United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, WEDNESDAY, MAY 15, 1996 No. 68

House of Representatives

The House met at 9 a.m.

The Reverend Rees F. Warring, senior pastor, Elm Park United Methodist Church, Scranton, PA, offered the following prayer:

God of all people and nations, You who created and are still creating, may we be willing partners of Your creation. Help us to be merciful and just, compassionate and caring, that this will be a more merciful and just, compassionate and caring world. We pray that the quality of all life will be better because of the way we live and work. Enable each of us to be an instrument of Your peace, working to eliminate all that separates peoples and nations from You and from each other. Free us from all bigotry and prejudice, from pride of place and status, from the lack of vision and the loss of faith. Inspire us, this and every day, to be so concerned about Your way and truth, that Your will may eventually be done on Earth as it is in heaven. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Pennsylvania [Mr. MCDADE] come forward and lead the House in the Pledge of Allegiance.

Mr. MCDADE led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND REES F. WARRING

(Mr. MCDADE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCDADE. Mr. Speaker, let me begin by saying how nice it is too see so many familiar faces in the Chamber this morning. We are delighted that so many of our colleagues are here, and of course we all welcome you back to this magnificent House.

Mr. Speaker, I am privileged to welcome to this Chamber the Reverend Rees F. Warring, and I want to thank him for his beautiful opening prayer. Reverend Warring is the pastor of the Elm Park Methodist Church in the city of Scranton and has served several churches in northeastern Pennsylvania for over 30 years.

In every congressional district of this Nation—and no one knows this better than the people assembled here today—there are extraordinary people who exemplify the positive forces for good and selflessly serve their fellow man. Reverend Warring and his wife, Jean, who is with us today, are such individuals. They have tirelessly devoted their time and energy helping the less fortunate people in their community and providing spiritual solace to their congregation. Because of their good works, northeastern Pennsylvania and the Nation is a better place in which to live.

They have also raised four wonderful children, one of whom, also with us today, is their son, John, who serves as an important member of my Washington staff.

In addition to his spiritual efforts at Elm Park, Reverend Warring has been active in leading the restoration effort in Scranton to preserve the area's many historic church buildings. Elm Park serves as both an architectural landmark in downtown Scranton and as a community center for religious and civic activity. I am grateful that Reverend Warring could lead us in prayer today. He is a man who has enriched countless lives through his spiritual and community leadership.

And, my friends, on a personal note, I would like to extend on behalf of all of us a most happy 58th birthday today to Reverend Warring.

RECESS

The SPEAKER. Pursuant to clause 12 of rule I, the House will stand in recess, subject to the call of the Chair, to receive the former Members of Congress.

Accordingly (at 9 o'clock and 8 minutes a.m.), the House stood in recess subject to the call of the Chair.

☐ 0908

RECEPTION OF FORMER MEMBERS OF CONGRESS

The SPEAKER of the House presided.

The SPEAKER. On behalf of the Chair and this Chamber, I consider it a high honor and a distinct personal privilege to have the opportunity of welcoming so many of our former Members and colleagues as may be present here for this occasion. I think all of us want to pause and welcome each of them.

Let me also say, if I might, that if the House will indulge me to speak from the chair for a minute, that I am particularly delighted today to be here to recognize the distinguished gentleman from Illinois, Mr. Michel, for the amount that this House owes the gentleman from Illinois for his years of service, for his sense of commitment to the representative process, to his passion for freedom, and his willingness to serve his country under a wide range of circumstances. I would say that I believe all Members of the Chamber would join me in recognizing that the gentleman from Illinois always placed

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the House and the country above both his own personal interest and his partisan interest.

I must say, at a personal level, that without his having been my mentor and without his having literally at times helped train me, usually with the best of cheer, but on a rare occasion with a direct and firm manner, I would not today be Speaker. While the Democrats in the Chamber may regret that part of his career, I can say, at least on behalf of the Republicans, that we are all in Mr. Michel's debt for having taught many of us a great deal about the art of leading in a free society. So it is a great honor to me to have this opportunity to be here and to state my feelings about the gentleman from Illinois.

Let me at this time yield to the gentleman from Mississippi [Mr. MONTGOMERY] on behalf of the minority.

Mr. MONTGOMERY. Mr. Speaker, on behalf of the minority leader, the gentleman from Missouri, DICK GEPHARDT, on the Democratic side, I would like to also welcome former Members to this great assembly Hall and also offer my congratulations to Bob Michel, who you will give this award to this morning. Bob Michel was minority leader for a number of years and also a war hero. As you know, you have the privileges of the floor for the rest of the day.

We will be taking up the defense authorization bill, Mr. Speaker, and now we do not go as long as we used to on the defense authorization bill. Then after that we will take up a budget resolution. I would like to point out that I and 32 other Members of the House of Representatives will be former Members about January 3 of next year, and 13 Senators, so we have some folks that add to the ranks.

Welcome to Lindy Boggs, the President of your Association. She has been honored greatly this last week, not only in Missouri but also in Mississippi. Thank you for giving me this opportunity.

The SPEAKER. If I may recognize the gentleman from Indiana [Mr. MYERS] on behalf of the majority.

Mr. MYERS of Indiana. Thank you, Mr. Speaker, and good morning to each of you. On behalf of the majority leader, who unavoidably is detained, who planned to be here, but since I am going to join your ranks this year, he said why do you not do it for me. So we are pleased to have y'all back again here in this Chamber.

I know many of you spent a good many years here, fond memories. It has not changed a whole lot that much. But we do welcome you back, and it is good to see so many look so young. You, too, Don. You know, it seemed like when we were younger that everyone aged more rapidly. But now that I am more mature, I realize that that is not true. But we do welcome you back and see so many that are still able to come back and say hello to us.

Again, there will be several of us joining you. Mr. MONTGOMERY and I will be joining you next year, and a number of us will be joining your ranks. I do not know if that will be improving your ranks, but it will improve the ranks here. A lot of Members will be pleased to have us go. Thanks for joining us again.

The years do go by fast. Welcome back to the Chamber.

The SPEAKER. Before the chair recognizes the distinguished gentleman from Florida, let me just say again as a history teacher, I particularly appreciate all of you coming back because the process of freedom is an organic process. The degree to which Members and former Members are able to educate the community, the degree to which each of you in your working life and in your chances as a citizen once you leave this place are able to reach out and help others understand this complex process that we call representative self-government is a very, very important part of the way in which we educate ourselves each generation.

So I think the fact that you have remained active and that you are back here today is a very important part of that historic chain that takes us all the way back to the very first Congress and that will carry us forward to future Congresses beyond our own service. So I appreciate very much your being here today.

The Chair now recognizes the Honorable Louis Frey, Vice President of the Association, to take the chair.

Mr. FREY (presiding). Thank you, Mr. Speaker, Congressman MONTGOMERY, and Congressman MYERS, for allowing us to be here.

There is always one thing I have wanted to say when I got up here. Everybody in favor of the balanced budget please say aye. Sorry, I waited 30 years for that.

The Clerk will now call the roll of former Members of Congress.

The Clerk called the roll of former Members of the Congress, and the following former Members answered to their name:

ROLLCALL OF FORMER MEMBERS OF CONGRESS ATTENDING THE 26TH ANNUAL SPRING MEETING, MAY 15, 1996

Lindy Boggs of Louisiana;
Daniel Brewster of Maryland;
William E. Brock III of Tennessee;
Donald G. Brotzman of Colorado;
James T. Broyhill of North Carolina;
Elford A. Cederberg of Michigan;
Charles F. Chamberlain of Michigan;
Rod Chandler of Washington;
James K. Coyne of Pennsylvania;
Robert B. Duncan of Oregon;
John Erlenborn of Illinois;
Marvin Esch of Michigan;
Louis Frey, Jr., of Florida;
Robert A. Grant of Indiana;
James M. Hanley of New York;
Robert P. Hanrahan of Illinois;
Harry Haskell, Jr., of Delaware;
William D. Hathaway of Maine;
Jeffrey Hillelson of Missouri;
George W. Hochbrueckner of New York;
William L. Hungate of Missouri;
John Jenrette, Jr., of South Carolina;
Hastings Keith of Massachusetts;
David King of Utah;
Ernest Konnyu of California;
Peter N. Kyros of Maine;
Mel David of Wisconsin;
Norman F. Lent of New York;
Wiley Mayne of Iowa;
Romano L. Mazzoli of Kentucky;
Paul N. (Pete) McCloskey of California;
Bob McEwen of Ohio;
Matthew McHugh of New York;
Lloyd Meeds of Washington;
Robert H. Michel of Illinois;
Abner J. Mikva of Illinois;
Wilmer D. Mizell of North Carolina;
John S. Monagan of Connecticut;
Frank E. Moss of Utah;
Charles H. Percy of Illinois;
Shirley N. Pettis of California;
Howard W. Pollock of Alaska;
Joel Pritchard of Washington;
Thomas F. Railsback of Illinois;
John Rhodes of Arizona;
John J. Rhodes III of Arizona;
Don Ritter of Pennsylvania;
Paul G. Rogers of Florida;
John Rousselot of California;
Donald Rumsfeld of Illinois;
George F. Sangmeister of Illinois;
Ronald A. Saracen of Connecticut;
Harold S. Sawyer of Michigan;
Richard T. Schulze of Pennsylvania;
Carlton R. Sickles of Maryland;
J. William Stanton of Ohio;
James C. Wright of Texas;
Leo C. Zeferetti of New York.

Mr. FREY (presiding). It is now my personal privilege to introduce to this group the president of the former Members, the gentlewoman from Louisiana, the Honorable Lindy Boggs. The association has just been fortunate to have as its leader such an extraordinary, wonderful person. Her energy, her drive, her vision, trying to catch up with Lindy is just about impossible. I do not know how she does it. She puts us all to shame. She can bring us all together. If we have any problems at all, we just listen to her and we just fall in place because she is such a wonderful person and a great leader.

If I had to use one word and I was forced to use one word to describe our president, I guess I would have to pick the word class. Everything that the gentlewoman has done personally, politically, in the business world, has been that that is the best in this country. We are just proud of the fact that we have been able to work with you. We thank you for everything you have done, and we turn the floor over to you.

(Mrs. BOGGS asked and was given permission to revise and extend her remarks.)

Mrs. BOGGS. Thank you, Mr. Speaker. Thank you so much. Mr. Speaker, I thank you so very much for those beautiful remarks. And I was sitting there hoping the real Lindy Boggs would stand up. It is such a pleasure to be here.

Mr. Speaker, my colleagues and I are pleased and honored to have this opportunity to once again be on the House

floor and to present our 25th, 26th annual report to the Congress. We thank you for your warm welcome, and certainly we thank the gentleman from Mississippi and the gentleman from Indiana for their beautiful welcome to us.

I have to say that the gentleman from Indiana developed that southern accent when he was the president of the Lower Mississippi Valley Flood Association. Mr. Speaker, we have without exception a warm attachment to this body, its traditions and its role in a democratic society. We welcome the opportunity to speak out on behalf of all its members. The association, over the 26 years since its inception, has grown to a membership of some 600 and an annual budget in excess of $650,000. Following the mandate of its charter, the association has developed a number of programs, both domestic and international, to promote the improved public understanding of the Congress as an institution and representative democracy as a system of government.

One of our earliest initiatives was our highly successful Congressional-Campus Fellows Program. Under this program, which was launched in 1976, former Members of Congress visit colleges, universities, and high school campuses for 2 to 5 days to have formal and informal meetings with students, faculty, and community representatives to share with them firsthand knowledge about the operations of the U.S. Congress, the executive branch, and of course the judiciary. Seventy-three (73) former Members of Congress have reached more than 100,000 students through 232 programs on 164 campuses in 49 States. The most recent visit made in this program was by Romano Mazzoli of Kentucky, who visited Denison University in Ohio last month. In this time of increasing criticism of Congress, the members of the association feel particularly strongly that this program is vital to renew the faith of the American people in its system of representative government and to instill in them the importance of their active participation in the democratic process. We have been seeking funding to reinvigorate this program so our members may reach more students and faculty, and we will continue to do so in the coming year.

The association also provides opportunities for our members to share their congressional experiences overseas. Fifteen (15) study tours have been carried out for members of the association, who, entirely at their own expenses, have participated in educational and cultural visits to China, the former Soviet Union, Western and Eastern Europe, the Middle East, South America, New Zealand, and Australia. Most recently, a group of our members visited Canada, where former Congressman Jim Blanchard of Michigan has been our distinguished Ambassador. In the coming year, we are planning to have a delegation visit Ukraine, where we support a program to assist the Ukrainian Parliament and we have a congressional fellow—a former congressional staffer—in residence. We also have been invited by the Foreign Affairs Committee of the Chinese National People's Congress to send a delegation to China.

The association cooperates with the U.S. Government and a number of nonprofit organizations which make available for educational projects the experience and perspectives of persons who have served in Congress. It has provided former Members of Congress for participation in programs sponsored by USIA's AMPARTS [American Participants] Program in Africa, Asia, Latin America, Europe, and Australia. USIA staff members hope to involve more former Members of Congress in these programs and have asked us to notify them when any of our Members who may be interested in participating in these programs are traveling abroad. So, please let us know of your travel plans.

The association currently is working with the United States Embassy in Mexico, where former Congressman Jim Jones is serving as Ambassador, to initiate an exchange program with the Parliament of Mexico. A bipartisan team of two former Members of Congress is scheduled to make a visit, under funding from the United States Information Agency, to Mexico in June to conduct a pilot project in this effort. With funding received from the Ford Foundation, a study mission to Cuba will be undertaken to assess the current situation there, as soon as conditions are more favorable. We also have been working closely with the George C. Marshall European Center for Security Studies in Garmisch, Germany, which aids defense and foreign ministries in Europe's aspiring democracies to develop national security organizations and systems that reflect democratic principles. Former Congressman Martin Lancaster of North Carolina has spoken at several of the Center's programs for parliamentarians from Central and Eastern Europe, and additional former Members will be participating in these programs in the coming year.

The association also provides opportunities for current Members of Congress to share their expertise with legislators of other countries and to learn firsthand the operations of those governments. It has continued serving as the secretariat for the Congressional Study Group of Germany, which is the largest and most active exchange program between the United States Congress and the Parliament of another country. The study group is an unofficial, informal, and bipartisan organization open to all Members of Congress. Currently, it involves approximately 120 Representatives and Senators, and provides opportunities for Members of Congress to meet with their counterparts in the German Bundestag and to facilitate better understanding and greater cooperation.

In addition to hosting a number of Members of the Bundestag and other German Government leaders at the Capitol this past year, the study group hosted its 13th Annual Congress-Bundestag Seminar in April in Cape Girardeau, MO, located in the district of Congressman BILL EMERSON. The location was chosen because the Members of the Bundestag who participated in last year's seminar in Dresden, Germany requested that this year's seminar be held in middle-America, an area of the country many of them had never visited. Accordingly, Congressman EMERSON, the 1995 chairman of the study group in the House, very kindly invited us to hold the seminar in his district. The meeting, in which Louis Frey of Florida, Martin Lancaster of North Carolina, and I were privileged to participate along with current Members of Congress and current and former Members of the Bundestag, was a resounding success. As well as having indepth discussions about many facets of United States-German relations, we took an afternoon cruise on the Mississippi River on the motor vessel Mississippi, the flagship of the Corps of Engineers, during which we learned about the effective efforts of the corps in flood control, and we had the opportunity to tour neighboring counties and to meet with a number of Americans of German descent, whose ancestors came from Germany to settle the area.

The study group program is funded principally by the German Marshall Fund of the United States. Its activities have included joint meetings of the agriculture committees of Congress and the Bundestag and visits by Members of the Bundestag to observe the Illinois presidential primary and the Iowa caucus, as well as to congressional districts throughout the country with Members of Congress to learn about the U.S. political process at the grassroots level.

The association also serves as the secretariat for the Congressional Study Group on Japan, which seeks to develop a congressional forum for the sustained study and analysis of policy options on major issues in United States-Japan relations, and to increase opportunities for Members of Congress to meet with their counterparts in the Japanese diet for frank discussions of those key issues. This unofficial, informal, and bipartisan group, which is open to all Members of Congress, has 77 members, and an additional 49 Members of Congress have asked to be kept informed of its activities. An ongoing activity of the study group is to host breakfast and/or luncheon discussion meetings with Americans and Japanese who are experts on various facets of the United States-Japan relationship. For example, in March, George Fisher, chairman, president and CEO, and chief operating Officer of Eastman Kodak Co., met with study group members for a lively discussion about the current film industry debates. The month prior to that, the study group had the opportunity to hear from the new Japanese Ambassador to the United States, His

Excellency Kunihiko Saito. Major funding for this study group is provided by the Japan-United States Friendship Commission. The Ford Foundation also provided funding which assisted with the start-up operations of this group.

The association's program to assist the new democratic nations in Central and Eastern Europe and the former Soviet Union, which was begun in 1989, has continued to expand. Under funding from the United States Information Agency, the association has: Hosted delegations of Members of Parliaments of Poland, Hungary, the Czech Republic and Slovakia in the United States; sent bipartisan teams of former Members of Congress, accompanied by either a congressional or country expert, to Hungary, Poland, and Czechoslovakia; and placed a congressional fellow in Budapest for 2 years to provide technical assistance to the Members and staff of the Hungarian Parliament.

Under a grant from the Pew Charitable Trusts, in March 1994, the association placed one congressional fellow in Slovakia—Jon Holstine—and another congressional fellow in Ukraine—Cliff Downen—for 2-year stints. Jon Holstine's tour ended last month, but Cliff Downen is remaining in Ukraine for an additional year to continue the highly successful fellowship program he began in August 1995, which brings young Ukrainians to Kiev to work with the Members and staff of the Rada Parliament for a 1-year period. The initial funding for this fellowship project was obtained from the Rule of Law Grant Program, which is funded by the U.S. Agency for International Development. The second year of the program is being funded by a grant from the Charles Stewart Mott Foundation and a new grant from AID. Former Members of Congress, Louis Frey of Florida, Lucien Nedzi of Michigan, and Don Johnson of Georgia, former House Parliamentarian William Brown and current and former congressional staff members and Congressional Research Service personnel have visited these fellows to assist them by conducting workshops and participating in seminars with Members of Parliament.

Back on the home front, the association has continued its program of hospitality for distinguished international visitors, parliamentarians, cabinet ministers, judges, academicians, and journalists here at the Capitol. This program, originally funded by the Ford Foundation, has been continued under grants from the German Marshall Fund of the United States. These grants have enabled us to host 336 events—breakfasts, luncheons, dinners, and receptions—for visitors from 85 countries and the European Parliament, and has proved to be an effective avenue for improving communication and understanding between Members of Congress and leaders of other nations.

In addition to our work with current parliamentarians, we maintain close relations with associations of former Members of the Parliaments of other countries. In this connection, Mr. Speaker, I am pleased to recognize and welcome three representatives of those associations who are with us today: Barry Turner and Hal Herbert of the Canadian Association of Former Parliamentarians and Georg Ehrnrooth of the Association of Former Members of the Parliament of Finland. These relationships have been extremely cordial. Lasting friendships have developed and, as one may expect, a better understanding and appreciation of our common democratic institutions has emerged.

I would be remiss, Mr. Speaker, if I did not salute the work of the U.S. Association of Former Members of Congress Auxiliary and express our gratitude to its membership so ably headed by Annie Rhodes and Debi Alexander, and to mention the untiring and successful efforts of Linda Reed, our executive director, and Walt Raymond, who has been responsible for most of these overseas programs, and of course of our distinguished board members and our very kind and excellent Academic Advisory Committee.

Mr. Speaker, it is now my sad duty to inform the House of those persons who have served in the Congress and who have passed away since our report last year. Those deceased Members of the Congress are:

John Joseph Allen, Jr., California;
Les Aspin, Wisconsin;
Bert A. Bandstra, Iowa;
Joseph W. Barr, Indiana;
James C. Cleveland, New Hampshire;
Williard S. Curtin, Pennsylvania;
Leonard Farbestein, New York;
Ovie Clark Fisher, Texas;
Dean A. Gallo, New Jersey;
Porter Hardy, Virginia;
John E. Henderson, Ohio;
Albert Sydney Herlong, Jr., Florida;
John C. Hinson, Mississippi;
Chet E. Holifield, California;
A. Oakley Hunter, California;
Walter B. Jones, North Carolina;
Barbara Jordan, Texas;
Edward R. Madigan, Illinois;
Thomas E. Morgan, Pennsylvania;
Edmund S. Muskie, Maine;
Joseph Mruk, New York;
Richard G. Shoup, Montana;
B.F. ''Bernie'' Sisk, California;
Henry P. Smith III, New York;
Margaret Chase Smith, Maine;
John C. Stennis, Mississippi;
Jesse Sumner, Illinois;
Mike Synar, Oklahoma;
Boyd Tackett, Arkansas;
Lera Thomas, Texas;
William Homer Thornberry, Texas;
Andrew Jackson Transue, Michigan;
Jamie L. Whitten, Mississippi;
William A. Winstead, Mississippi; and
Ralph W. Yarborough, Texas.

Mr. Speaker, I respectfully ask all of you for a moment of silence in their memory.

May then rest in peace. Amen.

It is now my happy duty to report that nominated to be our association's new president is our colleague who is presiding today, and of all of the nice things that he said about me, I can just reverse to say about him, Louis Frey of Florida; and, as vice president, Matthew McHugh of New York. With them at the helm, the leadership of the association will be in capable and very experienced hands.

Each year the association presents a Distinguished Service Award to an outstanding public servant. This award rotates between political parties, as do our officers also. Last year's recipient on the Democratic side was Vice President ALBERT GORE, Jr., former Representative and Senator from Tennessee. This year, the recipient on the Republican side is the distinguished former minority leader and Representative from Illinois, Robert H. Michel.

It is a special personal pleasure for me to present this award to Bob on behalf of the association as I greatly enjoyed the years that both my husband, Hale Boggs, and I were privileged to serve with him in the House and to enjoy and admire his wonderful wife, Corinne. He has certainly been an outstanding Member of Congress. He has served with his leadership, not only his constituents in Illinois, but also the U.S. public in general with great distinction through many years. I must say that we are presenting this privilege to him, we are just falling in line with a large number of other distinguished Americans. In 1994, President Clinton awarded Bob Michel our Nation's highest civilian honor, the Medal of Freedom, and he was presented at one time the Citizen's Medal, our Nation's second highest Presidential award, in 1989 by President Ronald Reagan. He has also received the VFW Congressional Award, in recognition of his outstanding service to the Nation, and, in the same year, the American Institute for Public Service presented him with the Jefferson Award for Public Service.

He has also been recognized for just a range of activities that are really remarkable, and he has received the National Security Leadership Award by the leaders of the Reserve Officers Association, the American Security Council, and a bipartisan National Security Caucus on behalf of over 100 national organizations. He has also been the recipient of the Golden Bulldog Award, presented by the Watchdogs of the Treasury, for 18 consecutive terms.

So it is a tremendous pleasure for us, of course, to be able to present this award to our colleague, and I am certain he will continue to be the very special person that he has been for so many years, for many years to come.

I know all of you share my feelings and respect and admiration in being able to present this award to Bob, and I hope that he will come forward to receive it.

The award reads: ''Presented to the Honorable Robert H. Michel of the United States Association of Former Members of Congress in recognition of his exemplary service to the Republic as a decorated war hero and as the

long-term Republican leader of the United States House of Representatives. In Washington, D.C., May 15, 1996.''

Bob, it is so wonderful to be able to present this to you. I am also pleased to present you with this scrapbook of letters from your colleagues offering their congratulations, along with mine, for this well-deserved symbol of our love and appreciation. We will be happy to receive some remarks from you, sir.

Mr. MICHEL. Madam President and former Speaker Jim Wright and my former leader, John Rhodes, and what is it, Speaker pro tem or what up there?

Mr. FREY (presiding). Your shortstop.

Mr. MICHEL. My distinguished colleagues, I am overwhelmed to again receive such a nice honor from my colleagues. I do not know what the criteria are for the former Members choosing one for this kind of award, but as I look around this room, I would say there are many more who would be justified in receiving it than this Member. After all, I have only been out there in the afterworld of Congress, you know, for less than 2 years. I have not had a chance yet to make my mark in that world, like so many of you out there. But I will tell you, I would not change it for anything. I am happy to be out there where you all are and be a Member of the Former Members Society.

And, Lindy, may I congratulate you and the organization for all those myriad of things that the former Members are doing and participating as they are to help publicize what this institution is all about and what representative government is all about. I am very happy that all my papers are going to the Everett Dirksen, have gone to the Everett Dirksen Center for Leadership in Pekin, IL.

One of the things we are attempting to do is each year to honor one person or several persons, whomever from the press who will write something positive about the Congress. And then, too, one of our emerging programs, because our endowment now is building up that we can afford to do it, is selecting high school teachers for one week of concentrated study on what the Congress is all about, so they can go back in civics classes and teach their high school students what this institution is all about.

So I guess none of you needs any long speeches on this particular occasion, but I just have to make mention of the fact that I have always been so proud to have been a Member of this House and to serve in it, the honor that was accorded to me to be elected, reelected so many times. And then the wonderful things that have happened to me, particularly since announcing my retirement.

I would hope that each and every one of you who still have that vim and vigor and have the respect for this institution, or you would not be here today as a former Member, would just accelerate those efforts at a time when the institution, all institutions of government, it seems to me, are under attack, and we need to be more positive in telling our young people what it really means to this country.

I remember a time when I was a little apprehensive about electrifying the House of Representatives by electronically covering the proceedings of this body. You know, will there be showboating? Will it be good? Will it be bad? Well, I think in retrospect, as I look over it all, it has been a good thing for the country that C–SPAN gives it, you know, gavel-to-gavel coverge, to really educate the American people on what this institution and the other body then who followed suit, what it is really like.

Maybe just one word of caution to our sitting Members, because when you are on the outside and you are observing the proceedings of this House, yes, sometimes when I was still the leader, they were very much in evidence, we have always got to be mindful of the fact that what is said, how it is said, the deportment of the Member, is the projection to the American public of what it is all about. We have the clash of ideas and the vigorous arguments that take place on the floor of this House, and that is what it is all about. But there is a point at which you draw the line, and that is not to besmirch the character of a fellow colleague, engage in personal attacks that might diminish what you have said, because the general public gets its feeling about this institution much at a higher level when it is really considered to be the highest point at which these public issues are debated and yes, with men and women of good civil attitude and respect, not only for the institution, but for their fellow colleagues.

