the economy. What will they do with the \$500? They will spend it. They will spend it on their family. That is how it helps that family, and once they spend it, they spend it normally on consumer goods or some type of service.

That helps stimulate the economy. It is a very positive move for this country to adopt tax policy, as the President has agreed, that will help working families and stimulate economic growth.

Mr. KINGSTON. Well, the thing that I think is also important to remember is that the average middle-income family in the 1950's paid 2-percent Federal income tax. Today that same average middle-income family pays 24-percent Federal income tax, and that does not even take into account all of your State and local taxes that have gone up year after year, and as a result, we have less time as a family to sit down and import information to the next generation: help educate kids, help teach them manners, and help teach them right from wrong. You have to have two-income families just to pay the Government. It has become a lower quality of life.

I yield to the gentleman from Arizona.

Mr. HAYWORTH. I thank my colleague from Georgia, and I think he absolutely again addresses this situation in the most accurate manner possible. Because again, when we are talking about our children, there is nothing ignoble or selfish about letting hard-working Americans hang on to more of the money that they earn, because as our colleague from California points out, this money is not the Government's; the Government does not cre-

ate the wealth. Working people create the wealth by the fruit of their own labors. As our colleague from Georgia points out, yes, Americans will spend that money, but it is also true, Mr. Speaker, that those Americans will save that money and invest that money in their children's future.

I thought my colleague from Georgia who stands in the well here in this special hour said it quite well during the course of the debate. This is all about children, and how dangerous and how immoral for us to saddle unborn generations with a debt that my young son faces. John Michael Hayworth, now 2 years old, over \$185,000, almost \$187,000 in interest on the debt the will have to pay if we do not make a change for the better.

Mr. KINGSTON. Gentlemen, we are about out of time. Let us all wrap up quickly.

Mr. COLLINS of Georgia. Our final word for my colleague from Georgia. You made a very important statement a while ago when you compared the tax policy of 1950 to today and how much more it takes out of a family income.

There has been a lot said in this Chamber about the erosion of family income. The President himself has talked about the erosion of family income. One of the reasons for erosion is taxation. Another is excessive regulations that go into the cost of consumer goods and services. That has accounted for the erosion of family income in this country.

Mr. HUNTER. Let us balance this budget. that is what we are here for. We are not going to leave this Hill until the budget is balanced, and I thank the gentleman for his great leadership in this area.

Mr. HAYWORTH. I would concur in that. I thank our friend from Georgia for organizing this special order, and I would simply say again to the President of the United States, you can try to attack us, but ultimately, the President should work with us, because the future of this Nation, nothing less than the future of this Nation, the future of our children and the future of all Americans is at stake. With that, I yield back to the gentleman.

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from Arizona [Mr. HAYWORTH], the gentleman from Georgia [Mr. COLLINS] and the gentleman from California [Mr. HUNTER] for being with me tonight.

Balanced budget, what does it mean to you? Lower interest rates. Small businesses can expand, create more jobs. It means lower home mortgages, lower car payments, lower student loan rates. It means a better quality of life, and more importantly than anything, it means an honest American Government, one that can look forward to even greater heights.

Mr. COLLINS of Georgia. To sum it up, the only person standing between the balanced budget and the people of this country is the President of the

United States, because he vetoed the balanced budget that the leader from the other body and the Speaker of this House were instrumental in passing and sent to his desk. He vetoed it. He stands between the people and the balanced budget, and I thank the gentleman for yielding.

Mr. KINGSTON. Mr. Speaker, I yield back the balance of my time.

THE PEOPLE'S WORK

Mr. HAYWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection without objection.

Mr. HAYWORTH. Mr. Speaker, I would just simply like to point out that this is more evidence that this House is about the work of the American people. It is this House that has passed appropriations bills that this President has vetoed. He has put Americans out of work. It is his decision; the mantle of leadership rests uneasily on his shoulders.

We are here in the Congress of the United States to lend a helping hand to inject a dose of honesty and reality into these proceedings, and that is why even now, as our friends in the Committee on Rules labor, they are doing so for the highest of purposes: to restore the ideal of limited and effective Government and to achieve the balanced budget which we all have said we want to achieve, for our children deserve no less.

Mr. KINGSTON. Will the gentleman yield?

Mr. HAYWORTH. I would be happy to yield to my friend from Georgia.

Mr. KINGSTON. Mr. Speaker, what is curious about this whole process is that we are not cutting spending, unfortunately. We are not freezing spending, unfortunately. We, over a 7-year period of time, are increasing spending 3 trillion new dollars, and the President wants to increase it 4 trillion new dollars.

Mr. HAYWORTH. Would the gentleman from Georgia please repeat those numbers?

Mr. KINGSTON. We, over a 7-year period of time, we being the Republican Party, are suggesting increasing spend-

ing 3 trillion new dollars over the next 7 years. The President wants to increase spending \$4 trillion over the next 7 years.

Mr. HAYWORTH. The \$4 trillion in additional spending is what this President would like to do, and that is the reason he is against a balanced budget?

Mr. KINGSTON. The gentleman talked earlier about the 73 new freshmen, and I assume not 1 of you ran on a platform of increasing spending 3 trillion new dollars. The point being is I really and truly believe the American people want a balanced budget. I believe the time has come for it, and I also believe, to paraphrase Dwight W. Eisenhower, that once the American people make up their mind to do something, there is not much you can do to stop it.

So I believe, thank the Lord, that this is beyond the President, this is beyond Congress, this is beyond the Senate. This is something the American people want, and therefore, I think we are going to get a balanced budget.

Mr. HUNTER. Will the gentleman yield?

Mr. HAYWORTH. I am happy to yield to our friend from California.

Mr. HUNTER. Mr. Speaker, the gentleman just hit the nail on the head, because you mentioned the time. A number of our friends on the other side of the aisle call a balanced budget a noble goal, but it is never the right time to have it. It is always the right time to increase another program by 50 percent, because if you increase it by less than 40 percent, they will call it a cut, but it is never quite the right time to have a balanced budget.

I think you are exactly right. The American people think that this is the right time. If we leave this Hill without having a balanced budget over this next 5, 10, 15 days, we will have failed the American people.

Mr. KINGSTON. On that subject, I want to mention that I know Mr. Hayworth knows this story, because I have told it before, about the guy that goes to the farmer and wants to borrow his friend's ax and he goes next door and he says, "I want to borrow your ax today; I have to chop some wood." The guy says to the farmer, "I do not want to lend you my ax," and the farmer says, "why not?" He says, "I am making soup today." He says, "making soup? What does that have to do with me borrowing your ax?" He says,

"nothing, but if I do not want to do something, any excuse is a good one."

What we are seeing on issue after issue is: yes, I want to balance the budget, but not here, not now, not this one, not that program.

I yield back to the gentleman from Arizona.

Mr. HAYWORTH. I think the gentleman, and I thank the Speaker.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

□ 0010

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CHRYSLER) at 12 o'clock and 10 minutes a.m.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4, THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY ACT OF 1995

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 104-431) on the resolution (H. Res. 319) waiving points of order against the conference report to accompany the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION AUTHORIZING SPEAKER TO DECLARE RECESSES SUBJECT TO THE CALL OF THE CHAIR FROM DECEMBER 23, 1995 THROUGH DECEMBER 27, 1995

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 104-432) on the resolution (H. Res. 320) authorizing the Speaker to declare recesses subject to the call of the Chair from December 23, 1995, through December 27, 1995, which was referred to the House Calendar and ordered to be printed.