So I guess that would be the message I would leave with whoever might be in the listening audience here about how great this institution is and how it ought to be preserved. And those of us who have had the privilege of serving in it, I think we all feel just a little bit better when we come together on a occasion like this, share some of our experiences and views, and renew ourselves in the commitment to make absolutely sure the rest of this country understands perfectly what representative government is all about. It is the best on earth. We all ought to love it dearly for the rest of our lives. Thank you so much.

Mr. MAZZOLI. Madam President, would the gentlewoman yield for just a brief moment?

Mrs. BOGGS. I am happy to yield to the gentleman from Kentucky.

Mr. MAZZOLI. I realize we have to clear the Chamber, but I would just address two or three things. One is to add my salute to Bob Michel on a life well lived and a career well handled, and to salute the gentlewoman for her leadership, but to also mention two things: She was kind enough to mention my name in the course of her remarks and it was a great pleasure for me to go to Denison, Senator LUGAR's alma mater, to take part in that program. And I would only indicate to my colleagues, any one of you who would have an opportunity, whether by invitation or just inviting yourself, to go to one of the schools. And it was a wonderful experience, I think for the students, certainly for me. And I believe it is one wonderful opportunity we have to continue to share this information with the future generation.

Then I want to particularly thank my good friends, Abner Mikva, who helped me this past semester when I taught full time at the University of Louisville's Law School. Abner came down to visit me. It was not an easy trip for him to make, a trip to Louisville. It was wonderful for my school's students. And I would tell my friends from Illinois, he really was a trifecta, because he served here, he served in the Federal judiciary, and served in the administration, so he really kind of went to the triple play. But he was able to address all those issues and, so once again, I want to thank Abner. But I also want to indicate that that is a way we leave something behind us.

I thank the gentlewoman.

Mrs. BOGGS. Thank you very much, and thank you so much for your participation.

Well, Mr. Speaker, this concludes the 26th Annual Report to the Congress by the U.S. Association of the Former Members of Congress. We are honored, Mr. Speaker, by your warm welcome and your generous comments. We also want to thank all of the Members of the House here today for their very personal greetings. I know that for everyone in our group, being a Member of Congress was the most exciting, the most exhilarating, the most challenging period of our lives. So this is a rare and thoroughly enjoyable opportunity to greet old friends, feel for a moment the majesty of this Chamber and share with you the activities of its former Members. Finally, we want you to know this association will continue its efforts to promote greater public understanding of and appreciation for this very uniquely American legislative body, this greatest deliberative body in the modern world, the U.S. Congress. Thank you so much, Mr. Speaker.

Mr. FREY (presiding). Thank you, Madam President, for the great job and those remarks. In concluding, I just want to say I think all of us here are lucky, lucky to have been born in this country, lucky to have been a Member of this great body. And you know, what we probably have is a chance to do a lot more for this country now than maybe sometimes we had before, because it is needed out there. In some ways, we maybe have more credibility than when we were here. And I think what Bob Michel said is that we really have an obligation, and I am glad we

are fulfilling it and I am sure that we will continue to fulfill it.

The House will continue in recess for 15 minutes.

Accordingly (at 9 o'clock and 55 minutes a.m.), the House continued in recess for 15 minutes.

□ 1010

AFTER RECESS

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

NOTICE OF AVAILABILITY OF CLASSIFIED MATERIALS ACCOMPANYING H.R. 3259, FISCAL YEAR 1997 INTELLIGENCE AUTHORIZATION BILL

(Mr. COMBEST asked and was given permission to address the House for 1 minute.)

Mr. COMBEST. Mr. Speaker, I wish to announce to all Members of the House that the classified schedule of authorizations and the classified annex to the committee report accompanying the Intelligence authorization bill for fiscal year 1997, H.R. 3259, are available for review by Members at the offices of the Permanent Select Committee on Intelligence in Room H–405 of the Capitol. Staff will be available through Friday and again beginning Monday for any Members who wish to review this material. I am informed by the leadership that H.R. 3259 may be considered on the floor early next week.

It is important that Members keep in mind that clause 13 of rule XVIII of the House, adopted at the beginning of the 104th Congress, requires that before Members of the House may have access to classified information, they must sign the oath set out in that clause. The classified schedule of authorizations and the classified annex to the committee report contain the Intelligence Committee's recommendations on the intelligence budget for fiscal year 1997 and related classified information which may not be disclosed publicly. After consultation with the General Counsel to the Clerk of the House, I would advise Members wishing to have access to the classified schedule of authorizations and the classified annex that they must bring with them to the committee office a copy of the rule XLIII oath signed by them or be prepared to sign a copy of that oath when they come to see these classified materials.

I would also recommend that Members wishing to read the classified schedule of authorizations and the classified annex to the committee report first call the committee office to indicate when you plan to review the classified annex to the report. This will help assure that a member of the committee staff is available to help Members, if they wish, with their review of these classified materials. I urge Members to take some time to review these classified documents to help them better understand the actions the Intelligence Committee has recommended before the intelligence authorization is considered on the House floor next week.

□ 1015

PROVIDING FOR CONSIDERATION OF H.R. 1745, UTAH PUBLIC LANDS MANAGEMENT ACT OF 1995

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 303 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 303

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 1745) to designate certain public lands in the State of Utah as wilderness, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(I)(6) of rule XI or section 302(f) or 311(a) of the Congressional Budget Act of 1974 are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Resources. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Resources now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI or section 302(f) or 311(a) of the Congressional Budget Act of 1974 are waived. Before consideration of any other amendment, it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution. That amendment may be offered only by the chairman of the Committee on Resources or his designee, shall be considered as read, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. If that amendment is adopted, the bill, as amended, shall be considered as the original bill for the purpose of further amendment. During further consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. KOLBE). The gentleman from Georgia [Mr. LINDER] is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purposes of relevant debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume.

During consideration of the resolution, all time yielded is for relevant debate purposes only.

(Mr. LINDER asked and was given permission to revise and extend his remarks and insert extraneous material.)

Mr. LINDER. Mr. Speaker, House Resolution 303 is a completely open rule providing for the consideration of H.R. 1745, the Utah Public Lands Management Act of 1995.

The rule provides for 1 hour of debate equally divided and controlled by the chairman and ranking minority member of the Resources Committee. The committee amendment in the nature of a substitute is made in order as base text for purposes of amendment under the 5-minute rule.

The rule makes in order a manager's amendment by Chairman YOUNG printed in the report on this rule, debatable for 10 minutes. If adopted, the manager's amendment becomes part of the base text for amendment purposes.

As I mentioned earlier, this is a completely open rule permitting any Member to offer any germane amendment. Members who have preprinted their amendments in the RECORD may be given priority in recognition. Finally, the rule provides for one motion to recommit, with or without instruction.

Mr. Speaker, we have called up this rule today, even though it was not scheduled for consideration this week, because the minority gave notice yesterday that it would otherwise call up this rule pursuant to clause 4(c) of rule 11 which permits any Rules Committee member to call up a rule after it has been pending on the calendar for more than 7 days.

I don't think anyone seriously believes the minority is simply interested in considering the Utah wilderness bill. This is just one more attempt to circumvent, indeed violate two House rules for ulterior motives—and that is to defeat the previous question to offer a completely unrelated and nongermane amendment to this rule that would be ruled out of order on a point of order.

Despite repeated warnings, the minority has persisted in violating House Rule 14 which requires Members to confine themselves to the question under consideration. And they have attempted to defeat the previous question on other rules to offer an amendment that would be in violation of clause 7 of rule 16, the germaneness

rule—an amendment that would require the Rules Committee to report a rule on a bill completely unrelated to the subject matter of the rule.

Rules Committee Chairman SOLOMON, in a letter to Ranking Minority Member MOAKLEY, back on May 7, urged Mr. MOAKLEY to join with him in helping to enforce House rules during consideration of special rules rather than violate House rules—specifically, clause 1 of rule 14 requiring that debate be relevant to the pending question, and clause 7 of rule 16 requiring that amendments be germane to the rules to which they are offered.

Those pleas for cooperation and adherence to the rules have obviously gone unheeded and ignored.

Mr. Speaker, while we are willing to continue the custom of granting half of our hour on debate on such rules to the minority, we would again caution and advise the minority to observe House rules on relevancy in debate and the germaneness rule on amendments to rules.

I urge the adoption of the previous question and the rule.

Mr. Speaker, I include the following letter for the RECORD:

COMMITTEE ON RULES,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 7, 1996.

Hon. JOHN JOSEPH MOAKLEY,
Ranking Minority Member, Committee on Rules, The Capitol, Washington, DC.

DEAR JOE: The Congressional Budget Office has been kind enough to provide me with copies of its responses to your inquiries on the last two efforts to defeat the previous question on rules to offer amendments directing the Rules Committee to report back minimum wage legislation.

As CBO points out in both instances (on H. Res. 412 waiving the two-thirds vote requirement on same-day consideration of rules, and H. Res. 418, the U.S. Marshals Service Improvement Act), the proposed amendments to the rules would not constitute an unfunded mandate (being procedural in nature only), but the subsequent legislation they would direct be reported, ''would impose both an intergovernmental and private sector mandate as defined in Public Law 104–4.'' (Letters from CBO Director O'Neill to Rep. Moakley, April 25 and May 1, 1996).

I appreciate your diligence in monitoring these potential rule violations so carefully. By the same token, however, I would respectfully ask you in the future to check with the Parliamentarian in advance on both the germaneness of such amendments to the pending rules and the relevancy of extended debate on this unrelated matter. Our own discussions with the Parliamentarian confirm that: (a) a discussion of the minimum wage was not relevant to either of the above cited rules and thus in violation of clause 1 of rule XIV (decorum in debate); and (2) the proposed amendments to the rules were not germane to the rules and thus in violation of clause 7 of rule XVI (germaneness).

Given your earlier, extensive correspondence with me on the subjects of the minimum wage, unfunded mandates, and the need for a strict adherence to House Rules, I would ask that you in turn see to it that during House debate on special rules you and the speakers you yield to observe both of these important House rules by avoiding the use of irrelevant debate on nongermane amendments that would be rule out of order even if you defeated the previous question.

As I suggested earlier, a simple check with the Parliamentarian, just as you check with CBO, would go a long way towards ensuring compliance with these two important House Rules on relevancy in debate and germaneness of amendments. I am sure you will agree with me that we do not set a good example for the House so long as we countenance such abuses of the fundamental rules of debate and amendment by mischaracterizing the previous question process and vote as something it is not.

I look forward to working closely with you in the future to ensure full compliance with House rules during House consideration of our order of business resolutions.

Sincerely,

GERALD B. SOLOMON,
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my colleague from Georgia for yielding me the customary 30 minutes. I appreciate the gentleman's wanting us to abide by the rules of the House. I agree. We take, for example, how they try to ram a constitutional amendment through this House here without even having a hearing in the Committee on the Judiciary. So we will operate under the same set of rules.

Mr. Speaker, once again the House Democrats are going to try it again. Today we are going to try for the fifth time this year, the fifth time this year, to give 12 million hardworking Americans a long overdue pay raise. We are hoping that our Republican colleagues will stop voting no and start voting yes. We are hoping they will join us and join 85 percent of the American people who believe that the minimum wage increase is a very, very good idea.

Some of my colleagues may wonder how it is that we are considering today's rule. Well, this rule concerning some public lands in Utah was reported out of the Committee on Rules last December. The House rules allow any member of the Committee on Rules as a matter of privilege to call up a rule which has been waiting on the House Calendar for over a week. So I used my privilege, in order to try again to convince my Republican colleagues to allow us to raise the minimum wage for 12 million Americans.

Mr. Speaker, we are not talking about a lot of money. We are talking about a very small raise for our people. Our people, who work very hard, our people, who still only make $8,400 a year. We are talking about giving a long overdue raise to 12 million Americans, who work very long hours and still live below the poverty level.

Mr. Speaker, my Democratic colleagues and I believe very strongly that American workers deserve a raise, and you probably noticed we are going to still fight until we finally get one. It has been 5 years since the last increase in the minimum wage. Its value has now dropped to a 40-year low. Working people deserve this long overdue raise, and I think we really owe it to them. So, Mr. Speaker, at the end of this debate I will oppose the previous question in order to offer an amendment which provides for an immediate vote on the minimum wage increase.

Mr. Speaker, if any of my colleagues do not think we should give a raise to the minimum wage earner, if any of my colleagues think those on minimum wage should not have it increased, they should vote yes on the previous question. But everybody else, those who think that an increase in the minimum wage is long overdue, as I do, should vote with me and oppose the previous question.

Mr. Speaker, let us make sure that hardworking Americans with full-time jobs can finally support their families on their income.

Mr. Speaker, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. LINDER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LINDER. Mr. Speaker, under the House rule XIV, which requires that a Member must ''confine himself to the question under debate,'' is it relevant to the debate on either this rule or the bill it makes in order to engage in a discussion on the merits of the minimum wage?

The SPEAKER pro tempore. The Chair acknowledges the gentleman's parliamentary inquiry, and would advise Members that under clause 1 of rule XIV, they should confine themselves to the question under debate in the House. As explained on page 529 of the House Rules and Manual, debate on a special order providing for the consideration of a bill may range to the merits of the bill to be made in order, but should not range to the merits of a measure not to be considered under that special order.

Mr. LINDER. Mr. Speaker, further parliamentary inquiry. Could the Chair enlighten us as to the subject matter of the subject under debate?

The SPEAKER pro tempore. The subject for debate in this rule is the resolution providing for consideration of the Utah Wilderness bill, and the debate should be confined to that topic.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentleman from Utah [Mr. HANSEN].

(Mr. HANSEN asked and was given permission to revise and extend his remarks.)

Mr. HANSEN. Mr. Speaker, I appreciate the gentleman yielding me time.

Mr. Speaker, I rise in favor of this rule, but I want to explain to the people of Utah and the rest of America that this procedural move is not about H.R. 1745, my Utah Wilderness bill, but is about procedural maneuvering to address unrelated issues.

Mr. Speaker, I was before the Committee on Rules last December, wherein I requested an open rule to fully debate the issues of H.R. 1745, the Utah Wilderness Act. I support this rule and

urge its adoption. When Utah Wilderness does come before this body, I will be proposing several changes to H.R. 1745 that moderate this legislation significantly. I and the Utah delegation have worked hard to add significant acreage, propose release language that is very moderate, and other changes that would make this bill acceptable to everyone. An open rule on this issue will allow for an open and complete discussion of the issue.

Mr. Speaker, I understand the political maneuvering of my colleagues on the other side to use the Utah Wilderness bill as a tool to get at issues like the minimum wage, but Utah Wilderness is critical to my constituents and the people of Utah. This is an important debate, and I am hopeful that Utah Wilderness does not become a pawn, as it looks like someone is trying to do, in the larger battle that it is unrelated to.

Mr. Speaker, I urge my colleagues to support this rule, and I look forward to future debate on the Utah Wilderness bill.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to gentleman from Michigan [Mr. BONIOR], the minority whip.

Mr. BONIOR. Mr. Speaker, I thank my friend for yielding me the time.

Mr. Speaker, several months ago the Republican leadership had scheduled for a debate on this House floor a bill concerning public lands for the State of Utah, I think it was back in December or thereabouts. What happened, for those of you who are interested, is that the moderates on this side of the aisle who are concerned about the environment, who have joined with us over 25 years to preserve the environment, clean water, clean air, good public lands, looked at this bill and had some serious objections. They were concerned about the extreme agenda in which our colleagues on this side of the aisle were taking the issue of the environment, cutting enforcement funds for EPA, cutting sewer grant money, not dealing with the question of Superfund. They are very much concerned about all of that.

So what happened was they decided, the leadership on the Republican side, not to bring it up. They just kind of let this rule, which was reported out of the Committee on Rules, hang on the desk up here.

What they failed to do was to table the rule. That is what you generally do when you do not let something hang around. So they failed to table that rule, and, under the rules of the House, after a 7-day period, the minority can call up this rule for purposes of amending the rule. And that is what we are about this morning. We are calling up this rule, and we have called up this rule. The majority, taking advantage of their prerogative to move it, has done so, and now we are engaged in a debate on whether this is a proper rule to address questions of concern to the Nation.

We believe it is our prerogative at this time to get a clean vote on something that has been denied this body four separate times, and that is a vote on the minimum wage. As the gentleman from Massachusetts has eloquently stated today, these are the folks in this country today who are working for $4.25 an hour. They are the people who take care of our mothers and our fathers in nursing homes. They clean our airports. They clean our offices. They are breaking their backs every single day for their kids. And all they want in this Congress is for us to stand up and say yes or no, should we raise the minimum wage for the first time in 5 years, which has now reached a 40-year low, or shall we sort of just ignore these folks?

What we are saying on our side of the aisle is that we agree with the 100 economists in this country, the three Nobel laureates, that this is an important issue for the country.

Mr. Speaker, what happens to people who work for the minimum wage? What happens is that you cannot support a family on $8,500 a year. Two-thirds of these people are adults, and about 60 percent of them are women with children. So they end up working one job, plus overtime, with two jobs or three jobs. And, as a result of that, these individuals are not there in the evening. The mothers are not there to teach their kids right from wrong, they are not there for bedtime stories. Fathers are not there, because they are working two jobs. They are not there for Little League or soccer. They are not there for PTA or dinner conversations, and the whole fabric of civil society starts to unravel.

□ 1030

And the Members come to the floor and they argue with us about juvenile delinquency, about crime, and all these other social pathologies and maladies affecting the American public.

A good decent livable wage is important as a foundation for providing families the wherewithal to take care of the educational needs, the discipline needs and the attention needs that their kids deserve.

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

Mr. BONIOR. I yield to the gentleman from Utah.

Mr. HANSEN. Mr. Speaker, I would ask the gentleman if he has read H.R. 1745, the Utah Wilderness bill, which he just typified as an extreme antienvironmental bill?

Mr. BONIOR. Mr. Speaker, if I did that, I did not mean to do so, because I did not want to characterize the bill from my perspective. I just wanted to characterize it in terms of what some of the Members on the Republican side of the aisle were concerned about when the bill was pulled.

Mr. HANSEN. Mr. Speaker, if the gentleman will continue to yield, I do not think that is a correct interpretation. It is not an extreme bill and I really think the gentleman should stick to what he is talking about, because that is not an extreme bill. It is a moderate reasonable bill, and I somewhat, having worked on it for 20 years, kind of resent that being said. I apologize to the gentleman.

Mr. BONIOR. Mr. Speaker, I recognize my colleague's concern and I recognize the hard work he has put on this bill. It is not my characterization, it is the characterization of some in his own party who have labeled it as such.

Mr. HANSEN. I would like to know who they are. They have not talked to me about it.

Mr. BONIOR. They obviously talked to the gentleman's leaders because it was pulled from consideration on this floor.

Mr. MOAKLEY. Mr. Speaker, I yield myself 15 seconds.

Is it my understanding the gentleman from Utah does not want to discuss the Utah Wilderness bill here, after asking us to stick to the subject?

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

Mr. MOAKLEY. I yield to the gentleman from Michigan.

Mr. BONIOR. I would be happy if my friend would join us on the minimum wage issue. If he would like to talk about that, I would be delighted to continue to talk on the minimum wage.

Mr. LINDER. Mr. Speaker, for purposes of debate only, I yield such time as he may consume to the gentleman from Glens Falls, NY [Mr. SOLOMON], the chairman of the committee.

Mr. SOLOMON. I thank the gentleman for yielding me the time, and, Mr. Speaker, sometimes it gets pretty disheartening around here because everything seems to turn into a partisan fight.

I am just hearing my good friend from Massachusetts, Mr. MOAKLEY, and my good friend from Michigan, Mr. BONIOR, friends from the other side of the aisle, say that this bill is being held up for some reason because there is a lot of disagreement.

I have asked the chairmen of all of the standing committees to give us legislation, send it to the Committee on Rules, so that we can issue rules and have it out there so that when we do have lapses and windows here on the floor, that we can bring up issues like this. This is one of them. I wish we had 8 or 9 or 10 of these standing and waiting so that we could.

There are times when we finish the debate, like this afternoon, we are going to finish a very important bill, the defense authorization bill, which normally takes days and days and days, and we are probably going to finish it at 1 or 2 o'clock this afternoon and we would like to have standby legislation like this. The only thing is, now, if we are going to have the minority, the minute that these rules have been waiting for 7 days, jump up and call up a rule so that they can make some partisan stand, how can we do that? It interrupts the flow of this House.

Let me just tell my colleagues something. During the month of June, I

think there are only 15 legislative days. We are in an election year. We are supposed to be off so that we can go home and do some campaigning for about 4 weeks starting with the first week of August and into Labor Day. We will hardly have time to deal with all of this legislation that has got to come before us, never mind the banking and campaign finance reform and all of these issues coming out to the authorizing committees. We have the budget to deal with, then we have to follow that with all of the appropriation bills and the reconciliation legislation, all of which is going to be so time consuming, and yet here we are fooling around here wasting time.

The gentleman knows that on Tuesday, and I will tell him right now, the Committee on Rules will be having a meeting and we are going to put out legislation that is going to give an up-or-down vote on the minimum wage.

I, for one, happen to think that there is a need for an increase in the minimum wage, but let me tell my friends what happened the last three weekends I went home. I was in the Adirondack Mountains in the northern end of my district, I was in the Catskill Mountains in the southern end, and all in between is the Hudson Valley, made up of apple farmers and dairy farmers. All of them asked me, ''JERRY, how can you increase the minimum wage when we have such heavy regulatory burdens on us now?''

If we are going to increase the minimum wage, why can we not give small businessmen in this country a little relief to remove some of the cost off their backs so that they can afford to give the minimum wage? In the resort industries in the Adirondacks they told me that if they hire four college students, and in my district most of the college students have to work their butts off in order to get money to go to college because in my district they are not rich people. We do not have the money and kids have to pay part of their own tuition, so they have to work in the summertime. Well, if every single restaurant and motel in the Catskills and the Adirondacks are going to have to lay off one out of four people in order to have the money, what are we going to do? How will these kids make a living?

So that is what the argument has been all about. On Tuesday we will put out a rule which is going to bring this issue to the floor and have a legitimate debate. In the meantime, we are tied up here with this challenging of the previous question, which cannot go anyplace. And I wish the gentleman would withdraw it and let us get back to regular business and let us deal with the issues that are so terribly important to the American people, and I thank the gentleman for the time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume just to answer my friend and dear colleague from New York.

We, on the minority side up in the Committee on Rules, have sat back because the gentleman wanted to rush the matters before the Committee on Rules up there and said, look, when we get to the floor we can do all the debating the minority wants to do. Well, Mr. Speaker, the gentleman cannot have it both ways. He cannot stifle us in the committee and then stifle us on the floor.

So I think this is our only opportunity to vent our feelings on how we feel about some of these matters and by using the proper rules.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise this morning to urge my colleagues to defeat the previous question so that we can go back to the Committee on Rules and have a vote on raising the minimum wage.

Republican House leader DICK ARMEY is quoted in today's New York Times saying people are, and I quote, ''in a panic about raising the minimum wage.'' The Republican leader has said in the past that he will fight an increase in the minimum wage with every fiber of his being. No wonder people are in a panic about the minimum wage.

Yet the Republican leadership is not in a panic about dealing with tax breaks for investors with enough money to own racehorses. Yesterday the Committee on Ways and Means took up the issue of a special tax break for wealthy racehorse owners, but Speaker GINGRICH says any vote on raising the minimum wage is still weeks away, at best.

This is why the hard-working families of this country do not believe that Congress is on their side, because even though the minimum wage is at a 40-year low, even though many minimum wage earners are the sole breadwinners for their families, Republicans are still stalling on bringing up a minimum wage issue for a vote.

My Republican colleagues are fond of talking about family values, personal responsibility. Well, the families working for the minimum wage are working hard and taking the responsibility to stay off welfare. Somehow this Congress can find the time to help wealthy investors who can play at the track but not the time to help the hard-working men and women struggling to pay their bills and to keep their head above water.

Some of my Republican colleagues have had the courage to break ranks, cosponsor a bill to raise the minimum wage. They cannot be missing in action today on this vote. The gentleman from New York [Mr. SOLOMON], the gentleman from Pennsylvania [Mr. ENGLISH], the gentleman from New York [Mr. LAZIO], and the gentleman from California [Mr. HORN]. We need these gentlemen. The working men and women of this country need them today.

The Republican leadership of this Congress has its priorities all wrong. Stop the stonewalling, give us a vote on raising the minimum wage.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume. Let me just say, leave it to the Democrats to suggest that elected officials can give people raises. If they want to give these people a raise, hire them and put them on their payroll, and then they can pay them anything they would like.

Of course 80 percent of America agrees other people should have raises, in the abstract. Ask the 250,000 people that the President's leading economic adviser says will lose their jobs over this how much they like it. Raising the minimum wage is income redistribution among poor people. For every four people who get a dollar raise, one person loses his job.

I wanted to tell my colleagues some of the bad effects of the minimum wage. Studies by Professor Masanori Hashimoto of Ohio State and Llad Phillips of the University of California at Santa Barbara both show increases in the minimum wage increase teenage crime. A study of professor William Beranek of the University of Georgia found the minimum wage increases employment of illegal aliens.

Research also shows the minimum wage increases welfare dependency. For example, a study by Peter Brandon of the University of Wisconsin found the average time on welfare among States that raised the minimum wage was 44 percent higher than States that did not.

Economist Carlos Bonilla of the Employment Policies Institute found a dramatic example in California after the minimum wage rose from $3.35 to $4.25. After accounting for the phaseout of AFDC, Medicaid and food stamps. and for Federal, State and local taxes, a single parent earning a minimum wage after it was increased was $1,800 worse off per year than before.

Finally, the latest research has shown increases in the minimum wage encourage high school students to drop out, enticed by the lure of higher pay, reducing their lifetime earnings and displacing lower skilled workers at the same time.

The 22-percent increase in the minimum wage in 1976 added just $200 million to the aggregate income of those in the lowest 10 percent of income distribution. Only 22,000 men, according to the Bureau of Labor Statistics, and 191,000 women nationwide maintained families on a minimum wage job in 1993. That will decline by 250,000 people in total after we raise it.

Thirty-seven percent of minimum wage workers in 1995 were teenagers. Fifty-nine percent were 24 years old or younger. Seventeen percent of minimum wage workers are spouses and are likely to be secondary earners. Sixty-six percent of minimum wage workers work only part-time, including students, the elderly with pension or Social Security income, and people simply looking for a little extra cash.

Employers also respond to this, because they are touched, really, by laying off people and cutting back on hours. This is one reason why it is difficult to find a bank teller or someone to wait on you at the local department store. Between 1963 and 1995, average weekly hours worked in retail trade, the industry most affected by the minimum wage, fell from 37.3 hours per week to 28.9, while hours worked in higher-paid industries basically unaffected by the minimum wage, such as mining and construction, increased.

Mr. Speaker, this is politics and it is mean politics, using as pawns the very people they are purporting to help to make a political point to the rest of the world on a bill the subject of which is not even germane to. Mr. Speaker, let us move forward with germane discussion of this rule and the bill this rule applies to, and have a vote on the previous question as quickly as possible.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. BONIOR], the minority leader, who could not let some statements go by without replying.

Mr. BONIOR. I thank the gentleman for yielding me the time.

Mr. Speaker, I have just listened to some of the most outrageous arguments I have ever heard with respect to the minimum wage. The gentleman from Georgia, who just talked, blamed illegal aliens coming into this country on the minimum wage; an increase in crime because of the increase in the minimum wage. He talked about students dropping out of school because of the increase in the minimum wage, and he talked about job layoffs all over the country because of the minimum wage.

Now, I have never heard of a recipe of disaster for trying to help working people who are trying to help their kids struggle through life. This last point, with respect to layoffs, I might add that he cited a number of studies. There were five recent studies done from California to New Jersey.

The New Jersey study studied the people who worked in the restaurant industry and found, in fact, Mr. Speaker, that there was not a decrease in the number of jobs, there was an increase as a result of the increase of the minimum wage in the State of New Jersey. About 10 States have increased their minimum wage since we last did it in 1991, and as a result of that there has not been any dramatic unemployment in this country.

□ 1045

In fact, unemployment numbers are down in this country. People are working. For the gentleman from Georgia to get up here and to suggest to this body and to this country that raising the minimum wage will increase crime, will increase illegal aliens, will increase the drop out of students in this country is just an absolute outrage and is wrong.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it might be pointed out that I did not make any of these claims. All these claims were made by college professors doing studies, including Ohio State, University of California, University of Georgia, University of Wisconsin. All of these are legitimate studies that are in the literature.

For someone to stand there and say that there is no evidence that increasing the minimum wage increases unemployment is someone who has not looked at the record.

In the 2-year period between 1973 and 1975, we increased the minimum wage 31 percent. Unemployment at the end was 73 percent worse off than before, from 4.9 percent to 8.5 percent. The period 1974 to 1976, when the minimum wage was increased 15 percent, unemployment went from 5.6 to 7.7 percent, 37 percent worse off. In the period between 1978 and 1980, we increased the minimum wage 17 percent, unemployment went from 6.1 to 7.1, 26 worse off.

Between 1979 and 1981, we increased the minimum wage 16 percent, unemployment went from 5.8 percent to 7.6 percent, 31 percent worse off. 1989 to 1991, we increased the minimum wage by 27 percent, unemployment rate went from 5.3 to 6.7 percent, 26 percent worse off. And in four of those five occasions, four of those five occasions GDP growth was declining after the raise.

To say that increasing the minimum wage has no impact on the economy is to say, then why be so cheesy, give them $20. Then every family will have about $40,000 a year. That it is not going to hurt anybody. Do not be so cheesy with $4.25. If it is not going to impact the economy, give them all a big raise.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I do not know who was making those allegations on the floor. It certainly was not a college professor. The gentleman from Georgia was making those assertions.

Let me just counteract his claims with respect to employment; 1967, when the wage was increased from $1.25 to $1.40, unemployment decreased from 3.8 to 3.6 percent; 1974 to 1976, an increase in the minimum wage from $1.06 to $2.30, despite a recession, retail employment increased about 5.2 percent generating 655,000 jobs in this country. And in 1990 to 1991, from $3.35 to $4.25, despite a severe recession, which I might add was the responsibility of the Republican President in the White House, despite that period of time when the wage was increased and the severe recession, the numbers of total jobs quickly leveled off in this country.

There is no empirical data that during times of increases in the minimum wage that unemployment decreases. In fact, it is just the reverse.

Mr. LINDER. Mr. Speaker, I would say that the gentleman from Michigan's words have the quality of Alice in Wonderland, seeming to say when I use a word it means exactly what I want it to do.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, may I inquire as to the time remaining for both sides?

The SPEAKER pro tempore (Mr. KOLBE). The gentleman from Georgia [Mr. LINDER] has 15 minutes remaining, and the gentleman from Massachusetts [Mr. MOAKLEY] has 16 minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to defeat the previous question so that we can go back to the Committee on Rules and bring up a rule dealing with increasing the minimum wage. I might say to my colleagues on the other side of the aisle, offer to say that the American people might not be interested in this debate as it relates to germaneness. They might not be interested in whether or not we need to have additional time to go back to our districts and campaign. I think they are interested in making a decent living.

Fifty-nine percent, if we are throwing out numbers, of those who are earning a minimum wage are women, working women with children. We also find that over 80 percent of the American people of all economic levels suggest that we should raise the American minimum wage. And in fact in 1969, the minimum wage at that time was comparable to $6.25. We now have a minimum wage in 1996 of $4.25.

I would simply suggest to my Republican colleagues that they, too, have Members who simply want to vote on the floor of the House and be given the opportunity to increase the minimum wage. Vigorous debate, yes, but an opportunity to do so, because there are people suffering who need an increase in the minimum wage. Let us defeat the previous question, go back to the Committee on Rules and fairly bring up a resolution rule that would allow us to do so.

I would hope that we would not engage in the bantering of statistics. We can all do that. I hope that we will look realistically at what the American people need. Working people need to be affirmed and that will not decrease the numbers of those working. It will increase the number of those working and give them a decent wage.

Mr. LINDER. Mr. Speaker, I yield myself a few seconds to instruct the gentlewoman from Texas. I hope not to sound remedial, but if we defeat the previous question, it comes immediately to the floor of the House. Whereupon, the proposed amendment would be stricken on a point of order because it is not germane.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I rise to salute the candor, ultimately, of my colleague in Georgia, because after some parliamentary mumbo jumbo about what page of the rules book could be used to thwart the desire of the American people for a raise, he has finally come forward in his last few minutes and he has indicated that what all this parliamentary maneuvering is about is his objection to raising the minimum wage. He has told the American people, in response to my colleague from Michigan, Mr. BONIOR, that it is not himself but it is the professors that made him do it.

The American people knew that Professor GINGRICH and Professor ARMEY were ready to fight with every fiber in their body to block the legitimate desire of the American people for a raise. All this parliamentary mumbo jumbo stuff can be explained in this chart.

We have considered this issue of the minimum wage a number of times in this body. There is a strange thing that has occurred. Those Republicans who stood outside in front of the cameras and said they were for the minimum wage got their arms twisted, once they got in here at the voting box. They refused to vote to give the people of America a raise even though they said they were for it. As they begin to hear from the people, the number of those people change.

The votes against the minimum wage have been going steadily down in this body. The votes for the minimum wage have been going steadily up.

All that it will take this morning in a few minutes when we take up this previous question is five Members, five Republicans who will walk up and vote in favor of giving the people of America a raise.

If they will do that, we will achieve an increase in the minimum wage and we will do it promptly. There is no reason to wait until tomorrow. There is no reason to wait until next Tuesday to consider this issue. We will get caught up in some other issue designed to ultimately kill it. Let us do it now.

I know they think it is important to raise the wilderness in Utah, but I think the raise that the American people are interested in is in their basic living standards. Let us give it to them today.

Mr. LINDER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DREIER], my colleague on the Committee on Rules.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I rise in strong support of this rule and moving the previous question. It is interesting to listen to this debate. Obviously we have gotten demagoguery, people who were trying to claim that we Republicans are opposed to working Americans because we are not out there violating the House rules to bring up, under Utah bill, the minimum wage. I mean it is preposterous.

Our colleagues on the other side of the aisle know that if we were to defeat the previous question, we could not bring this up. We could not bring it up. We are working long and hard on a compromise that will deal with increasing the take-home pay of working Americans, to deal with reducing the tax and regulatory burden which has jeopardized job creation and economic growth. The Committee on Ways and Means is working on that.

This is nothing but a ruse to have our friends on the other side of the aisle come forward and argue that somehow we are going to be able to increase the minimum wage by defeating the previous question. It ain't going to happen. It is a violation of House rules, and it is crazy to have them doing it.

So we should support the previous question, support this rule and move ahead with the way in which we can encourage opportunity for the people in this country to gain jobs and to gain the kind of standard of living which we hope very much will happen.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, Mr. GENE GREEN.

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, I ask my colleagues to oppose the previous question. Unlike my colleagues from California, we will have an increase in the minimum wage. And the closer we get, just like the chart we saw earlier, like my colleague from Texas, we need to keep working at it.

My good friend, the gentleman from Massachusetts [Mr. MOAKLEY], from the Committee on Rules stated earlier if the previous question is defeated an amendment to the rule will be offered. Then the Committee on Rules will immediately report a resolution back to the floor with the minimum wage increase.

They take care of the germane questions within the committee. They just need to do it, to provide for the consideration of a bill to increase the minimum wage from $4.25 an hour to $5.15 an hour beginning July 4.

This is a fourth time in the last month we as Democrats and a few Republicans have stood here on the floor and tried to give hard-working Americans a raise. Four times we have tried to do this. I have been asked, why are we doing this four times in the last month? I say we are fighting for an increase in the minimum wage.

I remember a quote from Martin Luther, 475 years ago, when he stood on the steps in Germany and said, Here I stand, I can do no other. God help me, Amen.

That is why we are here. We are here 4 times and we will be here another 4 times and another 40 times until we see a clean vote on the minimum wage. Eighty-three percent of Americans favor an increase in the minimum wage. Yet this morning we have heard, and every time we hear that the majority party still argues that an increase is higher unemployment, increasing the number of welfare recipients. They claim that most minimum wage earners are teenagers. The facts point to the other direction. It is just not true.

You need to come to reality and, thank goodness, we are seeing an increase in Members from the Republican majority voting for a minimum wage increase. I hope we see that five more today because we will have an increase in the minimum wage if we only have five more Republicans join us Democrats today.

The facts agree with the need for an increase. I ask my colleagues to vote for it.

Mr. LINDER. Mr. Speaker, I yield myself 30 seconds to point out that the way you increase the standard of living for low-income people is give them more take-home pay. The way you give them more take-home pay is to reduce the governmental burden and tax burden that they bear. Telling other people what they should pay their employees is simply not the way to run the Government.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. WARD].

Mr. WARD. Mr. Speaker, I want to point something out to my colleagues here and anyone who may be paying attention to this debate; that is, what we are having to do in order to discuss the issue of the minimum wage on the floor the this House.

What we are having to do is to hold the discussion on a completely different item, H.R. 303, which has nothing to do, Mr. Speaker, with the minimum wage. But it has everything to do with the willingness of the majority to allow us to discuss and vote on the minimum wage.

What we are calling for today is a no vote on the previous question. Anybody who hears that wonders, what kind of mumbo jumbo is that? Well, it is what we have to do in order to get the Members of this body on the RECORD for or against an increase in the minimum wage.

Let us talk about who would get a raise if we increased the minimum wage in America. Remember, it is at a 40-year low next year, if we do not increase it, 40-year low in purchasing power. But who are these people?

Well, to hear many talk about it, we would have to think that they were teenagers, that they were people who did not need an increase. But we know better than that. Sixty percent of the people who would receive an increase in the minimum wage are women; 14 percent of Kentucky workers, that is over 200,000 people in my State, would increase their income because of an increase in the minimum wage. Something that I have just learned from

some statistics that are in the New York Times and in the USA Today, 20,000 seniors, 20,000 people over the age of 65 in Kentucky would receive an increase in their wages.

□ 1100

That is almost as many as there are people under 25 who would receive an increase.

Does that tell us something? Yes, it does. It tells us that we need to support an increase in the minimum wage.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. LEWIS], the deputy Democratic whip.

Mr. LEWIS of Georgia. Mr. Speaker, this morning the Democrats in the House will once again attempt to bring a minimum wage bill to the floor for a vote. I urge my colleagues, Democrats and Republicans, to support bringing this bill to the floor.

Raising the minimum wage is the right thing to do. It is more than just an economic issue, it is a moral issue. Hard-working people deserve the right to earn a livable wage. No one, but no one, can support a family on $4.25 an hour, $170 per week or less than $9,000 a year.

I know some of my Republican colleagues say they support raising the minimum wage. Well, now is the time to walk the walk, not just talk the talk.

Vote ''no'' on the previous question. Support an increase in the minimum wage.

Mr. LINDER. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Speaker, this debate about the minimum wage is about honoring work. But this issue about procedural gimmickry is about honoring one's word. The new majority has insisted that they would not bottle up bills that had popular support by using procedural gimmicks. But here we have a situation where the majority does not represent the majority. That is, everyone knows and everyone has asserted that if there were a vote on the minimum wage, it would pass. So, since the majority of the Members of the Congress would vote to raise the minimum wage, the Republican majority, not showing much maturity in this matter, has decided to use procedural gimmicks to stand in the way of allowing the Members of Congress, Democrats and Republicans, to have a clean, honest vote on raising the minimum wage.

Now, the people of our country deserve better from the majority. That is, if my colleagues are against the minimum wage, then they should vote against it, speak to the Members of the Congress on their point of view. But they should not hide behind procedural gimmicks to avoid us having a vote. It does not speak well of the majority, and this notion that somehow we can wait until another day suggests a certain passivity about the plight of working people in this country that does not speak well of the intent of the majority Members on this side of the aisle.

I would encourage all of us to vote ''no'' on the previous question so that we can vote ''yes'' on raising the minimum wage, and I would encourage my colleagues on the Republic side of the aisle to win or lose, but to stand up and have the courage of their convictions on the issue of the minimum wage rather than hide behind some procedural gimmick that disrespects and dishonors the suggestion that this is indeed the people's House.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume to question why the minority, which was in the majority in both the House and the Senate and had the White House 2 years ago, had no concern whatever for the minimum wage.

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

Mr. LINDER. I yield to the gentleman from Montana.

Mr. WILLIAMS. Because, Mr. Speaker, we had an agreement with the Republican side that while health care reform was on the table and we may be burdening business with that cost, we would not raise the minimum wage.

Mr. LINDER. Mr. Speaker, at least our colleague has admitted now that they are burdening business with the cost.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, the year before, I might point out, it was Democrats, without one vote from this side of the aisle, Mr. Speaker, that successfully gave a tax cut to people under $26,000 a year, working people, and that was in lieu of the minimum wage. No support from that side.

But this is interesting that it is on the Utah Wilderness bill, this is the only way we can get it up. It is fitting, in a way. Moses wandered in the wilderness for 40 years. The minimum wage is at an all-time 40-year buying low, and indeed five good Republicans—that is all it takes now—five members of the Republican party adding their votes to ours, will pass a minimum wage increase. That is all that is needed, Mr. Speaker, for coming out of the wilderness is five more Republicans.

We have been gaining and gaining and gaining. Our colleagues cannot hide anymore behind ''We will get a vote next week or the week after that or whenever.''

This thing has been wandering in the wilderness for too long. It is time to bring it out. Democrats have reduced the tax burden on working people progressively through the earned income tax credit. Ironically, the other side now wants to repeal part of that. But it is time to give working people a livable wage.

Mr. LINDER. Mr. Speaker, I continue to reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, let me say that it is about time we pass the minimum wage. There have been all sorts of spurious arguments against it. Those arguments are launched by narrow ideological fuel or those who have some business interests.

Here we are on the floor unable to bring the bill directly before us and trying to go through every parliamentary maneuver to achieve democracy, and we should not have to do this. The minimum wage is one of the most talked about issues in America. Most people, if the polls are right, are for it. A vote ought to come to the floor now, and let the arguments fall where they may. We ought to do it, we ought to do it cleanly, we ought to keep the American people working. We do not want to encourage people not to work because wages are so low, and this is a simple and easy way to do it.

Again, the only people opposed to this either have an economic self-interest or are extreme ideologues.

Mr. LINDER. Mr. Speaker, I yield myself such time as I may consume to point out one more time, at the risk of sounding remedial, this will not bring a vote on this floor on the minimum wage. This will bring this rule immediately to the floor with the amendment that the minimum wage will be on it, and it will be struck on a point of order.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding this time to me.

Mr. Speaker, I rise in support of an increase in the minimum wage, and in doing so I want to call attention of our colleagues to this cartoon, which is neither funny nor fair. As I call my colleagues' attention to it, Mr. Speaker, I want them to think about it.

''How long does it take to earn $8,440,'' it says.

On one side it says, ''If you are full-time minimum-wage worker, it takes 1 year. If you are an average CEO of a large U.S. corporation, it takes one-half a day.''

Think about it. God bless everyone who can make that kind of money at the high end. But why, in a great country as decent as ours, should we not reward work and for us to have a disparity this great? It is a matter of conscience and decency and a sign of a great country that we reward work.

This is an increase for necessities. Please honor American workers.

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. TIAHRT].

Mr. TIAHRT. Mr. Speaker, this is not about CEO's, but it is about senior citizens. One of the things that happens when we raise the minimum wage, it is a historical fact, inflation follows, and when inflation follows, that hurts the people, people who are seniors, the worst because they have fixed incomes, they are unable to make their payments.

The second thing it does is it does cost jobs. Now, we have heard this example about New Jersey, the restaurant jobs. But that is an isolated instance.

As my colleagues know, my grandfather died when he was 94 years old, and he smoked. Does that mean that smoking is not hazardous to your health? Of course it is. That was an isolated instance.

It does cost jobs, and it does hit the minority communities the worst. So we are costing jobs, we are hurting the elderly, and yet we are pushing for a minimum-wage increase.

But the real thing, the hidden benefit to the President and to the liberals here in Congress, is that it is a tax increase. We will realize inflation. We will realize more higher taxes, more revenue. That is what happened in the early 1980's. My colleagues remember when we had the windfall tax? It was because of inflation. We had 14 percent inflation.

Mr. Speaker, we can drive inflation, we can hurt the elderly, we can hurt minorities, and we can increase taxes at their expense. But I think it is bad policy. We can, however, put more money in the pockets of the poor through earned-income tax credits, through $500-per-child tax relief, through the McIntosh-Klug-Tiahrt tax plan, which actually has more takehome pay for people who are heads of households than if we did increase the minimum wage. That is the type of policy this country needs.

Seventy-five percent of the people on minimum wage are students. They come from average household incomes of $50,000. Do they need it? No, this is bad policy. I am against the rule, and I urge my colleagues to vote against it.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me the time.

My colleagues, minimum wage first came into law in 1938, and congressional Republicans were against it back then, those almost 60 years ago. Since that time, under the insistence of the American people, the Congress of the United States has raised the minimum wage 18 times, only 18 times in those 60 years, and every single time the Republicans in the Congress, not necessarily Republicans in America, please understand, but the Republican majority in the Congress, has been against the minimum wage. Why, Republican Presidents have even vetoed the minimum wage, the last being former President Bush, who vetoed a minimum wage that passed after 3 years of struggle that passed the Congress during his Presidency.

What is it about these Republicans, so frozen in the ice of their own indifference to the working poor, that they cannot support a proven benefit fiscally to those people?

Mr. LINDER. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, it is not lost on me and my colleagues on this side of the aisle that when our colleagues on the other side of the aisle had an opportunity to increase the minimum wage when they controlled both the House and the Senate they choose not to bring it up. It is simply not lost on us us that much of this debate is about politics.

The fact is this side of the aisle will have a vote on the minimum wage. But when we have a vote on the minimum wage, it will not just include the minimum wage. It will also include a tax credit for employers who hire the most disadvantaged workers, those who have been on welfare, those who have never had a job before. We will have a tax credit tied to increasing the minimum wage to help the most disadvantaged.

We will also have provisions to help small businesses most impacted by a minimum wage income. We are going to have a job creation program along with increasing the minimum wage.

I would encourage my colleagues, particularly on this side of the aisle, to vote for the previous question, and not be lured into this procedural vote that will ultimately be declared out of order.

Passage of the minimum wage should be done in a way that creates not only an increase in the wage base for those who are most disadvantaged, but also has a job creation element to help all Americans.

Mr. LINDER. Mr. Speaker, I would like to inquire if the gentleman from Massachusetts has more speakers.

Mr. MOAKLEY. The only speaker I have is myself.

Mr. LINDER. Then I will close after the gentleman from Massachusetts [Mr. MOAKLEY].

□ 1115

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER pro tempore (Mr. KOLBE). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1½ minutes.

Mr. MOAKLEY. Mr. Speaker, I urge a ''no'' vote on the previous question. If the previous question is defeated, I shall offer an amendment to the rule which would make in order a new section in the rule. This amendment will provide for the immediate consideration of a bill to increase the minimum wage. That bill will be introduced by my very good friend, the gentleman from Michigan [Mr. BONIOR].

This provides for a separate and immediate up or down vote on the minimum wage. Let me make it clear to my colleagues, both Democrats and Republicans, that defeating the previous question will in fact allow the House to vote on the minimum wage increase. That is what the American people want us to do. We should not delay any longer. Vote ''no'' on the previous question.

Mr. Speaker, I include the text of the amendment and accompanying documents for the RECORD.

The text of the amendment and information on the previous question is as follows:

At the end of the resolution add the following new section:

''Sec. _____. That immediately upon the adoption of this resolution the House shall proceed without intervention of any point of order to consider in the House a bill introduced by Representative BONIOR of Michigan on May 15, 1996 to increase the minimum wage. The bill shall be debatable for one hour equally divided and controlled by the Chairman and ranking minority member of the Committee on Economic and Educational Opportunities. The previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit with or without instructions.''

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Republican majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual:

Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for

the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, man offer an amendment to the rule, or yield for the purpose of amendment.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues:

Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

The vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

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

Mr. LINDER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from Georgia [Mr. LINDER] is recognized for 8½ minutes.

Mr. LINDER. Mr. Speaker, let me conclude my remarks by reminding my colleagues that defeating the previous question is an exercise in futility because the minority wants to offer an amendment that will be ruled out of order as nongermane to this rule. So the vote is without substance.

The previous question vote itself is simply a procedural motion to close debate on this rule and proceed to a vote on its adoption. The vote has no substantive or policy implications whatsoever.

Mr. Speaker, I include for the RECORD an explanation of the previous question.

The material referred to is as follows:

THE PREVIOUS QUESTION VOTE: WHAT IT MEANS

House Rule XVII (''Previous Question'') provides in part that:

There shall be a motion for the previous question, which, being ordered by a majority of the Members voting, if a quorum is present, shall have the effect to cut off all debate and bring the House to a direct vote upon the immediate question or questions on which it has been asked or ordered.

In the case of special rule or order of business resolution reported from the House Rules Committee, providing for the consideration of a specified legislative measure, the previous question is moved following the one hour of debate allowed for under House Rules.

The vote on the previous question is simply a procedural vote on whether to proceed to an immediate vote on adopting the resolution that sets the ground rules for debate and amendment on the legislation it would make in order. Therefore, the vote on the previous question has no substantive legislative or policy implications whatsoever.

Mr. LINDER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. LINDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question on agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 221, nays 197, not voting 15, as follows:

[Roll No. 169]

YEAS—221

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fox
Franks (CT)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—197

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Boehlert
Bonior
Borski
Boucher
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Duncan
Durbin
Edwards
Engel
English
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Forbes
Ford
Frank (MA)
Franks (NJ)
Frisa
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—15

Bono
Brewster
Clement
Flake
Fowler
Holden
Largent
Lincoln
McHugh
Meehan
Molinari
Paxon
Peterson (FL)
Roth
Spratt

☐ 1137

The Clerk announced the following pair:

On this vote:

Mr. Paxon for, with Mr. Holden against.

Mr. WILLIAMS and Mr. OWENS changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. KOLBE). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. LINDER. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole under the 5-minute rule: Committee on Agriculture, Committee on Commerce, Committee on Government Reform and Oversight, Committee on International Relations, Committee on the Judiciary, Committee on Resources, Committee on Science, Committee on Small Business, and the Permanent Select Committee on Intelligence.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

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

There was no objection.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. LINDER. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the CONGRESSIONAL RECORD and that all Members and former Members who spoke during the recess have the privilege of revising and extending their remarks.

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

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

The SPEAKER pro tempore. Pursuant to House Resolution 430 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3230.

□ 1140

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes, with Mr. BARRETT of Nebraska in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, May 14, 1996, the en bloc amendments offered by the gentleman from South Carolina [Mr. SPENCE] had been disposed of.

By virtue of notice given pursuant to section 4(c) of the resolution, it is now in order to debate the subject matter of cooperative threat reduction with the states of the former Soviet Union.

The gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

□ 1145

Mr. SPENCE. Mr. Chairman, allow me to review briefly the actions taken by the National Security Committee on the Cooperative Threat Reduction [CTR] Program in H.R. 3230.

First, the committee cut the $327 million budget request by $25 million. Specifically, as based on the availability of prior-year funds, the committee cut $20 million from the fissile material storage facility in Russia. The committee also cut approximately $4 million from chemical weapons destruction-related activities in Russia. Specifically, the committee denied the DOD request to initiate a new, as yet unjustified demolition project and reduced the amount for the Chemical Weapons Destruction Support Office, an information clearinghouse located in Moscow. The committee also cut $1 million from CTR program overhead.

The bill also includes a provision that is intended to ensure that CTR funds are spent only on core dismantlement activities, such as destroying bombers, missiles, and silos. My colleagues may recall that noncore activities such as environmental restoration, job retraining, and defense conversion have been at the heart of the controversy surrounding this program in past years. This provision would prohibit use of fiscal year 1997 or prior-year, unobligated CTR funds for conducting peacekeeping activities with Russia, providing housing, performing environmental restoration, providing job retraining assistance, or for providing assistance to promote defense conversion.

I understand the distinguished gentleman from New York [Mr. GILMAN] plans to offer an amendment that would extend the prohibition on funding for defense conversion activities beyond the Department of Defense to include foreign assistance and related funding sources. I certainly support the gentleman's amendment.

Finally, the committee bill expresses deep concerns regarding the President's certification on a range of Russian behavior in the arms control and military modernization arenas. Evidence continues to mount that Russia is not adhering to its arms control obligations, including in the area of chemical and biological weapons. Likewise, it is hard to reconcile the President's certification with the fact that Russia is spending billions of dollars on a deep underground facility recently reported in the open press and on modernizing its strategic offensive forces.

The distinguished gentleman from New York [Mr. SOLOMON] also plans to offer an amendment which would prohibit the further obligation of funds for the CTR program in Russia and Belarus until the President certifies to Congress that Russia has met 10 conditions relating to arms control compliance, foreign and military policy, and arms exports. I share the gentleman's concern that the President's certifications send the wrong signal to Moscow and may actually encourage noncompliant behavior.

I look forward to today's debate and discussion, and reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER], a member of the committee.

Mrs. SCHROEDER. Mr. Chairman, I thank the distinguished ranking member for yielding me time. As many know, I have served for 24 years on this committee, and, because I am retiring from the Congress, I have tried not to take a lot of the committee's time in debating these different issues, thinking others should move forward.

But I must say that I think we are engaging in one of the most serious issues that we are going to deal with in this Congress, and that is whether we continue to use our brain, engage our brain, and continue to move forward with the Nunn-Lugar proposals that denuclearize and demilitarize Russia and Belarus, or whether we go with our glands, do our chest beating, scream, holler and yell, and adopt the amendments that I think are going to derail what we have been doing and the progress we are making.

So I stand here in a very solemn mode, saying I certainly hope that the Solomon amendment is defeated, and defeated resoundly, because the reason that we are trying very hard to take down the nuclear weapons in the Soviet Union and to demilitarize the Soviet Union is for our own good, it is for NATO's good, it is for all of our allies in Asia's good.

Nuclear proliferation does not help anybody. The way I read the Solomon amendment and others is that what they are trying to pretend is like this is foreign aid; this is a big bennie for Russia.

It is not a bennie at all. This is a carrot that we are doing as part of our leadership internationally to try and make this planet a little safer.

The nuclear genie got out of the bottle in this century. We are about to close this century, and this has been a very serious effort by two of the most well thought of Members of the other body, Senator NUNN and Senator LUGAR, to try and put the nuclear genie back in the bottle, to try and demilitarize this huge colossus that we used to know as the Soviet Union.

What a phenomenal opportunity this is for our children. What a phenomenal opportunity this is for the 21st century. How shortsighted it would be to say ''Oh, no, no, no, this is really just an aid bill. We are just doing this for the benefit of the Russians, and we ought to shut this off.''

No; for people who really miss the cold war, I suppose they ought to vote for the Solomon amendment. I do not miss the cold war. I do not miss the old drills of duck and cover. I do not miss that kind of terror. I hope people listen to this serious debate and vote ''no'' on the Solomon amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Military Procurement.

Mr. HUNTER. Mr. Chairman, I thank the chairman for yielding me time. Let me respond to my friend who says she does not miss the cold war, the war is over, and Nunn-Lugar money is a good way to exit the war.

The problem, my colleagues, is that we apparently have not convinced the Russians that the cold war is over. We see a continuing drive to modernize their strategic systems, which costs them billions and billions of dollars, to do other things with respect to chemical systems and biological warfare systems, which again cost them in the hundreds of millions and billions of dollars. And in light of that, in light of that continued expenditure of hard dollars by the Russians, the question we have to ask is does it make sense for us to subsidize the Soviet Union to the tune of some $300 million, which is what the full committee passed, or $327 million, which is what the administration asked for, without requiring certain certifications that the Soviet Union is slowing down this drive to modernize its systems and to build this deep, underground complex, which is bigger, incidentally, than the District of Columbia, and which could be used by the Russians to carry on weapons activities after a nuclear attack.

So let me go over some of the concerns we have that the gentleman from New York [Mr. SOLOMON] meets with his amendment. First, a Yamantau Mountain underground complex, something that disturbs all of our war planners, all of our strategic thinkers, because this could be used to continue to weaponize the Soviet Union after a first strike.

Why do they have this mindset that somehow a first strike is survivable and could be survived? They are breaking chemical and biological weapons treaties. They are continuing to develop biological weapons at great costs. They are improving the SS–25 ICBM, really building what I call the SS–27 ICBM. It costs them a ton of money. They are building a new nuclear submarine, and they are selling nuclear reactors to Iran.

Mr. Chairman, let us send a message to the Soviets, back the Solomon amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Chairman, I thank the chairman for yielding me this time. I want to especially thank the chairman for his acceptance in advance of the Solomon amendment, which much of the debate already has focused upon.

One of my colleagues across the aisle suggested that support for the Solomon amendment would somehow require one to long for the days of the cold war. But the truth is that the Nunn-Lugar moneys for Russia were approved in that headier, indeed giddy time after the collapse of the Berlin Wall and the Soviet Union itself, when the Congress typically sought to show its approval, its support for something, by showering money upon it.

Over $1.5 billion has now gone not to the people of Russia, but to the Government, and the Government of Russia, particularly after the next two rounds of elections in June and July, may well be back in the hands of a Communist imperialist, Gennadi Zyuganov. There was never much of a budget for these moneys to begin with. President Clinton expanded the purpose for which Nunn-Lugar aid might be spent to include housing for officers, defense conversion, and so on.

In this bill there is an attempt to address that. But what Chairman SOLOMON is talking about doing is even more important. President Clinton ought to be able to certify before the American taxpayers send a third of a billion dollars, as requested this year, President Clinton should be able to certify that Russia is complying with arms control agreements. If they are not, why should U.S. taxpayers subsidize them?

Russia should not be modernizing its nuclear arsenal at the very time we are allegedly paying for dismantling nuclear weapons. What could be more reasonable? President Clinton should be able to make that certification.

Russia should not be sharing intelligence with Cuba. If you are interested in supporting with United States taxpayer funds Russia sharing intelligence with Cuba, I do not understand that. The President should be able to certify that Russia is willing to respect the sovereignty of Lithuania.

My own concern about Russian deployment in Kalinigrad, where they have twice as many Russian troops on Lithuania's sovereign soil as American troops have deployed in all of Europe, cause me to have reservations about this.

Mr. Chairman, this is a fine amendment and I urge Members to support it.

Mr. DELLUMS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I recognize Members of Congress have many things to do, but I would like to hope that when a Member takes the floor of this body on a significant piece of legislation, they would at least take time to read the legislation so that they would not speak based upon ignorance. If my distinguished colleague, the previous speaker, had read page 362 of this bill, bill language, it points out that moneys for housing are specifically prohibited.

Second, if the gentleman had taken time to understand Nunn-Lugar in substantive intellectual terms, the gentleman would understand that no money goes to the Russian people.

This money goes to American firms providing the services to dismantle warheads that just a few years ago were aimed at the United States to destroy, maim, and kill at a level of mega death beyond people's ability to comprehend.

It defies logic. It defies logic, Mr. Chairman, to talk about issues that are of lesser significance when there ought to be one thing that we universally accept, and that is that the danger of nuclear weapons has a significance and an imperative unto itself.

□1200

The Nunn-Lugar effort is an effort to dismantle these weapons. It is an effort to dismantle chemical and biological warfare, to destroy the facilities in Russia and Belarus. They are moving diligently in that area.

It defies understanding. I believe it is almost even bizarre for Members to challenge this piece of legislation when during the decade of the 1980's we spent in excess of $300 billion a year, prepared to wage war against the Soviet Union, even contemplated the idiocy and the insanity of nuclear war and we are not prepared to spend pennies to help Russia dismantle nuclear weapons that threaten our security. This is in our interest.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Chairman, with all due respect to the ranking member, whom I have great respect for, the truth of the matter is that we are subsidizing the Russian Government to dismantle old nuclear missiles while still they are in the process of modernizing and building up other nuclear missiles.

Mr. Chairman, the Nunn-Lugar Foreign Aid Program, paying the former Soviet Union to dismantle some of their defensive missiles, was initially premised on the belief that the new Democratic States of the former Soviet Union wanted to destroy some of their

massive war arsenals but were simply too poor to pay for this endeavor. That is what the initial premise was. Thus, for 5 years now it has been assumed that it was in our interest to divert some of our defense budget to help destroy some of those weapons, but not all of them. It is time to challenge that very complacent assumption, Mr. Chairman, at least in the case of Russia, and that is what my amendment does. It does not speak to Ukraine, it does not speak to Kazakhstan, it speaks to Russia.

Anyone who has been reading the papers knows that today Russia is spending billions of dollars on a host of activities that range from the legal to the illegal morally abhorrent, but all of which are contrary to our American national interests.

Mr. Chairman, and listen up over there, if Russia can cough up $5 billion to kill Chechnyans, if they can cough up $5 billion to kill them or $2 billion to produce new advanced submarines, and who knows how much to build a nuclear command bunker the size of Washington, DC, why can Russia not come up with the $200 million we have been allotting to them for the last 5 years under this program?

And let me tell my colleagues something. If we are giving them this money, it is freeing up other money to build housing for Russian officers while we are not taking care of our own American military personnel. That is outrageous. We have a 4.5 percent increase in housing in the gentleman's bill, and we are grateful that he did that, but we need a lot more.

Mr. Chairman, it is important to note that the Russia of today is not the Russia of 1992. The reformers in that country have long since been purged. That means thrown out. Since at least 1993, Russia has been pursuing foreign and military policies highly reminiscent of the old Soviet Union. Read through my list and Members will see. Mr. Chairman, obsession with whether or not the Communist party will win elections next month has led the Clinton administration to ignore that fact.

Mr. Chairman, some would say a tougher policy against Russia, such as linking our aid to their behavior, would weaken Mr. Yeltsin before the election. Proponents of this view are ignoring the reactionary and anti-western nature of Russia today, with Yeltsin as president. That is what is important, Mr. Chairman. And they are ignoring the fact that this negative trend in Russia has taken place in an atmosphere of unremitting appeasement, with unlinked foreign aid as a cornerstone of that appeasement policy.

Mr. Chairman, the defense budget of all places is no place to put this kind of money. We should save that kind of money and send them a message. Read the certifications necessary and Members will vote for the Solomon amendment.

Mr. DELLUMS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I want to have the attention of the distinguished gentleman from New York. I would like to read briefly and in part from a letter from the Secretary of Defense. It says, ''I understand and share the concerns about Russian behavior that lie behind this amendment,'' speaking of the Solomon amendment, ''but shutting down the CTR program would not be an effective method for addressing these concerns. Instead, shutting down the CTR program would severely damage our security.''

Now, this is the Secretary of Defense. Damage our security. This is a dangerous amendment. We are jeopardizing American Security.

Now, to speak further,

> The CTR is directly reducing the threat to the United States from former Soviet nuclear and other weapons of mass destruction. Under CTR, the United States is directly facilitating the dismantlement of ICBM's and silos, bombers, ballistic missiles, submarines, and other weapons that were designed to destroy the United States. For example, CTR has provided critical support for the following achievements:
>
> Over 3,800 nuclear warheads have been removed from deployment, and over 800 launchers have been eliminated. Kazakhstan has become a nuclear free area and the Ukraine and Belarus will become so during 1996, halting potential proliferation brought about by the breakup of the Soviet Union. Six hundred kilograms of highly enriched uranium, a proliferator's treasure trove, were secretly removed from Kazakhstan to safe storage in the United States.

Thirty-eight hundred warheads, Mr. Chairman, this is a program that speaks to our national security, and I believe that while the gentleman from New York may very well be well intended, this is a dangerous amendment and flies in the face of American national security.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Chairman, I thank the gentleman for yielding to me.

As the gentleman knows, my amendment does not speak to Kazakhstan; it does not speak to Ukraine. Their new missiles threaten American security as far as I am concerned.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. TIAHRT], a member of the committee.

Mr. TIAHRT. Mr. Chairman, we have been trying to move to verify how these Nunn-Lugar funds are being spent. I had an incident occur in Fort Riley, KS, which is just north of my district, which we checked into the financing of.

What happened is we paid for the jet fuel for two IL–76's to bring over approximately 150 Russian soldiers. They then went to Fort Riley and we showed them our latest hardware. Then we put them on charter buses and ran them over to Topeka, KS, to show them the treasures of the czar. Then we hauled them back and eventually brought them back down to McConnell Air Force Base, near Wichita, and flew them back to Russia, all at taxpayers' expenses.

So I inquired where did these funds come from, from the Pentagon, and lo and behold some of these funds come from Nunn-Lugar. Now, whether this is a good opportunity or not, I think we should have Russians as friends rather than enemies, but these funds are not being spent as they were intended. They are not reducing the amount of chemical weapons and biological weapons and not reducing the nuclear threat as they were intended do.

So, if they are not going to do it, the administration fails to verify, where is the evidence this is actually occurring in Russia? We hear about other countries, but what about Russia?

Why should we borrow money from our children's future to fund these trips over here to America to the treasures of the czar and not let the money go for the specific purposes? That is why I am supporting the Solomon amendment, is that we do not have any verification that they are actually doing what we intended them to do and that they are misusing these funds, in my mind. If we want to do these sort of trips, then we should do it under that aspect and let it go through Congress, let us debate it and bring it up here and vote on it.

But let us make sure if we are going to spend money to reduce the nuclear threat that the money actually goes for that purpose. And I do not think it is going that way and that is why I am supporting the Solomon amendment.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY], my distinguished colleague.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I rise in strong opposition of the Solomon amendment and I rise in strong support of the Nunn-Lugar program. This is a program that does more to kill Russian nuclear weapons with a pen than any hope that we could every have of killing these with dollars and with nuclear weapons or any other kind of weapons ourselves.

It is an example of some of the most wrong-headed, convoluted thinking that I have ever witnessed on the House floor. Somehow we think that, or maybe some people think that there is an opportunity here to try to accuse Democrats or anyone that is in favor of Nunn-Lugar funds of being soft on communism, of being some kind of pinko Communist that is not willing to stand up to the hard Russian threat.

The truth of the matter is, these dollars go, in vast majority, to United States companies to go out and get rid of Russian nuclear weapons. It is a rough equivalent to us saying that because someone has a gun to our head, what we are going to do is pull out a six-shooter and blow off each one of our toes in order to show an example of how tough we are, and if we are not willing to blow off the other six toes

then somehow we are easy or light on communism.

This is craziness. What we should do is recognize that is the United States best interest to make sure that we can get rid of as many Russian nuclear armaments as we possibly can. And if we can do that and pay U.S. companies to get the job done, then why not go forward? What are all of these strings that we want to attach?

Of course, we want to get rid of Russian threats in terms of biological weapons, of course, we want to get rid of radar systems, of course, we want them to agree to a whole range of additional issues, but this is the wrong vehicle to attach those concerns to. I am very much in support of almost every goal that the gentleman from New York [Mr. SOLOMON] puts forward in his amendment to terms of the kinds of compromises we want the Russians to agree to, but this is the wrong way to achieve those compromises.

Mr. DELLUMS. Mr. Chairman, might I inquire as to the remaining amount of time on both sides of the aisle?

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] has 11 minutes remaining, and the gentleman from South Carolina [Mr. SPENCE] has 7½ minutes remaining.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I am not sure I am understanding what is going on on the floor right now. Is it the understanding of the gentleman from California [Mr. DELLUMS] that the fundamental purpose of these Nunn-Lugar funds are to reduce the nuclear threat and the threat of weapons of mass destruction to the United States?

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. Mr. Chairman, I yield to the gentleman.

Mr. DELLUMS. Mr. Chairman, I would say to the gentleman that is exactly the purpose of Nunn-Lugar; a bipartisan amendment, I might add.

Mr. SKAGGS. The amendments pending before the House would cut funding for that unless certain other conditions are met?

Mr. DELLUMS. If the gentleman would continue to yield, Mr. Chairman, the practical effect of the amendment offered by the gentleman from New York is to put constraints and cause certifications that the President could never certify, which means we would kill the program.

Mr. SKAGGS. In other words, if we do not do what the gentleman wants to do in these categories, we are going to shoot ourselves, is the practical effect of this.

Mr. DELLUMS. I would think the gentleman's characterization is correct.

Mr. SKAGGS. Mr. Chairman, I suspect the ultimate irony of this is that in a year or two from now, if this becomes law, that we will have Members arguing that we need to increase defense spending because the nuclear threat from Russia has not been reduced, and the reason it will not have been reduced is because we have tried to attach extraneous conditions to one of the most effective programs we have ever seen in reducing the central security threat to this country.

Now, where in the world is the common sense in trying to perpetrate this kind of public policy? Does the gentleman have any idea how this could end up being helpful to our national security?

Mr. DELLUMS. If the gentleman would yield further, I do not think it is, and during the course of the earlier remarks in the general debate I quoted from a letter from the Secretary of Defense that said he believes that while he is concerned about the same issues the gentleman from New York is concerned about, he points out that this is an inappropriate vehicle to use, and at the end of the day to destroy the CTR program is to challenge America's national security.

Mr. SKAGGS. Again, as I understand it, just looking at Russia, the funds from the Nunn-Lugar program have involved removal of over 3,000 nuclear warheads in Russia.

Mr. DELLUMS. That is correct.

Mr. SKAGGS. Putting them ahead of schedule in complying with START I limits.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. SKELTON], a member of the committee.

Mr. SKELTON. Mr. Chairman, I will not take the full amount of time. But after looking at this, first I want to say, Mr. Chairman, I take a back seat to no one when it comes to a strong national defense. I also point out that the two Senators, the one from Georgia and the one from Indiana, who are the authors of the program, the Nunn-Lugar program, are also in the category of standing for a strong national defense.

What this program has done successfully is to reduce the nuclear threat, the nuclear warheads in the former Soviet Union.

□ 1215

I find myself in agreement so many times with my friend from New York. I find myself in agreement with the goals that he has set forth. But to require the President to certify things that are absolutely impossible for him to certify would gut the Nunn-Lugar program. I think that is a dangerous thing for the United States of America to do.

I find myself constrained to disagree with my friend from New York and to oppose this amendment. Though I am sure well-intentioned, it would have the unintended consequences of harming the security of the United States.

Mr. DELLUMS. Mr. Chairman, may I inquire whether the gentleman from Missouri [Mr. SKELTON] yielded back any part of the 2 minutes?

The CHAIRMAN. The gentleman from Missouri [Mr. SKELTON] yielded back 30 seconds.

Mr. DELLUMS. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

(Mr. DORNAN asked and was given permission to revise and extend his remarks.)

Mr. DORNAN. Mr. Chairman, I enjoyed the time that the gentleman from California [Mr. DELLUMS] spent on the Permanent Select Committee on Intelligence. I do not know whether it engaged him enough or what, but he only spent the better part of a year on there. I am in my eighth year on there.

I can tell my colleagues, you only have to be there a few months, read the National Intelligence Daily, and you will understand what a serious and dangerous world this is. With all the weapons that the Soviet Union has destroyed, they still keep the majority. Constantly in the open press we are reading about the danger of nuclear material and/or missile technology leaking out into the rogue nations of the world, North Korea, Iran, some unholy alliance between an oriental country and a radical Islamic terrorist state. This is a dangerous world.

When we look at the situation, the volatile situation in Russia, when they have crushed Christianity in their nation over the better part of this century and drove anti-Semitism and now they have a country that has partially lost its soul, its conscience, and they are into what I call dark capitalism, like pornography and prostitution and drug dealing and illegal corporate rip-offs, dark capitalism is ripping that country apart as they try to find their way through a free market economy.

So on this floor, I won, I think, 244 votes last year, that would cut off this Nunn-Lugar money until they certify in writing to Mr. Clinton, no more biological/chemical warfare. And they will not do it. They will not even let our auditors come over and find out what is happening to our money. What kind of madness is this?

You can take the position of the gentleman from Kansas [Mr. TIAHRT] and say, why are we giving our children's money, borrowing money, going into debt for this, but we cannot even get it audited?

I will stand and vote with Mr. SOLOMON on this, as 244 Members of this House voted with me in the last authorization bill, and then it was gutted in the star chamber of the Senate conference.

I will include my remarks for the RECORD. Biological testing is going on in Russia.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Chairman, I will tell you the concern I have about this

amendment. If you remember, the subcommittee on defense, as it was called then, is the one that funded this initially. This was not funded or authorized; they asked us to fund it in a supplemental. We put several hundred million dollars in. We put very strict interpretations on the language about how it could be spent, because we knew of the concern in the House about how this money should be spent.

I appreciate what the gentleman from New York is trying to do, but everything I have seen, and I had great concern about this amendment initially, is that this program has been successful. They are demilitarizing nuclear weapons.

I would hope we are not trying to interfere in the Soviet elections because I think that would backfire in our case. And I would hope that we would base our decision on the merits of whether this is working or not. Everything I have seen, from Secretary Perry, is that it is working.

We may need to make some changes. We made need to make some sort of certification. But I think the certification that is required in this amendment by the gentleman from New York, which has entirely good intentions, I think goes too far. So I would hope at some point we could come up with adequate restrictions but certainly not this kind of a certification.

I ask the Members to vote against the Solomon amendment at this point and see if we cannot maybe in conference work something out. I feel very strongly that what we are doing with the money we are making available to the Russians is not going to something else. It is going to the very specific purpose we have said. And if they are using other money, they just would not demilitarize their nuclear weapons. That is what it amounts to. So we are getting a tremendous benefit from the amount of money that we are spending in this area.

I ask the Members to consider very carefully voting against this amendment at this point and then later on making some sort of an adjustment in the conference to add restrictions which the President is able to adhere to.

The CHAIRMAN. The Chair advises that the gentleman from South Carolina [Mr. SPENCE] has 5½ minutes remaining, as does the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, who has the right to close debate?

The CHAIRMAN. The gentleman from South Carolina [Mr. SPENCE] has the right to close.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, with all due respect to my good friend, the gentleman from Pennsylvania [Mr. MURTHA], and he is and so are many other Members, let me tell you what they are using this money for. They are using it to dismantle the missile carriers. They have not destroyed one single warhead. You know it and I know it. So while they are destroying old, obsolete missile carriers, they are building new ones.

That is what this debate is all about. We want to be able to certify that they are not doing that.

Let us vote for the Solomon amendment, go to conference, and let us work it out then. If you do not go to conference with the Solomon amendment, it will not even be discussed. That is the problem.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], the chairman of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I believe my colleague, Mr. SOLOMON's, amendment is an important one that opens a debate that this body needs to have.

Many of us here have been supportive of the goals of the Cooperative Threat Reduction program—or Nunn-Lugar program as it is commonly known.

Few, if any, of the Members of this House have difficulty in accepting that it is in our national interest to help the states of the former Soviet Union dismantle a large portion of their weapons of mass destruction and safely store nuclear warheads and other materials.

None of us deny that the denuclearization of Ukraine, Kazakhstan, and Belarus, by lessening the number of nuclear-armed states in the world, was a real achievement.

The problem now lies in the fact that we cannot ignore other American interests that lie beyond the process of reducing weapons of mass destruction.

What my colleague's amendment does is simply make that case.

We cannot long ignore the fact that the Russian military is spending large sums on its brutal operation in the separatist region of Chechnya, or that it may be better able to defray the cost of that operation due to Nunn-Lugar assistance elsewhere in the Russian military budget.

We cannot ignore the many outstanding questions about the status of Russia's chemical and biological arsenals, or questions about the strategic facilities it is still constructing and the weapons modernization it is still pursuing despite the relative paucity of funds for its military budget.

And, once again, those costs are, inadvertently, defrayed by United States assistance for demilitarization costs in the Russian military budget.

Mr. Chairman, the problems in the United States-Russian relationship will not simply disappear.

Instead, we must have this debate, and we must make it clear to Russia that we have strong concerns—very strong concerns—about its actions. This amendment sends the right message.

I urge my colleagues to support this amendment.

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. HAMILTON], distinguished colleague and ranking member of the House Committee on International Relations.

Mr. HAMILTON. Mr. Chairman, I rise against the Solomon amendment. There has been very strong bipartisan support over the past year for the Nunn-Lugar program. That program is very much in the American national interest. It is not foreign aid. It is not a gift. It is in investment in our own national security. It directly reduces the threat that the United States faces from Russia. It expedites dismantlement.

This amendment, let us be very clear about it, this amendment would kill the Nunn-Lugar program. That program has destroyed 800 bombers and missile launchers. It has removed 3,800 nuclear warheads from deployment in the former Soviet Union. I do not see how you get a bigger bang for the defense dollar than when you directly dismantle Soviet nuclear power.

This amendment would stop a program to complete the denuclearization of Ukraine, Belarus, Kazkhstan. It would stop a program that is making the biggest contribution to nonproliferation in the very part of the world which represents the greatest nonproliferation threat. It would stop a program that every single day reduces the nuclear threat to the United States.

This amendment is self-defeating. These conditions that are set out, these objectives are all very worthy. The problem is the President cannot certify many of them, if any of them. And if he is not able to certify those conditions or objectives, then the program will collapse.

If we insist that those goals become preconditions before we provide help to Russia in dismantling these nuclear weapons, we will clearly harm the national interest of the United States.

May I say to my colleagues that one of the facts missing from all of this debate is what is happening today in the Russian defense budget. It is has declined 20 percent in the past year. It is 45 percent of what it was in 1992. It is less than 20 percent of what it was at its peak. The Russian defense budget, then the Soviet defense budget, in 1988. The Russian defense budget is in a freefall. Its defense establishment is in turmoil

If we want some stability and if we want some security with regard to these nuclear weapons in Russia, then we are going to have to help provide them. May I say it is also a fact that Russia does itself contribute to the dismantlement of these programs.

I urge the defeat of the Solomon amendment. It just goes way too far and, I think, works against the American national interest.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentleman from

Virginia [Mr. SISISKY], a member of the committee.

Mr. SISISKY. Mr. Chairman, I thank the gentleman for yielding time to me.

I never thought I would be here doing this. Last year I voted for it. I think I voted for it every time. But I reluctantly oppose the amendment offered by my friend, the gentleman from New York, Mr. SOLOMON, who I believe is a real patriot. We agree more often than not, but I cannot agree to gut the cooperative threat reduction or Nunn-Lugar program.

This program succeeded in moving former Soviet personnel and forces out of and away from eastern Europe. It has encouraged U.S. corporations to invest in defense conversions all over Russia. Nunn-Lugar has removed warheads, dismantled launchers, and brought nuclear material for storage in the U.S. Just think back 10 years ago, who would have dreamt that this could happen?

We won the cold war. Why snatch defeat from the jaws of victory and bring genuine progress to a halt? Make no mistake, by no stretch of the imagination have we solved all of our problems with Russia. I happen to agree with virtually everything that Mr. SOLOMON says about Russia, but effectively terminating Nunn-Lugar is precisely the wrong thing to do, the wrong signal to send, especially before the Russian elections.

It is veto bait that harms not only a good, sensible effective policy, but puts all other good things we achieve in this bill at risk.

I ask Members to oppose this amendment. We can revisit hopefully this issue in separate legislation this summer. I will try to get it out of the committee to do that. I am concerned about the Russian elections. We have a lot at stake. I would ask Members to vote against it.

□ 1230

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] is recognized for 45 seconds.

Mr. DELLUMS. Mr. Chairman, I have tried to suggest to the gentleman from New York [Mr. SOLOMON] that some of the gentleman's conditions were beyond the ability to certify. Let me give our colleagues a couple of examples.

It says here Russia is not developing offensive chemical or biological weapons. If there is a pharmacological industry, how in the world can we certify with respect to biological weaponry? That flies in the face of reality.

Second, Russia is not modernizing its nuclear weapons. Why are we modernizing ours? For safety and reliability that are constrained by treaty, my colleagues.

Third, now, this one is extraordinarily bizarre. Mr. Chairman, it says Russia is not providing any intelligence information to Cuba. Now, how can the President of the United States certify with certainty that Russia is not providing intelligence information to Cuba? It defies logic.

This is a killer amendment to a significant piece of legislation. At the appropriate point I hope we defeat the gentleman's amendment.

Mr. SPENCE. Mr. Chairman, I yield our remaining time to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Procurement.

The CHAIRMAN. The gentleman from California [Mr. HUNTER] is recognized for 3 minutes.

Mr. HUNTER. Mr. Chairman, my colleagues let us go over the state of play here with exactly what we are talking about. Every single reduction in strategic systems that the gentleman from California spoke of and the gentleman from Indiana [Mr. HAMILTON] spoke of are taking place; all those reductions are taking place because we signed START I. The Russians signed START I. We signed START I. And we agreed to reduce these nuclear weapons with our own taxpayer dollars. That means the Russians agreed to reduce their systems with rubles, we agreed to reduce our systems at our expense with dollars, and we proceeded on that course to go down approximately from 12,000 nuclear weapons to about 6,000, and we have been proceeding on that course.

We never agreed that we would pay the Russians for the reduction that they were making under START I. We never agreed we would subsidize that. But in 1991 we felt that the Russians were so fragile with that new democracy and that attempted democracy that we would help them. So we implemented Nunn-Lugar, and a lot of us agreed with that; it was a good program.

The point is that the Russians need to have their feet held to the fire.

Now, it is a good deal if two neighbors agree to disarm, and if the gentleman from California Mr. DELLUMS, agrees to disarm, and I agree to disarm, and Mr. DELLUMS says, ''I need a little extra money to disarm, Mr. HUNTER; could you help,'' that is a good deal.

But it is not a good deal if my neighbor then takes some of the money or the resources that are freed up from my subsidizing his disarmament and builds some new weapons.

We are not concerned about the new SS–25. It is extremely accurate. We are concerned about their new strategic ballistic missile submarine system. We are concerned about their biological weapons development.

Now, I assure my colleagues in the end, when the smoke clears, there is going to be some Nunn-Lugar money on the table. But we need to have some conditions on money, and this starts the process. The Solomon amendment holds the Russians' feet to the fire, and let me just say the sales of nuclear technology to Iran, the biological weapons development that we know violates the biological weapons conventions, their new strategic missiles that they are building, are not in the spirit of the reductions that we have made, if not the law.

So this holds the feet of the Russians to the fire. Vote for these certifications. We are going to end up looking like dummies. We are going to be the guys that paid money to the Soviet Union to dismantle weapons while they were building new ones. Let us not be in that position. Please support Solomon.

The CHAIRMAN. It is now in order to consider the amendments printed in part A of the report relating to cooperative threat reduction with the former Soviet Union, which shall be considered in the following order:

Amendment A–1 offered by the gentleman from New York [Mr. SOLOMON] and amendment A–2 offered by the gentleman from New York [Mr. GILMAN].

AMENDMENT A–1 OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: In section 1104 (page 362, beginning on line 17)—

(1) insert ''(a) IN GENERAL.—'' before ''None of the funds''; and

(2) add at the end (page 363, after line 12) the following:

(b) ANNUAL PRESIDENTIAL CERTIFICATION WITH RESPECT TO RUSSIA AND BELARUS.—None of the funds appropriated for Cooperative Threat Reduction programs for any fiscal year may be obligated for any activity in Russia or Belarus until the President submits to Congress, after such funds are appropriated, a current certification of each of the following:

(1) Russia is in compliance with all arms control agreements.

(2) Russia is not developing offensive chemical or biological weapons.

(3) Russia has ceased all construction of and operations at the underground military complex at Yamantau Mountain.

(4) Russia is not modernizing its nuclear arsenal.

(5) Russia has ceased all offensive military operations in Chechnya.

(6) Russia has begun, and is making continual progress toward, the unconditional implementation of the Russian-Moldovan troop withdrawal agreement, signed by the prime ministers of Russia and Moldova on October 21, 1994, and is not providing military assistance to any military forces in the Transdniestra region of Moldova.

(7) Russian troops in the Kaliningrad region of Russia are respecting the sovereign territory of Lithuania and othr neighboring countries.

(8) The activities of Russia in the other independent states of the former Soviet Union do not represent an attempt by Russia to violate or otherwise diminish the sovereignty and independence of such states.

(9) Russia is not providing any intelligence information to Cuba and is not providing any assistance to Cuba with respect to the signal intelligence facility at Lourdes.

(10)(A) Russia is not providing to the countries described in subparagraph (B) goods or technology, including conventional weapons, which could contribute to the acquisition by these countries of chemical, biological, nuclear, or advanced conventional weapons.

(B) The countries described in this subparagraph are Iran, Iraq, Libya, Syria, Cuba, or any country, the government of which the Secretary of State has determined, for purposes of section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(6)(j)(1)), has repeatedly provided support for acts of international terrorism.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. SOLOMON] and a Member opposed each will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, my amendment is simple. It would prohibit any further obligation of Nunn-Lugar aid to Russia and Belarus but allow the funds to go ahead to Ukraine and to Kazakhstan, which is fast becoming a military satellite of Russia, until or unless the President certifies that Russia is in compliance with the conditions in my amendment.

First, Russia must be in compliance with all arms control agreements. Who can disagree with that? Russia must not be producing any offensive biological or chemical weapons. Who can disagree with that?

Russia must cease the ongoing construction of the massive bunker at Yamantau, which is widely perceived to be a nuclear command center.

Russia must cease modernization of its nuclear forces, and they are at present developing new classes of weapons, and we are paying for it.

Mr. Chairman, last, Russia is not exporting goods or technology to terrorist nations that could help them acquire advanced conventional weapons or weapons of mass destruction. Mr. Chairman, this is just common sense. Russia is engaged in all of these activities, all of which are contrary to our national interests, yet the aid continues to flow.

Mr. Chairman, many of these activities are addressed in the form of conditions in the previous cooperative threat reduction legislation, but they are so vague. For instance, the law states that the President must certify that Russia is ''committed to arms control compliance,'' and that is what he has been doing. Well, either they are complying or they are not complying, and we all know that they are not. I just read the list. Every one of our colleagues knows they are not complying.

Mr. Chairman, we have had enough vagueness and enough unlinked foreign aid. With these policies we have done nothing to stem Russia's reactionary slide over the past 2 or 3 years. We have set no boundaries on Russia's behavior whatsoever, while shelling out hundreds of millions of American taxpayer dollars, Mr. Chairman.

Mr. Chairman, let me just read to our colleagues from the GAO report, October 1994. Everybody should listen to this. Currently Nunn-Lugar officials appear to have overestimated the probable impact of similar projects in Russia. Russia can meet, without U.S. aid, its Strategic Arms Reduction Treaty obligations and eliminate thousands of strategic nuclear delivery vehicles and launchers over the next decade.

That is what their GAO says. They do not need our money; they have the money to do it.

What we are doing is financing their remodernization of a new class of weapons; they are tearing down the obsolete silos, building new ones with our money so that these warheads that they are not abolishing or doing away with can be remounted. We should not be paying for it.

I will move my amendment at the appropriate time, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Missouri [Mr. GEPHARDT].

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Chairman, I rise to just hope that Members on both sides of the aisle will turn down this amendment.

I realize that disarming the Soviet Union is the most important foreign policy objective we have. I think this amendment will make it harder to actually accomplish that reality that we all hope for, and I would simply remind Members, whatever their view on specific parts of this amendment, please remember there is an election in Russia next month. Can my colleagues imagine how it is in our interests to say to the Russian people that we want to stop and move back from an effort we have made together to get rid of nuclear arms as they are going to the polling booths to vote for whether they want to return to communism and to totalitarianism or whether they want to continue with democracy?

This is a bad amendment, it is a bad idea, it is bad timing, and I urge Members to vote against this amendment.

Mr. DELLUMS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from South Carolina [Mr. SPRATT], a member of the committee.

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Chairman, the Solomon amendment purports to condition Nunn-Lugar funding. In fact, we all know what it would do. It would stop it, stop it dead in the water, and I think that is a tragic mistake, and I strongly oppose it.

Nunn-Lugar has three laudable goals, which I do not understand how anybody can possibly oppose, to destroy and dismantle weapons that were designed, developed, and deployed, the deadliest weapons in this world, to devastate this country. It is also designed to take the components of those weapons and make sure that they do not spread, fall into the hands of other countries, terrorist groups who might use them against us. And, astutely, it is also to be used so that the knowledge and the expertise of former Soviet scientists cannot be used by these same terrorist groups or rogue nations against us.

This law is for our benefit, not for their benefit, and it is in our best interests. And let us see what it accomplished. First of all, all of the nuclear warheads deployed in the former Soviet Union, in Kazakhstan and Ukraine and Belarus, will be removed, gone from those three countries, leaving only one nuclear State in the former Soviet Union. Thirty-eight hundred warheads will be freed up, removed from the former Soviet Union, putting Russia ahead in implementation of the START–I Treaty. Thirty-two of those warheads, missiles, will be SS–18's. That is 320 SS–18 reentry vehicles, more than any RV's, reentry vehicles, that we could possibly take out with any missile defense system we are going to develop in the near future. Eight hundred strategic launchers were removed; 200 missile silos removed.

Now, what is the money that is coming in this bill? What will it do? Among other things, it will help us continue eliminating those SS–18 missiles. Thirty-two have been eliminated so far; 170 remain to go. It will help implement START–I, help ratify START–II, carry it out if it is completed.

It will help destroy 10 mobile launch pads in Belarus, seal up 30 nuclear test tunnels in Kazakhstan, provide 150 United States-made containers to transport nuclear materials to save storage.

And let me stop here and say that it is true that a lot of those components have not been destroyed. What we want to do is build a facility in Tomsk, Siberia; been built, the site has been chosen and the design is completed. It is under construction. This money will help to go toward the construction and completion of this facility where those components will be taken, they will be accurately accounted for and safely stored.

Time does not allow me to keep on going, but I could iterate point after point about how we are protecting ourselves and protecting the rest of the world in this Nunn-Lugar program. It is a program of proven success, and it has much yet to be accomplished. It would be a tragic mistake in terms of timing, but in terms of our own self-interest and the protection of our country if we pass the Solomon amendment and terminated this program which has done so much to enhance the security of this country.

Mr. SOLOMON. Mr. Chairman, I yield 1 minute to our good friend, the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, I thank the gentleman for yielding this time to me, and I speak on behalf of and am strongly supportive of the Solomon amendment.

Let us not make any mistake about what this is about. This is foreign aid to Russia, and we can cloak it in all kinds of language and we can talk about it being a particular program

that has to do with the dismantling of nuclear warheads. The fact is that it is foreign aid, it is $1.2 billion, of which $500 million has already been spent, that goes from American taxpayers to Russia. It is money that Russia does not have to spend on other things. START–I requires, and we have agreed with this and Russia has agreed to it, that all of these weapons be dismantled, and it says nothing whatsoever about who will pay for that.

It speaks, I mean the assumption is, that Russia will pay for the dismantling of the Russian weapons, and the United States will pay for the dismantling of our own weapons. The fact is that we are paying for both now, and as a result of that, because, in the words that I never find better language to describe, money is fungible, that means that the money that is being spent, that is being given to Russia for this, they do not have to spend on something else.

□ 1245

Mr. SOLOMON. Mr. Chairman, I yield the remainder of my time to the gentleman from Illinois, Mr. HENRY HYDE, a very valuable member of our Committee on Foreign Affairs and chairman of the Committee on the Judiciary, one of the most respected Members of this body.

The CHAIRMAN. The gentleman from Illinois [Mr. HYDE] is recognized for 1 minute.

Mr. HYDE. Mr. Chairman, I thank the gentleman for the extravagant introduction.

Mr. Chairman, I am troubled by this amendment. I do not want to vote for this, because if there is a program that is diminishing the nuclear threat to our country, no matter what other aberrational things that are going on, such as selling submarines to Iran, I think anything that diminishes a nuclear threat to our country ought to be supported.

However, I learned that the Russians are modernizing their nuclear capability. ''Russia test-launched new ICBM yesterday. Missile will replace SS–18's destroyed under Nunn-Lugar,'' on and on about how they are modernizing the nuclear capability. How does that diminish the threat to our country? It enhances it. So with one hand we are giving them money to sweep away the old stuff, the garbage, and then free up their own money to develop and modernize a nuclear threat. Support Solomon.

Mr. DELLUMS. Mr. Chairman, I yield my remaining time to the distinguished gentleman from Mississippi [Mr. TAYLOR].

The CHAIRMAN. The gentleman from Mississippi [Mr. TAYLOR] is recognized for 1 minute.

Mr. TAYLOR of Mississippi. Mr. Chairman, in the past I have supported the Solomon amendment, but as a number of well-attended hearings of this committee pointed out, our Nation does not have the ability to stop a single missile coming from the Soviet Union, the former Soviet Union, pointed our way.

For that reason, Mr. Chairman, it makes more sense than ever to try to destroy as many of those 26,000 nuclear warheads that the gentleman from Illinois [Mr. HYDE] just told us about while they are on the ground, while they are still in the Soviet Union, before they fall into the hands of a terrorist Nation like Iraq or Iran or Libya, North Korea, or Cuba. We cannot stop them in the air and we cannot inspect the 4 million cargo containers that come into this country, should someone want to smuggle them into our country.

I would say to the gentleman from Illinois [Mr. HYDE], it would make a whole heck of a lot more sense to fix the program we have and destroy them while they are on the ground in the former Soviet Union. Therefore, until the gentleman from New York [Mr. SOLOMON] can fix some of those things that he knows the Soviets will not do, I am going to have to vote against his amendment.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to say to my distinguished colleague, the gentleman from Illinois [Mr. HYDE], whom I respect on these matters, that I respect the comment that the gentleman made; that there is adversity in this amendment.

But I would like to point out to my colleague with respect to the missiles that he spoke of, if he goes back to the START–II arrangement, it talks about the removal of SS–18's. They are trying to get rid of all of them, so we move away from virtually all, if not all, land-based missiles.

The treaty itself favors sea-based missiles. The missile to which the gentleman addressed his remarks is a sea-based missile. What constrained us were land-based missiles. What had us concerned were fixed-based ICBM's, the SS–18. That is what is being dismantled. So when we look at what they are doing in terms of modernization, we have to put that within some kind of perspective.

Staff can put a memo in front of us and say, gee, they are advancing this weapon, but ask staff to tell us what is that weapon attempting to do. It is a sea-based weapon, so all of this activity is confined within the treaty that we are party to. It is constrained by treaty.

Mr. Chairman, I pointed out earlier in my remarks that this gentleman wished we had never gone down the road toward nuclear weapons. We are the only species on the face of the Earth that have developed the capacity to destroy ourselves and all other life. But we went down that road. We went down that road to the tune of thousands of nuclear warheads and nuclear weapons. Nunn-Lugar is an effort to step back away from that. We are modernizing our weapons for several reasons: for safety and reliability I am assuming that they are doing that as well. We are doing it within the constraints of the treaties to which we have subscribed and on which we are appropriate signatories.

Finally, Mr. Chairman, let me say, the gentleman from New York has laid out a number of laudable concerns. I do not challenge the concerns. What I am saying is one does not cut off his nose to spite his face. Linkages make sense to us as politicians, but sometimes in the real world linkages do not make sense.

When we link the danger of nuclear weapons to a foreign policy consideration, it does not say the foreign policy concern is not legitimate, but it says that we have to balance these matters. We have to prioritize these matters. In our minds, it seems to me we ought to internalize the notion that nuclear weapons are dangerous, they are an imperative unto themselves. To link this unnecessarily is to destroy what it is we are trying to do.

The gentleman from South Carolina [Mr. SPRATT] eloquently and articulately laid out the three goals of the nuclear warhead program, a bipartisan effort to dismantle, ultimately to destroy, to retard this kind of development of nuclear weapons, and weapons of mass destruction, including chemical and biological.

If we have foreign policy concerns, there are other fora, there are other places where we can fight that battle. But to use the CTR program as the vehicle to challenge on all these other bases I would suggest, to underscore for emphasis, that it cuts off our noses to spite our face.

Finally, Mr. Chairman, I listened carefully to all of the debates and discussion that my colleagues have raised. They have only raised one issue, that money is fungible. Big deal. We had to come to Congress to learn that, that money is fungible? So we can create any kind of scenario for our political purposes, but the fact of the matter is that this is a serious policy program that has specific implications. We should not attempt to play the game of ''money is fungible'' to create this.

One of my colleagues even talked about a few Russians coming to the United States and placed that in juxtaposition to removing 3,800 warheads. It is a joke. I would be willing to challenge the gentleman anytime, anyplace, anywhere, to make that kind of assertion about taxpayers' dollars. We are talking about our children and our children's children.

It is important for us, Mr. Chairman, to reject the gentleman's amendment. This is dangerous. It flies in the face of American national security. That has been stated by the Secretary of Defense. It has been stated by a number of other persons. I would ask my colleagues on both sides of the aisle to reject this amendment. It is qualitatively different, more dangerous than the amendment offered by the gentleman from California [Mr. DORNAN]

last year; make no mistake about it. I urge my colleague to reject the gentleman's amendment.

Mr. SPENCE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, for those people who are in a mood to cut money and authorization from the defense bill, now is their chance.

Mr. Chairman, I yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I thank the gentleman from South Carolina for yielding to me.

Mr. Chairman, let me just praise the gentleman for the work he has done on this overall bill. It is a very good bill. For those who think it is too much money, let us point out that it is only 2.4 percent more than was being spent last year. That hardly pays for the raises for our military personnel. It hardly pays for the housing improvements needed so desperately. I wanted to say that about the overall bill.

About my amendment, Mr. Chairman, 40 percent of Nunn-Lugar will continue to go ahead with or without any Presidential certification that Russia is behaving itself in these areas we have been talking about. Forty percent of that money will continue to go to countries like Ukraine, who are good citizens, and countries like Kazakhstan, who are good citizens, who are actually out there destroying missiles and warheads.

By contrast, Russia is not destroying one single warhead. Not one has been destroyed. They simply are taking them out of the old dilapidated, antiquated silos that they have now, they are laying them over here, and then they are building these new, highly state-of-the-art silos and launching systems which they will take, and these warheads, and put them back in these new silos. Where is the diminishing of a threat then?

I am not going to use all this time because we have to get on with the bill, but let me tell the Members, their nuclear missiles threaten American security. Their weapons export sales to terrorist nations like Iran and Iraq and Syria and Libya, that is what threatens security of American citizens, both overseas and right here in America.

Mr. Chairman, if Members are sincere about wanting to deal with these issues like the Russians modernizing their equipment, if Members are interested in dealing with stopping them from their biological and chemical weapons development, and if they are interested in stopping them from exporting nuclear technology to Iran and Cuba, 90 miles off out shore, they will vote for the Solomon amendment.

Then they will go to conference with the Senate and pick out the most important ones, perhaps, of my listed items here. Then we will have held the Russians' feet to the fire.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

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

Mr. DELLUMS. Mr. Chairman, I would just say let us accept the efficacy of the gentleman's argument that the Russians are bad guys. If they are, then those are the very people we want to help dismantle the weapons, so I accept the gentleman's argument and come to a very different conclusion.

Mr. SOLOMON. Mr. Chairman, if the gentleman will yield further, I would tell the gentleman from California, accept my amendment. We will go to the Senate and we will really accomplish what both the gentleman and I want to accomplish.

Mrs. LOWEY. Mr. Chairman, I rise today in strong opposition to these attempts to block cooperative threat reduction funding to Russia.

Cooperative threat reduction, also known as Nunn-Lugar, is not foreign aid. It is an investment in United States security. This program reduces the threat to the United States from nuclear weapons and other weapons of mass destruction. Nunn-Lugar funding improves the security of these weapons to keep them out of the hands of terrorists and aids in critical denuclearization efforts in Russia, Kazakhstan, Belarus, and Ukraine.

I share many of the concerns raised in this amendment. I strongly support the sovereignty of the independent states of the former Soviet Union, and would oppose any efforts on Russia's part to violate this independence. I also want to ensure that Russia is not providing assistance to Iran, Iraq, Libya, or Syria. But this amendment is not the way to do that.

Mr. Chairman, cooperative threat reduction is strengthening U.S. security. Blocking funding for these critical programs would only hurt U.S. efforts to expedite the dismantlement of weapons of mass destruction. I urge my colleagues to defeat this destructive amendment.

Mr. STARK. Mr. Speaker, I rise today in opposition to the Solomon part A amendment to H.R. 3230, the fiscal year 1997 Defense Authorization Act. The Solomon amendment would place restrictions on the cooperative threat reduction denuclearization program in Russia. CTR is also known as the Nunn-Lugar program, after its bipartisan sponsors in the Senate.

Nunn-Lugar provides for the release of American funds to help speed the destruction of Russia's massive nuclear weapons stockpile. Russia's nuclear weapons are often poorly guarded and the threat of nuclear terrorism, either through theft or illicit sales of Russian fissile material, is all too real. The Nunn-Lugar program is a sensible approach to this serious problem, and represents one of the best investments we can make in our national security.

The Solomon amendment requires that Russia meet 10 conditions before funds could be released to Russia. While all of the conditions represent goals I would like to see reached, such as Russia's full withdrawal of troops from Chechnya and Moldova, I do not believe it is a good idea to allow Russia to maintain a large, unsecure nuclear stockpile that might reach the hands of terrorists. If anything, we should raise the amount of money allocated to destroying Russia's nuclear weapons instead of trying to eliminate funding.

The Solomon amendment is dangerous, unnecessary, and effectively guts one of the best bipartisan programs around. I urge a ''no'' vote on the amendment.

Ms. HARMAN. Mr. Chairman, I rise in opposition to the amendment offered by my friend from New York, Mr. SOLOMON, to condition the expenditure of funds for the Nunn-Lugar program.

Mr. Chairman, Nunn-Lugar protects American citizens from Russian missiles and nuclear warheads. Conditioning funds for this program on our ability to influence Russian leaders on specific policy goals, however admirable those goals are, is contrary to our own national interests.

Nunn-Lugar has been a successful program. Designed to meet the complex challenges which followed the break-up of the Soviet Union, it assures that weapons of mass destruction, as well as the equipment, material, and services supporting them, are dismantled. Since 1992, over 3,800 nuclear warheads have been removed from deployment, and over 800 launchers have been eliminated. That's good for America.

Because of Nunn-Lugar, Russia is ahead of schedule in meeting its obligations to reduce its number of warheads as set forth under the START agreement. That's good for America.

Nunn-Lugar has helped convert at least 17 Russian industrial facilities previously dedicated to building weapons to civilian manufacturing. And it has redirected the work for more than 11,500 former Russian weapons scientists.

As a result of this program, proliferation has been halted. Kazakstan is nuclear-free, with more than 600 kilograms of weapons-grade uranium removed to the United States.

In the Ukraine, more than 460 nuclear warheads and 46 SS–19 silos have been deactivated because Nunn-Lugar provided the necessary heavy equipment to do so. In fact, both the Ukraine and Belarus are expected to become nuclear-free later this year. That, too, is good for America.

I don't doubt my friend's sincerity in wanting to change Russian behavior on a wide range of critical issues affecting our security and that of Russia's neighbors. I agree with them.

But I believe a more effective approach to achieving the goals outlined in my friend's amendment would be to engage the Russians directly—not to cut funds on a program whose greatest beneficiary is the United States.

Let me repeat that, Mr. Chairman. We need to remember that the greatest beneficiary of the Nunn-Lugar program is the United States, not Russia. To halt progress, even temporarily, on reducing the threat represented by the remaining Russian missiles and warheads is to put our citizens, American citizens, at risk.

I respectfully urge my colleagues to vote ''no'' on the amendment offered by my friend from New York.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 220, not voting 11, as follows:

[Roll No. 170]

AYES—202

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Bartlett
Barton
Bass
Bateman
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chabot
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehrlich
Emerson
Ensign
Everett
Ewing
Fields (TX)
Flanagan
Foley
Forbes
Fox
Franks (CT)
Frisa
Funderburk
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
LaHood
Largent
Latham
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Pastor
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Tiahrt
Torkildsen
Traficant
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weller
White
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—220

Abercrombie
Ackerman
Baesler
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Campbell
Cardin
Castle
Chambliss
Clay
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gunderson
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hastings (WA)
Hefner
Hilliard
Hinchey
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
Kolbe
LaFalce
Lantos
LaTourette
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Roemer
Rose
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Torres
Towns
Upton
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
Whitfield
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—11

Chapman
Clayton
Flake
Fowler
Holden
Johnson (CT)
McDade
Molinari
Moorhead
Paxon
Torricelli

□ 1316

The Clerk announced the following pair:

On this vote:

Mr. Paxon for, with Mr. Holden against.

Messrs. NADLER, MATSUI, FORD of Tennessee, WYNN, and CHAMBLISS changed their vote from ''aye'' to ''no.''

Mr. DOOLITTLE changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. CLAYTON. Mr. Chairman, during roll-call vote No. 170 on H.R. 3230, the Solomon amendment, I was unavoidably detained. Had I been present, I would have voted "no."

The CHAIRMAN. It is now in order to consider amendment No. A–2 printed in part A of the report.

AMENDMENT A–2 OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GILMAN: In section 1103 (page 362, beginning on line 1)—

(1) insert ''(a) IN GENERAL.—'' before ''None of the funds'';

(2) strike out paragraph (3) and redesignate paragraphs (4) and (5) as paragraphs (3) and (4), respectively; and

(3) add at the end (page 362, after line 16) the following:

(b) LIMITATION WITH RESPECT TO DEFENSE CONVERSION ASSISTANCE.—None of the funds appropriated pursuant to this or any other Act may be obligated or expended for the provision of assistance to Russia or any other state of the former Soviet Union to promote defense conversion, including assistance through the Defense Enterprise Fund.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is about saving millions of taxpayer dollars from being spent in Russia and the other NIS States for dubious defense conversion projects.

The bill before us, as reported by the Committee on National Security, prohibits any DOD moneys from being spent for defense conversion in the former Soviet Union. My amendment simply broadens that prohibition to make certain that no United States funds, DOD or otherwise, can be used to promote defense conversion in the former Soviet Union.

This amendment is being offered for two significant reasons: First, because I believe it is important for the Congress to go on record on whether it wants to continue to support a profusion of aimless and uncoordinated programs for defense conversion in the former Soviet Union; and, second, because I am deeply frustrated the administration continues to try and fund the defense enterprise fund.

Let me address each of these. My colleagues, I want to make certain that you know just how many separate and overlapping programs are being utilized to implement this so-called defense conversion project.

First of all, there are already in existence several enterprise funds operating in the States of the former Soviet Union with financing provided through the Freedom Support Act Program. There is the United States-Russia Investment Fund, the Western NIS Enterprise Fund, and the Central Asian American Enterprise Fund. Let us not forget we already have the U.S. Export Bank, the U.S. Overseas Private Invest Corporation, and the U.S. Trade and Investment Agency all working in this direction.

Have I mentioned the European Bank for Reconstruction and Development, which we help fund, or the World Bank's International Finance Corporation, which works in the field of privatization and which we help fund, or our AID programs on privatization?

In short, we need to slow down, step back and ask do we need all of these programs and determine exactly what we are achieving.

I want to make certain that we appreciate the enormity of the task we are facing. One estimate is it will cost over $150 billion and will take 12 to 15 years to convert just Russia's defense industry, much less any of the other FSU States. Is that something that this Congress is prepared to take on, even in small part?

Now, with respect to the defense enterprise fund, that fund, known as DEF, is a prime example of why we should not fund defense conversion projects. The DEF is a so-called private venture capital fund whose purpose is to finance joint ventures and promote defense conversion in the former Soviet Union. The GAO reports that DOD officials believe that we need to capitalize that fund at a minimum of $120 million in order for that fund to be viable and self-sustaining. I note that the DEF has not raised one dollar in private fund raising to date.

So where are we going to find the $120 million in U.S. taxpayer subsidies? To date DOD has agreed to provide $30 million, and that is it. The Congress has made clear that no more money is coming from the defense budget for the DEF. So what did the administration do? They transferred responsibility for funding and implementation of the DEF in fiscal year 1997 from the Department of Defense to the Department of State. This follows a pattern of transferring other CTR programs to the 150 budget function, including placing the export control programs under the nonproliferation and disarmament Fund. I do not need to explain to any one here the absurdity of finding extra money in foreign assistance funds to support this fund. It is not there and it never will be.

So let us send a message to the administration that this Congress does not see how our national security interests are being served by spending our hard earned taxpayers' dollars for defense conversion. Let us put the DEF out of business once and for all. I ask my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I rise in opposition to the gentleman's amendment.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] is recognized for 5 minutes.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all, the author of the amendment, the distinguished gentleman from New York, is the chairperson of the appropriate committee. This is less about dollars than it is about orderly process and procedure.

Let the Secretary come before the distinguished gentleman's committee and make the case. If the gentleman opposes what he wants to do, then zero it out. But to come here prematurely to offer a ban flies in the face of appropriate process and dignified procedure. And the gentleman is the chairperson. He has the power and the authority to call the Secretary before the committee.

Now, with the remaining time, let me make a few remarks. The Gilman amendment attacks the defense enterprise fund because of the Secretary of Defense's request that it be funded from foreign operations appropriations. Last year the Secretary was told in no uncertain terms, Mr. Chairman, and I am a member of the committee that told him that, ''Do not request defense funds for this program. If you want them, then secure them from foreign aid accounts.'' That is what he was told by the House Committee on National Security.

Because the Committee on International Relations had not given the Secretary an opportunity to testify on this issue, it seems to me it is unfair, premature, to pass an amendment prohibiting any expenditures, when the maker of the motion has the authority to call the Secretary before the committee. Let the Secretary make his case. If the Committee on Foreign Affairs rejects the offers, then they should zero out the request.

This amendment is premature. It sends all the wrong signals to the Russians about our willingness to help them to meet our common security requirements of preventing the proliferation of the technology and information on weapons of mass destruction. I urge my colleagues to oppose this.

Mr. Chairman, let me make a few further comments. If Nunn-Lugar is designed to prevent nuclear weapons proliferation, one needs to be concerned with scientific expertise as well as the nuclear materials themselves.

It is remarkably shortsighted, Mr. Chairman, to disallow expenditures in which efforts can be made that establish such a program that would make sense to the overall program objectives. Because of the notification requirements imposed on this program, Congress will always have the opportunity, will always have the opportunity to review in advance the type of activities against which obligations are purported to be placed.

One final comment. It seems especially troublesome, now that the administration has been responsive to Congress' demand not to spend defense dollars on these types of efforts, expenditures that are fully justified in themselves as national security activities, but that was the will of the body, that the effort is now launched to close off other avenues of supporting such high priority activities.

My point is very simple: If the body said to the Secretary of Defense, ''Don't spend defense dollars for this high priority matter; put them in a foreign affairs account, put them in that account,'' then the chairperson of the Committee on International Relations, who had the authority to bring the Secretary before the committee, have appropriate testimony, make some decisions, then comes to the defense authorization bill to offer an amendment to ban the process.

I would suggest, sir, this flies in the face of intelligent and rational process and procedure, and this is one gentleman that feels that whether we disagree on the policy matters, the place where we ought to always be willing to come together is on orderly process, intelligent procedure, and dignified activities as we debate these matters.

I think this is premature, I think it is unfair, I think it makes no sense, and I ask my colleagues to reject the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman is entirely correct in stating no hearings have been held on the recently submitted fiscal year 1997 budget on this issue. I would note that the Committee on International Relations has been closely involved in the Nunn-Lugar program since its inception in 1991, and has held numerous hearings in past years on the program. The issue of defense conversion, and in particular of the Defense Committee's desire to curtail funding for defense conversion and other activities such as housing, environmental restoration, are familiar to all of us.

That is why it is so frustrating to note that, without any consultation with the Congress, the responsibility for funding and implementing defense conversion activities in the former Soviet Union for fiscal year 1997 has been entirely transferred to the International Affairs budget. I do not need to convene exhaustive hearings or even one hearing to know we do not have the resources to do all of this.

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] is recognized for 45 seconds.

Mr. DELLUMS. Mr. Chairman, in 45 seconds let me reiterate, the administration submits a budget request. In this instance, they submitted a budget request based upon what we asked them to do. We said ''Don't spend defense dollars.'' The Secretary said, ''OK. Whether I agree or disagree, that is what you said, that is what I will do.''

Now it seems to me orderly process means that the Committee on International Relations should then, if they had any question, call the Secretary before the committee and allow the Secretary to make his case. If it does not make sense, you can zero it out. But to do it without even holding hearings, without even bringing the Secretary, who simply responded to Congress' request, does not make sense.

Again, I press my point, defeat this amendment. It makes no sense.

Mr. HAMILTON. Mr. Chairman, the Gilman amendment prohibits defense conversion. It prohibits, in particular, funds for the Defense Enterprise Fund.

To date, the Defense Enterprise Fund has received $30 million. The request for fiscal year 1997 is for $20 million. This request is not from the Defense Department budget, but from the foreign affairs (150) budget, in the jurisdiction of the International Relations Committee.

The goal of the Defense Enterprise Fund is to spark the process of defense conversion. The Fund, while small in size, serves as an important model to reorient enterprises from producing weapons of mass destruction to producing civilian goods. This Fund, and other U.S. Government activities, are a critical part of the Cooperative Threat Reduction Program.

So what has the Fund achieved to date? It has made 7 investments, and has achieved a leverage ratio of $6 of outside funds for every dollar committed by the U.S. Government. Those investments bring U.S. firms into partnership with former defense firms. Completed deals include converting nuclear sub parts to earthmovers; converting military electronics to IBM and minicomputer software; converting IBCM telemetry to civilian telecommunications; and converting nuclear weapons design to wood sterilization, to kill bugs in Russian timber.

The Defense Enterprise Fund is small, but its work is a triple win for the United States—a win for United States security, a win for United States business, and a win for the new enterprises struggling to build a free market economy in Russia.

The Gilman amendment kills funding for the Defense Enterprise Fund. Not only that, it has several other harmful impacts:

First, this amendment is so broadly written that it threatens to shut down much of the work of the United States Government in the former Soviet Union. That country was very heavily militarized. So much of what the United States does to promote economic reform in the New Independent States also has some aspect of defense conversion.

This amendment harms U.S. trade and investment. The Overseas Private Investment Corporation [OPIC] to date has approved more than $500 million in finance and insurance support for defense conversion projects, 5 of them in Russia. Under this amendment, OPIC would have to pull the plug on these projects.

The trade and development agency has approved 16 projects in the NIS related to defense conversion and the promotion of U.S. exports. Eleven of them are still in progress. Under this amendment, TDA would have to pull the plug on those projects.

This amendment harms Department of Commerce programs, including the SABIT program, which trains business leaders from the NIS to privatize and restructure enterprises, including defense enterprises.

This amendment harms the work of Commerce's BISNIS center, which helps U.S. firms find NIS partners, including former defense enterprises, for mutual economic benefit in civilian production.

This amendment harms market economic reform. It could stop the ability of the United States to help with the next stage of privatization in Russia. The next stage of privatization involves cash auctions and tender offers for shares in strategic industries. This amendment could harm United States assistance for privatization in Ukraine and the Baltic States in a similar way.

This amendment harms nonproliferation, because defense conversion is an important part of the work of the International Science and Technology Centers, where crack Russian and Ukrainian scientists work on peaceful projects instead of weapons design.

Second, this amendment applies to all activities of the United States Government in the former Soviet Union—past, present, and future. This amendment will stop current obligations and expenditures. It will stop programs in their tracks. It will require the review and rewriting of hundreds of existing contracts. This amendment should be renamed the Paperwork Creation Act.

Third, this amendment is contrary to understandings the administration reached last year with the defense committees. Last year, those committees told the administration: ''Defense conversion doesn't belong in the defense bill.'' The administration listened. It shifted that funding request this year to the international affairs (150) budget.

Now, the chairman of the International Relations Committee has had the administration's budget request for about a month He has not held a single hearing, or a single briefing for Members on defense conversion. He has not heard testimony on the administrations request for the New Independent States from either the State or Defense Departments.

Few members of the International Relations Committee know anything about this defense conversion request.

I am hard pressed to understand—in the context of a defense bill that is $12.4 billion above the administration's request—why the House needs to act today to block a $20 million request in the foreign affairs—150—budget in another committee's jurisdiction.

I would urge the chairman not to rush to judgment. I would urge him to withdraw this amendment, let the International Relations Committee review the request, and let the committee do its work.

Mr. UNDERWOOD. Mr. Chairman, I rise today to support a provision sponsored by Chairman GILMAN which is included in the en bloc amendment. I commend Chairman GILMAN for his work on this important issue, and for his inclusion of language in the amendment which will favorably impact on repair work at American shipyards.

The Gilman amendment is the text of H.R. 3221, which passed the House of Representatives by voice vote on April 16. Among other things, it authorizes the transfer of 10 naval vessels to six different nations, within 2 years after the enactment of the bill.

Under the provisions of the amendment, 6 of the 10 vessels will be sold or leased to three nations in the Western Pacific. New Zealand will buy one hydrographic ocean surveillance ship, Taiwan will buy three frigates and lease one tank landing ship and Thailand will buy one frigate.

As a condition of transfer, the amendment directs the Secretary of Defense to require that any necessary repair or refurbishment of such vessels will be performed at a U.S. shipyard. However, it is my understanding that the requirement to repair these vessels at an American shipyard ceases after the transfer is complete.

I would take the repair requirement a step further than the current language of the amendment. In implementing this program, I would urge the Secretary of Defense to link the transfer of these ships with their continued repair at U.S. shipyards over the lifetime of the vessel. The Secretary should request that ''to the maximum extent possible'' host countries repair these ships at American shipyards. Additionally, the Secretary should inform host countries that the United States will look favorably on future transfers if the repair work over the lifetime of the ships is performed at American shipyards.

As most of my colleagues know, the Defense Base Closure and Realignment Commission [BRAC] closed the ship repair facility [SRF] on Guam last year. SRF-Guam is facing a difficult transition on its way to becoming a privatized facility and is looking for repair work on which to bid. Since Guam is the only American shipyard within about 4,000 miles of New Zealand, Taiwan and Thailand, it is my hope that some of the six vessels which are transferred to them will be repaired at a newly privatized SRF-Guam.

The repair of some of these ships at SRF-Guam not only serves Guam's interest, but furthers the Pentagon's long-term national security goals in the region. The Pentagon has long-term requirements in the Western Pacific which are better served by an SRF on U.S. soil in Guam. Over the next few years, a successful transition for SRF will require a certain base workload from Naval vessels.

Guam's geographic location in the Western Pacific makes it an ideal location for the repair of vessels in the region, including the six Navy vessels being transferred to New Zealand, Taiwan and Thailand. But SRF-Guam requires Secretary Perry to go to bat for it in negotiations. I understand the Secretary has the statutory authority to request from host nations repair these vessels at U.S. shipyard. In next year's transfer bill, I look forward to working with Chairman GILMAN and other interested Members on specific provisions which will require ''to the maximum extent possible'' the repair of these ships at U.S. shipyards over the lifetime of the vessels.

A Secretary Perry implements this program and sets conditions for the transfer of the vessels, I strongly encourage him to link the transfer of the vessels to their continued repair and to use his leverage to benefit American workers at U.S. shipyards. Again, I thank Chairman GILMAN for his work on this issue and for offering this amendment today. I urge my colleagues to support the en bloc amendment.

□ 1330

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GILMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GILMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 249, noes 171, not voting 13, as follows:

[Roll No. 171]

AYES—249

Andrews	Baker (CA)	Barrett (NE)
Archer	Baker (LA)	Bartlett
Armey	Baldacci	Barton
Bachus	Ballenger	Bass
Baesler	Barr	Bateman

Bilbray
Bilirakis
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
Diaz-Balart
Dickey
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Pastor
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Regula
Riggs
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—171

Abercrombie
Ackerman
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bishop
Bliley
Bonior
Borski
Boucher
Browder
Brown (FL)
Brown (OH)
Bryant (TX)
Campbell
Cardin
Chambliss
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Durbin
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pomeroy
Poshard
Rangel
Reed
Richardson
Rivers
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—13

Allard
Brown (CA)
Chapman
Conyers
DeLay
Ehrlich
Flake
Ford
Holden
Kaptur
McDade
Molinari
Paxon

□ 1350

The Clerk announced the following pair:

On this vote:

Mr. Paxon for, with Ms. Kaptur against.

Messrs. BOEHNER, BALDACCI, KASICH, and EDWARDS changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DELAY. Mr. Chairman, on rollcall No. 171, I was unavoidably detained. Had I been present, I would have voted ''aye.''

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in part B of the report. Does the gentleman from South Carolina [Mr. SPRATT] wish to offer his amendment?

If not, it is now in order to consider amendment No. 7 printed in part B of the report. Does the gentleman from Wisconsin [Mr. NEUMANN] wish to offer his amendment?

If not, it is now in order to consider amendment No. 13 printed in part B of the report. Does the gentleman from Texas [Mr. EDWARDS] wish to offer his amendment?

If not, it is now in order to consider amendment No. 14 printed in part B of the report.

AMENDMENT NO. 14 OFFERED BY MR. KLUG

Mr. KLUG. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KLUG: Strike out section 743 (page 297, line 12, through page 298, line 2), relating to continued operation of the Uniformed Services University of the Health Sciences, and insert in lieu thereof the following new section:

SEC. 743. UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES AND ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) CLOSURE OF USUHS REQUIRED.—Section 2112 of title 10, United States Code, is amended—

(1) in subsection (c)—

(A) by inserting ''and the closure'' after ''The development''; and

(B) by striking out ''subsection (a)'' and inserting in lieu thereof ''subsections (a) and (b)''; and

(2) by striking out subsection (b) and inserting in lieu thereof the following new subsection:

''(b)(1) Not later than September 30, 2000, the Secretary of Defense shall close the University. To achieve the closure of the University by that date, the Secretary shall begin to terminate the operations of the University beginning in fiscal year 1997. On account of the required closure of the University under this subsection, no students may be admitted to begin studies in the University after the date of the enactment of this subsection.

''(2) Section 2687 of this title and any other provision of law establishing preconditions to the closure of any activity of the Department of Defense shall not apply with regard to the termination of the operations of the University or to the closure of the University pursuant to this subsection.''.

(b) FINAL GRADUATION OF USUHS STUDENTS.—Section 2112(a) of such title is amended—

(1) in the second sentence, by striking out '', with the first class graduating not later than September 21, 1982.'' and inserting in lieu thereof '', except that no students may be awarded degrees by the University after September 30, 2000.''; and

(2) by adding at the end the following new sentence: ''On a case-by-case basis, the Secretary of Defense may provide for the continued education of a person who, immediately before the closure of the University under subsection (b), was a student in the University and completed substantially all requirements necessary to graduate from the University.''.

(c) TERMINATION OF USUHS BOARD OF REGENTS.—Section 2113 of such title is amended by adding at the end the following new subsection:

''(k) The board shall terminate on September 30, 2000, except that the Secretary of Defense may terminate the board before that date as part of the termination of the operations of the University under section 2112(b) of this title.''.

(d) PROHIBITION ON USUHS RECIPROCAL AGREEMENTS.—Section 2114(e)(1) of such title is amended by adding at the end of the following new sentence: ''No agreement may be entered into under this subsection after the date of the enactment of this sentence, and all such agreements shall terminate not later than September 30, 2000.''.

(e) CONFORMING AMENDMENTS REGARDING USUHS.—(1) Section 178 of such title, relating to the Henry M. Jackson Foundation for the Advancement of Military Medicine, is amended—

(A) in subsection (b), by inserting after ''Uniformed Services University of the Health Sciences,'' the following: ''or after the closure of the University, with the Department of Defense,'';

(B) in subsection (c)(1)(B), by striking out ''the Dean of the Uniformed Services University of the Health Sciences'' and inserting in

lieu thereof ''a person designated by the Secretary of Defense''; and

(C) in subsection (g)(1), by inserting after ''Uniformed Services University of the Health Sciences,'' the following: ''Or after the closure of the University, the Secretary of Defense''.

(2) Section 466(a)(1)(B) of the Public Health Service Act (42 U.S.C. 286a(a)(1)(B)), relating to the Board of Regents of the National Library of Medicine, is amended by striking out ''the Dean of the Uniformed Services University of the Health Sciences,''.

(f) CLERICAL AMENDMENTS.—(1) The heading of section 2112 of title 10, United States Code, is amended to read to read as follows:

''§ 2112. Establishment and closure of University''.

(2) The item relating to such section in the table of sections at the beginning of chapter 104 of such title is amended to read as follows:

''2112. Establishment and closure of University.''.

(g) ACTIVE DUTY COMMITMENT UNDER SCHOLARSHIP PROGRAM.—(1) Section 2123(a) of title 10, United States Code, is amended by striking out ''one year for each year of participation in the program'' and inserting in lieu thereof ''seven years following completion of the program''.

(2) The amendment made by paragraph (1) shall apply with respect to members of the Armed Forces Health Professions Scholarship and Financial Assistance program who first enroll in the program after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from Wisconsin [Mr. KLUG] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KLUG].

Mr. KLUG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, what we are going to talk about for the next few minutes is the subject of military physicians. In 1972, in order to guarantee there were enough physicians in the military, we took two steps in Congress. One was to set up a scholarship program to send medical students to places like the University of Wisconsin in Madison, and to Harvard, and to Virginia, and to Stanford, and Chicago, and Nebraska, and any university you might want to pick out. At the same time, we established in Bethesda, MD, the Department of defense's very own medical school.

Now, that was 1972. Just 3 years later, in 1975, the Defense Manpower Commission reported that, quote, it was an unjustifiably costly method to meet current and future procurement and retention goals for military professional and medical personnel. Three years after the medical school in Bethesda was started, it cost $200,000 for each graduate, and the scholarship program cost each student just $34,000. Now keep in mind today as we kind of run through this list of how expensive this school is that today the school in Bethesda only provides about 11 percent of the doctors in the United States armed services.

In 1975, a House Appropriations Committee backed up the study done by the Defense Manpower Commission and said this is just too expensive to do it that way. In 1976, the General Accounting Office, just 3 years after the program was founded said the same thing, it is not cost effective for the Department of Defense to run its own medical school.

Mr. Chairman, it seems to me Republicans should be about privatization more so than anything else, and you have to ask us why today we were running for plants and printing offices and what are we doing in the medical school business? Well, that was 20 years ago.

So last year we came back one more time and asked the General Accounting Office again to take a look at the military school run by the U.S. military in Bethesda. Do my colleagues know what they came back and said? For every scholarship program student in the country, it cost $125,000. For everybody who comes out of Bethesda, it is over a half million dollars, $556,000.

Now, proponents will point out that students who go through the medical school tend to stay in the military a little bit longer than folks who come through the private scholarship program. So our amendment does a second thing as well as phasing out the medical school. It says that what we are going to do is that everybody who goes through the scholarship program also has to go make a 7-year commitment to the service the same way they are if they graduate from the DOD's medical school in Bethesda.

Mr. Chairman, we think we have a very commonsense amendment in front of us. It takes a program that is almost four times more expensive than what it cost to send people to the best medical schools in the country, phases out the medical school class, raises the scholarship program requirement for service. We think we save taxpayers money and at the same time get just as qualified a supply of military physicians in order to serve this country's needs.

Mr. Chairman, I reserve the balance of my time.

Mr. BUYER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

Mr. BUYER. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I applaud the gentleman from Wisconsin for his efforts to save money, but he has chosen the wrong target. There have been no hearings or an in-depth analysis of the effects of closing the university. In fact, the GAO report, which he just cited says: As Congress makes decisions regarding both physician accession programs, it will need information not only about the programs' relative costs, but also about their effects on the short- and long-term requirements for military physicians and the value of the other university activities.

Acting without an understanding of the full implications of these actions could have a devastating impact upon military medical readiness, as well as medical recruiting and retention.

The proposal to close the school is based on a very selective and misleading use of the GAO study results. While the GAO report did indeed find the Uniformed Services University of the Health Sciences to be the most expensive source of military physicians, when comparing educational costs only, it also found that when all Federal costs are considered, the cost of a university graduate is comparable to that of the scholarship program graduates.

The chart for which the gentleman just referred does not take into account all Federal costs. It does not spread out all costs on the years of service or, in fact, take in the requirement of having to militarily train these doctors. This action is premature. It would be premature to undertake an action that could have a significant impact on both the department's short-term and long-term ability to recruit and train physicians to perform the department's medical requirements.

The GAO report also relied upon the 733 study which before our Subcommittee on Military Personnel was slam-dunked. Not only was it slam-dunked by a lot of the chiefs, it was slam-dunked by the Democrats and Republicans in attendance, to also include Dr. Steven Joseph. So I think it is premature for us to act at this time.

The GAO report also, I would cite, states the alternative strategy to meet DOD's long-term enrichment needs could include an enrichment component, in other words, stretching out the tenure in which someone serves. That is much what the gentleman is requiring in his amendment. But this amendment only provides for that longer obligation.

☐ 1400

It does not include any additional benefits or training that would entice physicians to accept a longer obligation.

Mr. Chairman, I reserve the balance of my time.

Mr. KLUG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me point out to my colleague and good friend from Indiana that actually over the course of the last 20 years when this program has been in effect, there have been no more than 15 separate studies that have been done on it, including hearings in the Committee on Armed Services in 1994, 1992, and 1991.

Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, today I rise in support of the Klug amendment to phase out the Uniformed Services University of the Health Sciences, the Defense Department's very own medical school.

What this debate is about is setting priorities at the Pentagon, eliminating duplicative functions and finding more

cost-effective measures to train our defense forces as we enter the 21st century and the limited Federal dollars which will be available as we prepare to balance the budget by the year 2002.

Let us make is clear that DOD currently offers tracks for training of medical personnel, and clearly one is more taxpayer-friendly. In 1995 the General Accounting Office concluded that the DOD medical school is more costly to educate and retain graduates than the health professional scholarship program run by that same organization. Clearly, from the charts, $566,000 compared to $126,000 is a clear savings to the taxpayers. Yes, $250 million will be saved over 5 years. DOD graduates from their medical school make up only 11 percent of all military school graduates while the balance comes from the scholarship program. Clearly, out of the total 987 graduates, 155 were from DOD.

I urge the passage of the Klug amendment.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PICKETT], the ranking member of the Subcommittee on Personnel.

Mr. PICKETT. Mr. Chairman, I thank the gentleman for yielding this time to me, and, Mr. Chairman and Members, I would say that money is not the issue here. We do not try to buy the cheapest rifles for our military; we do not try to buy the cheapest artillery. We try to buy the very best for our military people, and we want them to have this as far as health care is concerned, too.

This resource is vital to our Nation's security. Military officers who are trained in multiple care disciplines get the military culture and a military career commitment at the same time. Military officers at this school are prepared and are tuned to the needs of a joint force. They go to school, and they work together jointly so when they come out they do not have to be trained in joint activities. They also get the essential background and military doctrine and leadership, a very important component for those people who are committed to a career in military medicine.

This is a national resource that provides a center for joint medical doctrine and research, and without this backbone for the military medical community in our country we would be far less prepared and we will not have a ready force. This is an issue of readiness, it is an issue of specialization, it is an issue of commitment to quality health care for our military people.

Mr. Chairman, I urge the Members here to oppose this amendment.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in the strongest possible opposition to this Klug amendment.

As my colleagues know, the GAO report that was quoted, I must reinterpret these figures because when all the factors are in in terms of the costs, USUHS costs $181,575 per year per student. Alternative costs are $181,169. The difference is $406; $406.

Now, what does that $406 buy? Higher retention rates; the expected service of USUHS' graduates is 1.9 times higher than the alternative, and GAO says that; better care. DOD data indicates that university graduates are cited for fewer adverse clinical privileging actions than other military physicians. That is a direct quote.

Increased readiness; all of the commanders of major military units proceed to physicians from the university, have a greater overall understanding of the military rate of commitment to the military, better preparation for operations, assignments, better leadership for leadership roles and preparation.

Support the best medical care for our troops. Vote ''no'' on Klug.

Mr. KLUG. Mr. Chairman, I just have 1 minute remaining. I yield myself the balance of my time.

If I could, I want to rebut a couple of arguments that have been made. My colleague from the other side of the aisle made the argument to say we need the best physicians possible for the armed services, and I do not disagree. But I think we can train them at Harvard and Stanford and Chicago and Virginia and Wisconsin and Michigan, Northwestern and any other schools across the country, and we are not sending them to bargain-rate universities. For $125,000 we can do it at the best medical schools in the United States.

Now, second, my colleague from Maryland indicated that we somehow misread the GAO numbers. This is a Congressional Budget Office analysis that says, based on figures from 1994, USUHS is the most expensive source of military physicians at $562,000 a person. By comparison, scholarships cost $125,000, and the financial assistance program and the volunteers program range in cost from $19,000 to $58,000.

Mr. Chairman, in a world in which we had all the money to spend, I think it would be a terrific idea to keep up and to maintain the Department of Defense's kind of old and private little military medical school castle, but I think at a time when we are asking every single Government agency to tighten its belt, we can no longer justify the expense.

Mr. BUYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the service Surgeon Generals have consistently testified at both House and Senate hearings that the university provides a unique medical training that cannot be readily secured at other sources.

Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. HUNTER].

The CHAIRMAN. The gentleman from California [Mr. HUNTER] is recognized for 20 seconds.

Mr. HUNTER. My colleagues, the question is what do we get for what we give? It is $556,000 per student, but we get on the average a 18-year doc for the military. It is $125,000 here if we do strictly scholarships, but we only get about 6 years of service to our country. So we are going to have an experienced doctor corps if we stay with the school.

Vote ''no'' on this amendment.

Mr. SPENCE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to the Klug amendment.

During the Persian Gulf war, if we would have had casualties that would have been higher or even normal, Mr. Chairman, we would have had to implement the draft of doctors. We did not have enough doctors. We did not have them then, and we do not have them now.

Now, as the gentleman from Virginia [Mr. PICKETT] has said, we want the best. Now, the Uniformed Services University, they train medical students. These medical students know how to treat wounds, and then when they graduate, they go out and train other doctors.

The American Legion and VFW have done a study. They oppose this amendment, plus 20 military retirees associations oppose the amendment, and we are talking about 5 million members in this group I have just mentioned.

Please vote against this amendment.

Mr. SPENCE. Mr. Chairman I yield to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman for yielding to me, and I believe that I can address this issue from a unique perspective in that I am a physician who participated in the health profession scholarship program. I worked my way through college, and I did not want to borrow money to go to medical school, and I was very attracted to the scholarship program. I remember distinctly sitting down in my parents' dining room and figuring out what it would cost me to borrow my way through medical school versus going into the military.

Now, I have to say the main reason I went into the military was that I really felt the Good Lord was leading me to go in and serve my country and put the uniform on. And it was the best experience, I think, in my life.

But I do not know if I would have done it if I had had a 7-year obligation, because when a doctor finishes his training and goes out into practice, he can typically pay off his student loans in about 4 years, and this 7-year requirement that the gentleman has added to his amendment, in my opinion, is going to make it very, very difficult for our armed services to recruit good quality physicians into the scholarship program.

I additionally would like to point out that perhaps the DOD would only pay

this much money for the students in the scholarship program, but this is really what it costs every medical school. There is lots of other money that goes into training a doctor, grant money that comes in, State money that come in, and, yes, other Federal moneys.

So, in my opinion, this is an ill-conceived amendment, and I would encourage, as a former Army physician who participated in HPSP and worked with many of the armed services medical students, and they were some of the best doctors in the armed medical corps when I was in it, I would highly encourage all of my colleagues on both sides of the aisle to vote ''no'' on the Klug amendment.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Missouri [Mr. SKELTON], a very valuable member of our committee.

Mr. SKELTON. Mr. Chairman, I speak against this amendment. Uniformed Services University of the Health Sciences is a military medical school. It is one that specializes and prepares doctors, young men and young women, to stay in the military and to serve those who are injured on the battlefield and to serve their families in time of peace. I think it would be a sad mistake to terminate this medical school.

If my colleagues want a professional medical program, if my colleagues want people to stay the minimum of 18 to 20 years, keep this medical school. If we want the very best for those men and women, if we want the very best for their families, we must keep this medical school because those who go through the scholarship program are less apt to stay in and make a career of it. This is a career training ground, educational ground, for those who wish to serve their Nation as a full-time doctor.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Chairman, I think the gentleman from California, Mr. DUNCAN HUNTER, hit it right on the head, this university's graduates are expected to serve 18.5 years and about 50 percent are expected to stay on active-duty service for 20 years or longer. In comparison, regular scholarship graduates are expected to serve about 9.8 years, while deferred scholarship program graduates serve 5.3 years on average.

Now, military medical commanders also believe that the university's approach produces physicians who are at least initially better prepared than their civilian-educated peers to meet the demands of military medicine.

Additionally, the medical commanders believe that compared with other military physicians the university graduates have a better understanding of the military mission, organization, customs that are more committed to the military and to a military career.

I would also, Mr. Chairman, place into the RECORD a letter from the American Legion in support of the university, along with the Military Coalition. This is supported by not only the American Legion, the Air Force Association, the Army Aviation Association, Commissioned Officers Association, CWO, and the Enlisted Association of the National Guard.

The list goes on and on and on.

The letters referred to are as follows:

VOTE AGAINST THE KLUG AMENDMENT TO ELIMINATE THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

The Military Coalition (signatures enclosed) representing more than five million current and former members of the uniformed services, is very concerned over Representative Scott Klug's proposed amendment to the FY 97 Defense Authorization Act to close the Uniformed Services University of Health Sciences (USUHS). The rationale that it is less costly to train physicians in civilian medical schools than through USUHS is defective.

The General Accounting Office (GAO) cost estimates cited by Representative Klug are misleading in that they fail to account for the taxpayer subsidies and other resources ($4.2 billion) given in grants, research and clinical services to civilian medical schools. In fact, in its report (page 33), the GAO also concedes that the total federal costs for USUHS graduates and Armed Forces Health Professional Scholarship Program (AFHPSP) graduates are virtually identical. Aside from cost considerations, USUHS graduates a military officer who is well trained in military operations and fully prepared for joint service leadership positions. Finally, the retention rate for USUHS graduates is considerably greater than those in AFHPSP (86 percent versus 14 percent) making their education a sound investment in the future of this country.

Representative Klug proposes to increase the AFHPSP service obligation with a view toward increasing career retention in that program. However, based on past recruiting experience, an increased service obligation is expected to aggravate AFHPSP accession problems, and is not expected to materially improve the retention of enrollees in that program.

The Military Coalition strongly urges you to retain USUHS as a national training resource by voting against Representative Klug's amendment. We appreciate your support on this very important issue.

THE MILITARY COALITION

Air Force Association;
Army Aviation Assn. of America;
Commissioned Officers Assn. of the US Public Health Service, Inc.;
CWO & WO Assn. US Coast Guard;
Enlisted Association of the National Guard of the US;
Fleet Reserve Assn.;
Jewish War Veterans of the USA;
Marine Corps League;
Marine Corps Reserve Officers Assn.;
National Military Family Assn.;
Naval Enlisted Reserve Assn.;
Navy League of the US;
Reserve Officers Assn.;
The Military Chaplains Assn. of the USA;
The Retired Enlisted Assn.;
The Retired Officers Assn.;
United Armed Forces Assn.;
USCG Chief Petty Officers Assn.;
US Army Warrant Officers Assn.;
Veterans of Foreign Wars of the US.

THE AMERICAN LEGION,
Washington, DC, May 14, 1996.

DEAR REPRESENTATIVE: The American Legion is asking you to oppose an amendment to the FY 1997 DOD Authorization bill which would close the Uniformed Services University of the Health Sciences (USUHS).

Each year as the national budget is debated we are made ever more aware of how austere funds are and how acute the need for support of so many diverse programs. One program that has been mentioned for elimination, but serves a very unique purpose, is the Uniformed Services University of the Health Sciences (USUHS).

A recent GAO report concluded that the total monetary cost for USUHS compared to the Armed Forces Health Professional Scholarship Program (AFHPSP) for civilian institutions are identical. However, unlike civilian medical programs, the USUHS provides military doctors well trained in primary care medicine, as well as combat casualty care, tropical medicine, combat stress and other injuries and illnesses unique to military deployments and combat conditions. Also, according to DOD, the retention rate in the armed forces is eighty-six percent for USUHS graduates compared to fourteen percent for AFHPSP.

This very special institution is a source of military physicians for the armed forces of the United States and the Public Health Service. It provides our military with a corps of dedicated career medical officers instilled with the commitment and selflessness only found in doctors who are trained and skilled in providing combat casualty care. In addition, this facility offers a full range of instruction and care in those maladies typically suffered primarily by military personnel. These include tropical, epidemiological and parasitic ailments.

Military medical officers serve beside and in support of U.S. service personnel when our forces are deployed to conflict. This environment is harsh, chaotic and demanding. The graduates of USUHS are trained to deal with these extreme and difficult conditions and in fact, work and improvise in some of the most deplorable circumstances where U.S. military forces are stationed.

To close the Uniformed Services University of the Health Sciences would be a great disservice to our men and women in uniform. We must do everything we can to provide our armed forces with the best health and battle casualty care available.

Once again, The American Legion urges you to oppose an amendment to the FY 1997 DOD Authorization bill which would close the Uniformed Services University of Health Sciences. We appreciate your support and commitment on important veterans issues.

Sincerely,

DANIEL A. LUDWIG,
National Commander.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think that this is an important discussion, and in the spirit of fairness I would like to provide the opportunity for the author of the amendment to have a chance to respond to or rebut the arguments.

Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. KLUG] for that purpose.

Mr. KLUG. Mr. Chairman, I thank my colleague from California. Briefly, Mr. Chairman, because I also know that we have other issues we want to discuss today, I want to essentially kind of rebut some of the arguments that have been raised point by point this afternoon about this discussion about whether 22 years later the Federal Government really needs to be in the business of running a medical

school. We do not run other kinds of colleges and universities, and again fundamentally we can send folks to the best medical schools in the country, in fact, the best medical schools in the world, for a fraction of the cost.

One of the arguments that has been made is that this program has not been studied and has not been analyzed, and if we somehow begin to phase out the school, it will crash the medical physician program in the U.S. military. Again, let me point out page after page after page of study dating all the way back to 1975, just 2 years after this program was established, and every single one of them concluded it costs too much money.

□ 1415

It is not a bad program. It is not a bad idea. In the best of all worlds, we would love to do it. But let me remind my Republican colleagues, if we are going to cut the deficit, we have to ask the military to make tough choices.

Will there still be enough doctors in the military if we eliminate this? Keep this in mind: 89 percent of the physicians who presently serve in the Department of Defense came out of the scholarship program and other avenues. It is only 11 percent. The argument is, well, these people serve longer, so it is a better investment. But the General Accounting Office, again, and I hate to keep bringing us back to the facts, said that the main influencing factor for a graduate of either program to remain in the military is the minimum service requirement.

I expect my colleague who is a physician, the gentleman from Florida who brought up and said maybe he would not have picked the scholarship program if he had been required to serve 7 years rather than just a couple of years, but I think, given the rising cost of education, there would be a lot of people in the country who would have the opportunity to go through the DOD scholarship program, again, to go to the best medical schools in the United States and to go to the best medical schools in the world.

I think this all comes down to philosophy. That is what it really comes down to. It comes down to a simple judgment. In 1996, 24 years after this program was set up, does it really fundamentally make sense for the U.S. Government to be in the business of running a medical school? I think the answer has to be, fundamentally, no.

The argument is specialized training is needed for combat. Come on, we all know Bethesda. Where is the expertise that comes? Are we not better off if we want doctors to be trained in surgical procedures in a combat situation to send them into hospitals where they have to deal with gunshot victims and knife victims on a regular basis? We are not going to find that in Bethesda, MD.

Briefly, Mr. Chairman, let me suggest that this was a terrific program when it was first established. We have had 24 years of experience. Every program and every analysis that has come back since 1975, 3 years after this program started, said it is too expensive. We cannot maintain it. It does not make sense. Expand the scholarship program, raise the number of years of requirement, and begin to phase out the DOD military program.

Mr. DELLUMS. Mr. Chairman, I yield to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, the figures that I mentioned from the GAO report which indicate a $400 difference are if we factor in the number of years these people serve.

I would also like to point out an experience I recently had at USUHS. I was there because a medal of honor was given by the Secretary of the Navy to a man named Michael Charissis, who was the person who saved lives in the Amtrak MARC accident in Silver Spring, MD, recently. He did it quietly. They had to work to determine who it was. How did he know how to do it? The kind of training he had had equipped him for that.

I also want to remind this group, in terms of putting human faces, we had outstanding people who served in the Persian Gulf conflict. We had Rhoda Cornum, who was a graduate from there. We have had so many others, and such a distinguished group of people, and all of the military commanders who deal with medicine have come out in favor of it, all of the organizations that we know of. The American Legion, just to cite that, plus a lot of others, have all come out in favor of it. It is our only medical military university in the United States of America. I really think that we would be penny wise and pound foolish if we were to vote for this amendment, so vote against it.

Mr. DELLUMS. Mr. Chairman, I yield to the gentleman from California [Mr. CUNNINGHAM].

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Chairman, I stand in strong opposition to this amendment.

Mr. DELLUMS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLUG].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KLUG. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 82, noes 343, not voting 8, as follows:

[Roll No. 172]

AYES—82

Andrews
Barrett (WI)
Barton
Boehlert
Brown (CA)
Brown (FL)
Brownback
Camp
Campbell
Chenoweth
Chrysler
Coble
Conyers
Cox
Cubin
DeFazio
Dellums
Duncan
Ehlers
Foley
Forbes
Frank (MA)
Franks (NJ)
Goodlatte
Gutknecht
Hamilton
Hayworth
Hoekstra
Hoke
Houghton
Jackson (IL)
Kennedy (MA)
Kennedy (RI)
Kleczka
Klug
Largent
Lipinski
Lofgren
Luther
Martinez
McDade
McDermott
Meehan
Metcalf
Miller (CA)
Minge
Neal
Neumann
Obey
Olver
Orton
Owens
Pelosi
Peterson (MN)
Petri
Ramstad
Rangel
Reed
Roemer
Rohrabacher
Ros-Lehtinen
Roth
Royce
Sabo
Salmon
Sanford
Schroeder
Sensenbrenner
Serrano
Shadegg
Shays
Skaggs
Slaughter
Smith (MI)
Souder
Tiahrt
Upton
Visclosky
Watt (NC)
Weller
White
Zimmer

NOES—343

Abercrombie
Ackerman
Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Christensen
Clay
Clayton
Clement
Clinger
Clyburn
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Cooley
Costello
Coyne
Cramer
Crane
Crapo
Cremeans
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flanagan
Foglietta
Ford
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hefner
Heineman
Herger
Hilleary
Hinchey
Hobson
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennelly
Kildee
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
LoBiondo
Longley
Lowey
Lucas
Maloney
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McCollum

McCrery	Porter	Stump
McHale	Portman	Stupak
McHugh	Poshard	Tanner
McInnis	Pryce	Tate
McIntosh	Quillen	Tauzin
McKeon	Quinn	Taylor (MS)
McKinney	Radanovich	Taylor (NC)
McNulty	Rahall	Tejeda
Meek	Regula	Thomas
Menendez	Richardson	Thompson
Meyers	Rivers	Thornberry
Mica	Roberts	Thornton
Millender-McDonald	Rogers	Thurman
Miller (FL)	Rose	Torkildsen
Mink	Roukema	Torres
Moakley	Roybal-Allard	Torricelli
Mollohan	Rush	Towns
Montgomery	Sanders	Traficant
Moorhead	Sawyer	Velazquez
Moran	Saxton	Vento
Morella	Scarborough	Volkmer
Murtha	Schaefer	Vucanovich
Myers	Schiff	Walker
Myrick	Schumer	Walsh
Nadler	Scott	Wamp
Nethercutt	Seastrand	Ward
Ney	Shaw	Waters
Norwood	Shuster	Watts (OK)
Nussle	Sisisky	Waxman
Oberstar	Skeen	Weldon (FL)
Ortiz	Skelton	Weldon (PA)
Oxley	Smith (NJ)	Whitfield
Packard	Smith (TX)	Wicker
Pallone	Smith (WA)	Williams
Parker	Solomon	Wilson
Pastor	Spence	Wise
Payne (NJ)	Spratt	Wolf
Payne (VA)	Stark	Woolsey
Peterson (FL)	Stearns	Wynn
Pickett	Stenholm	Yates
Pombo	Stockman	Young (AK)
Pomeroy	Stokes	Young (FL)
	Studds	Zeliff

NOT VOTING—8

Durbin	Holden	Riggs
Flake	Molinari	Talent
Hilliard	Paxon	

□ 1439

Messrs. BONO, FLANAGAN, and DEUTSCH changed their vote from ''aye'' to ''no.''

Messrs. MCDERMOTT, WELLER, FORBES, NEAL of Massachusetts, BROWN of California, SKAGGS, and HOKE changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1445

PERSONAL EXPLANATION

Ms. BROWN of Florida. Mr. Chairman, on the last amendment adopted, the Klug amendment, I voted ''yes.'' I intended to vote ''no.''

The CHAIRMAN. It is now in order to consider amendment No. 16 printed in part B of the report.

Does the gentlewoman from California [Ms. WATERS] wish to offer her amendment?

AMENDMENTS EN BLOC, AS MODIFIED, OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, pursuant to section 3 of House Resolution 430, I offer amendments en bloc consisting of part B amendments numbered 13; 17, as modified; 19, as modified; 20, as modified; 28; 31, as modified; 32; 34; and 35, as modified.

The CHAIRMAN. The Clerk will designate the amendments en bloc and report the modifications.

The Clerk designated the amendments en bloc and proceeded to read the modifications.

Amendments en bloc, as modified, consisting of part B amendments numbered 13; 17, as modified; 19, as modified; 20, as modified; 28; 31, as modified; 32; 34; and 35, as modified, offered by Mr. SPENCE:

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. EDWARDS OF TEXAS OR MR. GREEN OF TEXAS (AMDT B–13 IN HOUSE REPORT 104–570)

In section 733(b)(2) (page 281, line 21), relating to the time for implementation of the uniform health benefit option by Uniformed Services Treatment Facilities, strike out ''October 1, 1996'' and insert in lieu thereof ''October 1, 1997''.

MODIFICATION TO THE AMENDMENT OFFERED BY MS. WATERS OF CALIFORNIA (AMDT B–17 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title VIII (page 316, after line 14), insert the following new section:

SEC. 832. STUDY OF EFFECTIVENESS OF DEFENSE MERGERS.

(a) STUDY.—The Secretary of Defense shall conduct a study on mergers and acquisitions in the defense sector. The study shall address the following:

(1) The effectiveness of defense mergers and acquisitions in eliminating excess capacity within the defense industry.

(2) The degree of change in the dependence by defense contractors on defense-related Federal contracts within their overall business after mergers.

(3) The effect on defense industry employment resulting from defense mergers and acquisitions occurring during the three years preceding the date of the enactment of this Act.

(b) REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of the study conducted under subsection (a).

MODIFICATION TO THE AMENDMENT OFFERED BY MR. GILMAN OF NEW YORK (AMDT B–19 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) AUTHORITY TO TRANSFER NAVAL VESSELS.—The Secretary of the Navy is authorized to transfer to other nations and instrumentalities vessels as follows:

(1) EGYPT.—To the Government of Egypt, the Oliver Hazard Perry class frigate Gallery.

(2) MEXICO.—To the Government of Mexico, the Knox class frigates Stein (FF 1065) and Marvin Shields (FF 1066).

(3) NEW ZEALAND.—To the Government of New Zealand, the Stalwart class ocean surveillance ship Tenacious.

(4) PORTUGAL.—To the Government of Portugal, the Stalwart class ocean surveillance ship Audacious.

(5) TAIWAN.—To the Taipei Economic and Cultural Representative Office in the United States (the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act)—

(A) the Knox class frigates Aylwin (FF 1081), Pharris (FF 1094), and Valdez (FF 1096); and

(B) the Newport class tank landing ship Newport (LST 1179).

(6) THAILAND.—To the Government of Thailand, the Knox class frigate Ouellet (FF 1077).

(b) FORM OF TRANSFER.—(1) Except as provided in paragraphs (2) and (3), each transfer authorized by this section shall be made on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761), relating to the foreign military sales program.

(2) The transfer authorized by subsection (a)(4) shall be made on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j), relating to transfers of excess defense articles.

(3) The transfer authorized by subsection (a)(5)(B) shall be made on a lease basis under section 61 of the Arms Export Control Act (22 U.S.C. 2796).

(c) COSTS OF TRANSFERS.—Any expense of the United States in connection with a transfer authorized by this section shall be charged to the recipient.

(d) EXPIRATION OF AUTHORITY.—The authority granted by subsection (a) shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

(e) REPAIR AND REFURBISHMENT OF VESSELS IN UNITED STATES SHIPYARDS.—The Secretary of the Navy shall require, to the maximum extent possible, as a condition of a transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

At the end of division A (page 416, after line 9), insert the following new title:

TITLE XV—DEFENSE AND SECURITY ASSISTANCE

Subtitle A—Military and Related Assistance

SEC. 1501. TERMS OF LOANS UNDER THE FOREIGN MILITARY FINANCING PROGRAM.

Section 31(c) of the Arms Export Control Act (22 U.S.C. 2771(c)) is amended to read as follows:

''(c) Loans available under section 23 shall be provided at rates of interest that are not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities.''.

SEC. 1502. ADDITIONAL REQUIREMENTS UNDER THE FOREIGN MILITARY FINANCING PROGRAM.

(a) AUDIT OF CERTAIN PRIVATE FIRMS.—Section 23 of the Arms Export Control Act (22 U.S.C. 2763) is amended by adding at the end the following new subsection:

''(f) For each fiscal year, the Secretary of Defense, as requested by the Director of the Defense Security Assistance Agency, shall conduct audits on a nonreimbursable basis of private firms that have entered into contracts with foreign governments under which defense articles, defense services, or design and construction services are to be procured by such firms for such governments from financing under this section.''.

(b) NOTIFICATION REQUIREMENT WITH RESPECT TO CASH FLOW FINANCING.—Section 23 of such Act (22 U.S.C. 2763), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(g)(1) For each country and international organization that has been approved for cash flow financing under this section, any letter of offer and acceptance or other purchase agreement, or any amendment thereto, for a procurement of defense articles, defense services, or design and construction services in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act or the Foreign Assistance Act of 1961 shall be submitted to the

congressional committees specified in section 634A(a) of the Foreign Assistance Act of 1961 in accordance with the procedures applicable to reprogramming notifications under that section.

''(2) For purposes of this subsection, the term 'cash flow financing' has the meaning given such term in the second subsection (d) of section 25.''.

(c) LIMITATIONS ON USE OF FUNDS FOR DIRECT COMMERCIAL CONTRACTS.—Section 23 of such Act (22 U.S.C. 2763), as amended by subsection (b), is further amended by adding at the end the following new subsection:

''(h) Of the amounts made available for a fiscal year to carry out this section, not more than $100,000,000 for such fiscal year may be made available for countries other than Israel and Egypt for the purpose of financing the procurement of defense articles, defense services, and design and construction services that are not sold by the United States Government under this Act.''.

(d) ANNUAL ESTIMATE AND JUSTIFICATION FOR SALES PROGRAM.—Section 25(a) of such Act (22 U.S.C. 2765(a)) is amended—

(1) by striking ''and'' at the end of paragraph (11);

(2) by redesignating paragraph (12) as paragraph (13); and

(3) by inserting after paragraph (11) the following new paragraph:

''(12)(A) a detailed accounting of all articles, services, credits, guarantees, or any other form of assistance furnished by the United States to each country and international organization, including payments to the United Nations, during the preceding fiscal year for the detection and clearance of landmines, including activities relating to the furnishing of education, training, and technical assistance for the detection and clearance of landmines; and

''(B) for each provision of law making funds available or authorizing appropriations for demining activities described in subparagraph (A), an analysis and description of the objectives and activities undertaken during the preceding fiscal year, including the number of personnel involved in performing such activities; and''.

SEC. 1503. DRAWDOWN SPECIAL AUTHORITIES.

(a) UNFORESEEN EMERGENCY DRAWDOWN.—Section 506(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(a)(1)) is amended by striking ''$75,000,000'' and inserting ''$100,000,000''.

(b) ADDITIONAL DRAWDOWN.—Section 506 of such Act (22 U.S.C. 2318) is amended—

(1) in subsection (a)(2)(A), by striking ''defense articles from the stocks'' and all that follows and inserting the following: ''articles and services from the inventory and resources of any agency of the United States Government and military education and training from the Department of Defense, the President may direct the drawdown of such articles, services, and military education and training—

''(i) for the purposes and under the authorities of—

''(I) chapter 8 of part I (relating to international narcotics control assistance);

''(II) chapter 9 of part I (relating to international disaster assistance); or

''(III) the Migration and Refugee Assistance Act of 1962; or

''(ii) for the purpose of providing such articles, services, and military education and training to Vietnam, Cambodia, and Laos as the President determines are necessary—

''(I) to support cooperative efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War; and

''(II) to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support Department of Defense-sponsored humanitarian projects associated with such efforts.'';

(2) in subsection (a)(2)(B), by striking ''$75,000,000'' and all that follows and inserting ''$150,000,000 in any fiscal year of such articles, services, and military education and training may be provided pursuant to subparagraph (A) of this paragraph—

''(i) not more than $75,000,000 of which may be provided from the drawdown from the inventory and resources of the Department of Defense;

''(ii) not more than $75,000,000 of which may be provided pursuant to clause (i)(I) of such subparagraph; and

''(iii) not more than $15,000,000 of which may be provided to Vietnam, Cambodia, and Laos pursuant to clause (ii) of such subparagraph.''; and

(3) in subsection (b)(1), by adding at the end the following: ''In the case of drawdowns authorized by subclauses (I) and (III) of subsection (a)(2)(A)(i), notifications shall be provided to those committees at least 15 days in advance of the drawdowns in accordance with the procedures applicable to reprogramming notifications under section 634A.''.

(c) NOTICE TO CONGRESS OF EXERCISE OF SPECIAL AUTHORITIES.—Section 652 of such Act (22 U.S.C. 2411) is amended by striking ''prior to the date'' and inserting ''before''.

SEC. 1504. TRANSFER OF EXCESS DEFENSE ARTICLES.

(a) IN GENERAL.—Section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) is amended to read as follows:

''SEC. 516. AUTHORITY TO TRANSFER EXCESS DEFENSE ARTICLES.

''(a) AUTHORIZATION.—The President is authorized to transfer excess defense articles under this section to countries for which receipt of such articles was justified pursuant to the annual congressional presentation documents for military assistance programs, or for programs under chapter 8 of part I of this Act, submitted under section 634 of this Act, or for which receipt of such articles was separately justified to the Congress, for the fiscal year in which the transfer is authorized.

''(b) LIMITATIONS ON TRANSFERS.—The President may transfer excess defense articles under this section only if—

''(1) such articles are drawn from existing stocks of the Department of Defense;

''(2) funds available to the Department of Defense for the procurement of defense equipment are not expended in connection with the transfer;

''(3) the transfer of such articles will not have an adverse impact on the military readiness of the United States;

''(4) with respect to a proposed transfer of such articles on a grant basis, such a transfer is preferable to a transfer on a sales basis, after taking into account the potential proceeds from, and likelihood of, such sales, and the comparative foreign policy benefits that may accrue to the United States as the result of a transfer on either a grant or sales basis;

''(5) the President determines that the transfer of such articles will not have an adverse impact on the national technology and industrial base and, particularly, will not reduce the opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are transferred; and

''(6) the transfer of such articles is consistent with the policy framework for the Eastern Mediterranean established under section 620C of this Act.

''(c) TERMS OF TRANSFERS.—

''(1) NO COST TO RECIPIENT COUNTRY.—Excess defense articles may be transferred under this section without cost to the recipient country.

''(2) PRIORITY.—Notwithstanding any other provision of law, the delivery of excess defense articles under this section to member countries of the North Atlantic Treaty Organization (NATO) on the southern and southeastern flank of NATO and to major non-NATO allies on such southern and southeastern flank shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

''(d) WAIVER OF REQUIREMENT FOR REIMBURSEMENT OF DEPARTMENT OF DEFENSE EXPENSES.—Section 632(d) shall not apply with respect to transfers of excess defense articles (including transportation and related costs) under this section.

''(e) TRANSPORTATION AND RELATED COSTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), funds available to the Department of Defense may not be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of this section.

''(2) EXCEPTION.—The President may provide for the transportation of excess defense articles without charge to a country for the costs of such transportation if—

''(A) it is determined that it is in the national interest of the United States to do so;

''(B) the recipient is a developing country receiving less than $10,000,000 of assistance under chapter 5 of part II of this Act (relating to international military education and training) or section 23 of the Arms Export Control Act (22 U.S.C. 2763; relating to the Foreign Military Financing program) in the fiscal year in which the transportation is provided;

''(C) the total weight of the transfer does not exceed 25,000 pounds; and

''(D) such transportation is accomplished on a space available basis.

''(f) ADVANCE NOTIFICATION TO CONGRESS FOR TRANSFER OF CERTAIN EXCESS DEFENSE ARTICLES.—

''(1) IN GENERAL.—The President may not transfer excess defense articles that are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or excess defense articles valued (in terms of original acquisition cost) at $7,000,000 or more, under this section or under the Arms Export Control Act (22 U.S.C. 2751 et seq.) until 15 days after the date on which the President has provided notice of the proposed transfer to the congressional committees specified in section 634A(a) in accordance with procedures applicable to reprogramming notifications under that section.

''(2) CONTENTS.—Such notification shall include—

''(A) a statement outlining the purposes for which the article is being provided to the country, including whether such article has been previously provided to such country;

''(B) an assessment of the impact of the transfer on the military readiness of the United States;

''(C) an assessment of the impact of the transfer on the national technology and industrial base and, particularly, the impact on opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are to be transferred; and

''(D) a statement describing the current value of such article and the value of such article at acquisition.

''(g) AGGREGATE ANNUAL LIMITATION.—

''(1) IN GENERAL.—The aggregate value of excess defense articles transferred to countries under this section in any fiscal year may not exceed $350,000,000.

''(2) EFFECTIVE DATE.—The limitation contained in paragraph (1) shall apply only with respect to fiscal years beginning after fiscal year 1996.

''(h) CONGRESSIONAL PRESENTATION DOCUMENTS.—Documents described in subsection (a) justifying the transfer of excess defense articles shall include an explanation of the general purposes of providing excess defense articles as well as a table which provides an aggregate annual total of transfers of excess defense articles in the preceding year by country in terms of offers and actual deliveries and in terms of acquisition cost and current value. Such table shall indicate whether such excess defense articles were provided on a grant or sale basis.

''(i) EXCESS COAST GUARD PROPERTY.—For purposes of this section, the term 'excess defense articles' shall be deemed to include excess property of the Coast Guard, and the term 'Department of Defense' shall be deemed, with respect to such excess property, to include the Coast Guard.''.

(b) CONFORMING AMENDMENTS.—

(1) ARMS EXPORT CONTROL ACT.—Section 21(k) of the Arms Export Control Act (22 U.S.C. 2761(k)) is amended by striking ''the President shall'' and all that follows and inserting the following: ''the President shall determine that the sale of such articles will not have an adverse impact on the national technology and industrial base and, particularly, will not reduce the opportunities of entities in the national technology and industrial base to sell new or used equipment to the countries to which such articles are transferred.''.

(2) REPEALS.—The following provisions of law are hereby repealed:

(A) Section 502A of the Foreign Assistance Act of 1961 (22 U.S.C. 2303).

(B) Sections 517 through 520 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321k through 2321n).

(C) Section 31(d) of the Arms Export Control Act (22 U.S.C. 2771(d)).

SEC. 1505. EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES.

Notwithstanding section 516(e) of the Foreign Assistance Act of 1961, during each of the fiscal years 1996 and 1997, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to countries that are eligible to participate in the Partnership for Peace and that are eligible for assistance under the Support for East European Democracy (SEED) Act of 1989.

Subtitle B—International Military Education and Training

SEC. 1511. ASSISTANCE FOR INDONESIA.

Funds made available for fiscal years 1996 and 1997 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.) may be obligated for Indonesia only for expanded military and education training that meets the requirements of clauses (i) through (iv) of the second sentence of section 541 of such Act (22 U.S.C. 2347).

SEC. 1512. ADDITIONAL REQUIREMENTS.

(a) GENERAL AUTHORITY.—Section 541 of the Foreign Assistance Act of 1961 (22 U.S.C. 2347) is amended in the second sentence in the matter preceding clause (i) by inserting ''and individuals who are not members of the government'' after ''legislators''.

(b) EXCHANGE TRAINING.—Section 544 of such Act (22 U.S.C. 2347c) is amended—

(1) by striking ''In carrying out this chapter'' and inserting ''(a) In carrying out this chapter''; and

(2) by adding at the end the following new subsection:

''(b) The President may provide for the attendance of foreign military and civilian defense personnel at flight training schools and programs (including test pilot schools) in the United States without charge, and without charge to funds available to carry out this chapter (notwithstanding section 632(d) of this Act), if such attendance is pursuant to an agreement providing for the exchange of students on a one-for-one basis each fiscal year between those United States flight training schools and programs (including test pilot schools) and comparable flight training schools and programs of foreign countries.''.

(c) ASSISTANCE FOR CERTAIN HIGH-INCOME FOREIGN COUNTRIES.—

(1) AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961.—Chapter 5 of part II of such Act (22 U.S.C. 2347 et seq.) is amended by adding at the end the following new section:

''SEC. 546. PROHIBITION ON GRANT ASSISTANCE FOR CERTAIN HIGH INCOME FOREIGN COUNTRIES.

''(a) IN GENERAL.—None of the funds made available for a fiscal year for assistance under this chapter may be made available for assistance on a grant basis for any of the high-income foreign countries described in subsection (b) for military education and training of military and related civilian personnel of such country.

''(b) HIGH-INCOME FOREIGN COUNTRIES DESCRIBED.—The high-income foreign countries described in this subsection are Austria, Finland, the Republic of Korea, Singapore, and Spain.''.

(2) AMENDMENT TO THE ARMS EXPORT CONTROL ACT.—Section 21(a)(1)(C) of the Arms Export Control Act (22 U.S.C. 2761) is amended by inserting ''or to any high-income foreign country (as described in that chapter)'' after ''Foreign Assistance Act of 1961''.

Subtitle C—Antiterrorism Assistance

SEC. 1521. ANTITERRORISM TRAINING ASSISTANCE.

(a) IN GENERAL.—Section 571 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa) is amended by striking ''Subject to the provisions of this chapter'' and inserting ''Notwithstanding any other provision of law that restricts assistance to foreign countries (other than sections 502B and 620A of this Act)''.

(b) LIMITATIONS.—Section 573 of such Act (22 U.S.C. 2349aa–2) is amended—

(1) in the heading, by striking ''SPECIFIC AUTHORITIES AND'';

(2) by striking subsection (a);

(3) by redesignating subsections (b) through (f) as subsections (a) through (e), respectively; and

(4) in subsection (c) (as redesignated)—

(A) by striking paragraphs (1) and (2);

(B) by redesignating paragraphs (3) through (5) as paragraphs (1) through (3), respectively; and

(C) by amending paragraph (2) (as redesignated) to read as follows:

''(2)(A) Except as provided in subparagraph (B), funds made available to carry out this chapter shall not be made available for the procurement of weapons and ammunition.

''(B) Subparagraph (A) shall not apply to small arms and ammunition in categories I and III of the United States Munitions List that are integrally and directly related to antiterrorism training provided under this chapter if, at least 15 days before obligating those funds, the President notifies the appropriate congressional committees specified in section 634A of this Act in accordance with the procedures applicable to reprogramming notifications under such section.

''(C) The value (in terms of original acquisition cost) of all equipment and commodities provided under this chapter in any fiscal year may not exceed 25 percent of the funds made available to carry out this chapter for that fiscal year.''.

(c) ANNUAL REPORT.—Section 574 of such Act (22 U.S.C. 2349aa–3) is hereby repealed.

(d) TECHNICAL CORRECTIONS.—Section 575 (22 U.S.C. 2349aa–4) and section 576 (22 U.S.C. 2349aa–5) of such Act are redesignated as sections 574 and 575, respectively.

SEC. 1522. RESEARCH AND DEVELOPMENT EXPENSES.

Funds made available for fiscal years 1996 and 1997 to carry out chapter 8 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa et seq.; relating to antiterrorism assistance) may be made available to the Technical Support Working Group of the Department of State for research and development expenses related to contraband detection technologies or for field demonstrations of such technologies (whether such field demonstrations take place in the United States or outside the United States).

Subtitle D—Narcotics Control Assistance

SEC. 1531. ADDITIONAL REQUIREMENTS.

(a) POLICY AND GENERAL AUTHORITIES.—Section 481(a) of the Foreign Assistance Act (22 U.S.C. 2291(a)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively; and

(B) by inserting after subparagraph (C) the following new subparagraph:

''(D) International criminal activities, particularly international narcotics trafficking, money laundering, and corruption, endanger political and economic stability and democratic development, and assistance for the prevention and suppression of international criminal activities should be a priority for the United States.''; and

(2) in paragraph (4), by adding before the period at the end the following: '', or for other anticrime purposes''.

(b) CONTRIBUTIONS AND REIMBURSEMENT.—Section 482(c) of that Act (22 U.S.C. 2291a(c)) is amended—

(1) by striking ''CONTRIBUTION BY RECIPIENT COUNTRY.—To'' and inserting ''CONTRIBUTIONS AND REIMBURSEMENT.—(1) To''; and

(2) by adding at the end the following new paragraphs:

''(2)(A) The President is authorized to accept contributions from foreign governments to carry out the purposes of this chapter. Such contributions shall be deposited as an offsetting collection to the applicable appropriation account and may be used under the same terms and conditions as funds appropriated pursuant to this chapter.

''(B) At the time of submission of the annual congressional presentation documents required by section 634(a), the President shall provide a detailed report on any contributions received in the preceding fiscal year, the amount of such contributions, and the purposes for which such contributions were used.

''(3) The President is authorized to provide assistance under this chapter on a reimbursable basis. Such reimbursements shall be deposited as an offsetting collection to the applicable appropriation and may be used under the same terms and conditions as funds appropriated pursuant to this chapter.''.

(c) IMPLEMENTATION OF LAW ENFORCEMENT ASSISTANCE.—Section 482 of such Act (22 U.S.C. 2291a) is amended by adding at the end the following new subsections:

''(f) TREATMENT OF FUNDS.—Funds transferred to and consolidated with funds appropriated pursuant to this chapter may be

made available on such terms and conditions as are applicable to funds appropriated pursuant to this chapter. Funds so transferred or consolidated shall be apportioned directly to the bureau within the Department of State responsible for administering this chapter.

''(g) EXCESS PROPERTY.—For purposes of this chapter, the Secretary of State may use the authority of section 608, without regard to the restrictions of such section, to receive nonlethal excess property from any agency of the United States Government for the purpose of providing such property to a foreign government under the same terms and conditions as funds authorized to be appropriated for the purposes of this chapter.''.

SEC. 1532. NOTIFICATION REQUIREMENT.

(a) IN GENERAL.—The authority of section 1003(d) of the National Narcotics Control Leadership Act of 1988 (21 U.S.C. 1502(d)) may be exercised with respect to funds authorized to be appropriated pursuant to the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) and with respect to the personnel of the Department of State only to the extent that the appropriate congressional committees have been notified 15 days in advance in accordance with the reprogramming procedures applicable under section 634A of that Act (22 U.S.C. 2394).

(b) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

SEC. 1533. WAIVER OF RESTRICTIONS FOR NARCOTICS-RELATED ECONOMIC ASSISTANCE.

For each of the fiscal years 1996 and 1997, narcotics-related assistance under part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) may be provided notwithstanding any other provision of law that restricts assistance to foreign countries (other than section 490(e) or section 502B of that Act (22 U.S.C. 2291j(e) and 2304)) if, at least 15 days before obligating funds for such assistance, the President notifies the appropriate congressional committees (as defined in section 481(e) of that Act (22 U.S.C. 2291(e))) in accordance with the procedures applicable to reprogramming notifications under section 634A of that Act (22 U.S.C. 2394).

Subtitle E—Other Provisions

SEC. 1541. STANDARDIZATION OF CONGRESSIONAL REVIEW PROCEDURES FOR ARMS TRANSFERS.

(a) THIRD COUNTRY TRANSFERS UNDER FMS SALES.—Section 3(d)(2) of the Arms Export Control Act (22 U.S.C. 2753(d)(2)) is amended—

(1) in subparagraph (A), by striking '', as provided for in sections 36(b)(2) and 36(b)(3) of this Act'';

(2) in subparagraph (B), by striking ''law'' and inserting ''joint resolution''; and

(3) by adding at the end the following:

''(C) If the President states in his certification under subparagraph (A) or (B) that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States, thus waiving the requirements of that subparagraph, the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate immediate consent to the transfer and a discussion of the national security interests involved.

''(D)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

''(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.''.

(b) THIRD COUNTRY TRANSFERS UNDER COMMERCIAL SALES.—Section 3(d)(3) of such Act (22 U.S.C. 2753(d)(3)) is amended—

(1) by inserting ''(A)'' after ''(3)'';

(2) in the first sentence—

(A) by striking ''at least 30 calendar days''; and

(B) by striking ''report'' and inserting ''certification''; and

(3) by striking the last sentence and inserting the following: ''Such certification shall be submitted—

''(i) at least 15 calendar days before such consent is given in the case of a transfer to a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand; and

''(ii) at least 30 calendar days before such consent is given in the case of a transfer to any other country,

unless the President states in his certification that an emergency exists which requires that consent to the proposed transfer become effective immediately in the national security interests of the United States. If the President states in his certification that such an emergency exists (thus waiving the requirements of clause (i) or (ii), as the case may be, and of subparagraph (B)) the President shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that consent to the proposed transfer become effective immediately and a discussion of the national security interests involved.

''(B) Consent to a transfer subject to subparagraph (A) shall become effective after the end of the 15-day or 30-day period specified in subparagraph (A)(i) or (ii), as the case may be, only if the Congress does not enact, within that period, a joint resolution prohibiting the proposed transfer.

''(C)(i) Any joint resolution under this paragraph shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

''(ii) For the purpose of expediting the consideration and enactment of joint resolutions under this paragraph, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.''.

(c) COMMERCIAL SALES.—Section 36(c)(2) of such Act (22 U.S.C. 2776(c)(2)) is amended by amending subparagraphs (A) and (B) to read as follows:

''(A) in the case of a license for an export to the North Atlantic Treaty Organization, any member country of that Organization or Australia, Japan, or New Zealand, shall not be issued until at least 15 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 15-day period, enacts a joint resolution prohibiting the proposed export; and

''(B) in the case of any other license, shall not be issued until at least 30 calendar days after the Congress receives such certification, and shall not be issued then if the Congress, within that 30-day period, enacts a joint resolution prohibiting the proposed export.''.

(d) COMMERCIAL MANUFACTURING AGREEMENTS.—Section 36(d) of such Act (22 U.S.C. 2776(d)) is amended—

(1) by inserting ''(1)'' after ''(d)'';

(2) by striking ''for or in a country not a member of the North Atlantic Treaty Organization''; and

(3) by adding at the end the following:

''(2) A certification under this subsection shall be submitted—

''(A) at least 15 days before approval is given in the case of an agreement for or in a country which is a member of the North Atlantic Treaty Organization or Australia, Japan, or New Zealand; and

''(B) at least 30 days before approval is given in the case of an agreement for or in any other country;

unless the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States.

''(3) If the President states in his certification that an emergency exists which requires the immediate approval of the agreement in the national security interests of the United States, thus waiving the requirements of paragraph (4), he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate approval of the agreement and a discussion of the national security interests involved.

''(4) Approval for an agreement subject to paragraph (1) may not be given under section 38 if the Congress, within the 15-day or 30-day period specified in paragraph (2)(A) or (B), as the case may be, enacts a joint resolution prohibiting such approval.

''(5)(A) Any joint resolution under paragraph (4) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

''(B) For the purpose of expediting the consideration and enactment of joint resolutions under paragraph (4), a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.''.

(e) GOVERNMENT-TO-GOVERNMENT LEASES.—

(1) CONGRESSIONAL REVIEW PERIOD.—Section 62 of such Act (22 U.S.C. 2796a) is amended—

(A) in subsection (a), by striking ''Not less than 30 days before'' and inserting ''Before'';

(B) in subsection (b)—

(i) by striking ''determines, and immediately reports to the Congress'' and inserting ''states in his certification''; and

(ii) by adding at the end of the subsection the following: ''If the President states in his certification that such an emergency exists, he shall set forth in the certification a detailed justification for his determination, including a description of the emergency circumstances which necessitate that the lease be entered into immediately and a discussion of the national security interests involved.''; and

(C) by adding at the end of the section the following:

''(c) The certification required by subsection (a) shall be transmitted—

''(1) not less than 15 calendar days before the agreement is entered into or renewed in the case of an agreement with the North Atlantic Treaty Organization, any member country of that Organization or Australia, Japan, or New Zealand; and

''(2) not less than 30 calendar days before the agreement is entered into or renewed in the case of an agreement with any other organization or country.''.

(2) CONGRESSIONAL DISAPPROVAL.—Section 63(a) of such Act (22 U.S.C. 2796b(a)) is amended—

(A) by striking ''(a)(1)'' and inserting ''(a)'';

(B) by striking out the ''30 calendar days after receiving the certification with respect to that proposed agreement pursuant to section 62(a),'' and inserting in lieu thereof ''the 15-day or 30-day period specified in section 62(c) (1) or (2), as the case may be,''; and

(C) by striking paragraph (2).

(f) EFFECTIVE DATE.—The amendments made by this section apply with respect to certifications required to be submitted on or after the date of the enactment of this Act.

SEC. 1542. INCREASED STANDARDIZATION, RATIONALIZATION, AND INTEROPERABILITY OF ASSISTANCE AND SALES PROGRAMS.

Paragraph (6) of section 515(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321i(a)(6)) is amended by striking ''among members of the North Atlantic Treaty Organization and with the Armed Forces of Japan, Australia, and New Zealand''.

SEC. 1543. DEFINITION OF SIGNIFICANT MILITARY EQUIPMENT.

Section 47 of the Arms Export Control Act (22 U.S.C. 2794) is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(9) 'significant military equipment' means articles—

''(A) for which special export controls are warranted because of the capacity of such articles for substantial military utility or capability; and

''(B) identified on the United States Munitions List.''.

SEC. 1544. ELIMINATION OF ANNUAL REPORTING REQUIREMENT RELATING TO THE SPECIAL DEFENSE ACQUISITION FUND.

(a) IN GENERAL.—Section 53 of the Arms Export Control Act (22 U.S.C. 2795b) is hereby repealed.

(b) CONFORMING AMENDMENT.—Section 51(a)(4) of such Act (22 U.S.C. 2795(a)(4)) is amended—

(1) by striking ''(a)''; and

(2) by striking subparagraph (B).

SEC. 1545. COST OF LEASED DEFENSE ARTICLES THAT HAVE BEEN LOST OR DESTROYED.

Section 61(a)(4) of the Arms Export Control Act (22 U.S.C. 2796(a)(4)) is amended by striking ''and the replacement cost'' and all that follows and inserting the following: ''and, if the articles are lost or destroyed while leased—

''(A) in the event the United States intends to replace the articles lost or destroyed, the replacement cost (less any depreciation in the value) of the articles; or

''(B) in the event the United States does not intend to replace the articles lost or destroyed, an amount not less than the actual value (less any depreciation in the value) specified in the lease agreement.''.

SEC. 1546. DESIGNATION OF MAJOR NON-NATO ALLIES.

(a) DESIGNATION.—

(1) NOTICE TO CONGRESS.—Chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 et seq.), as amended by this title, is further amended by adding at the end the following new section:

''SEC. 517. DESIGNATION OF MAJOR NON-NATO ALLIES.

''(a) NOTICE TO CONGRESS.—The President shall notify the Congress in writing at least 30 days before—

''(1) designating a country as a major non-NATO ally for purposes of this Act and the Arms Export Control Act (22 U.S.C. 2751 et seq.); or

''(2) terminating such a designation.

''(b) INITIAL DESIGNATIONS.—Australia, Egypt, Israel, Japan, the Republic of Korea, and New Zealand shall be deemed to have been so designated by the President as of the effective date of this section, and the President is not required to notify the Congress of such designation of those countries.''.

(2) DEFINITION.—Section 644 of such Act (22 U.S.C. 2403) is amended by adding at the end the following:

''(q) 'Major non-NATO ally' means a country which is designated in accordance with section 517 as a major non-NATO ally for purposes of this Act and the Arms Export Control Act (22 U.S.C. 2751 et seq.).''.

(3) EXISTING DEFINITIONS.—(A) The last sentence of section 21(g) of the Arms Export Control Act (22 U.S.C. 2761(g)) is repealed.

(B) Section 65(d) of such Act (22 U.S.C. 2796d(d)) is amended—

(i) by striking ''or major non-NATO''; and

(ii) by striking out ''or a'' and all that follows through ''Code''.

(b) COOPERATIVE TRAINING AGREEMENTS.—Section 21(g) of the Arms Export Control Act (22 U.S.C. 2761(g)) is amended in the first sentence by striking ''similar agreements'' and all that follows through ''other countries'' and inserting ''similar agreements with countries''.

SEC. 1547. CERTIFICATION THRESHOLDS.

(a) INCREASE IN DOLLAR THRESHOLDS.—The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended—

(1) in section 3(d) (22 U.S.C. 2753(d))—

(A) in paragraphs (1) and (3), by striking ''$14,000,000'' each place it appears and inserting ''$25,000,000''; and

(B) in paragraphs (1) and (3), by striking ''$50,000,000'' each place it appears and inserting ''$75,000,000'';

(2) in section 36 (22 U.S.C. 2776)—

(A) in subsections (b)(1), (b)(5)(C), and (c)(1), by striking ''$14,000,000'' each place it appears and inserting ''$25,000,000'';

(B) in subsections (b)(1), (b)(5)(C), and (c)(1), by striking ''$50,000,000'' each place it appears and inserting ''$75,000,000''; and

(C) in subsections (b)(1) and (b)(5)(C), by striking ''$200,000,000'' each place it appears and inserting ''$300,000,000''; and

(3) in section 63(a) (22 U.S.C. 2796b(a))—

(A) by striking ''$14,000,000'' and inserting ''$25,000,000''; and

(B) by striking ''$50,000,000'' and inserting ''$75,000,000''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to certifications submitted on or after the date of the enactment of this Act.

SEC. 1548. DEPLETED URANIUM AMMUNITION.

Chapter 1 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2370 et seq.), as amended by this title, is further amended by adding at the end the following new section:

''SEC. 620G. DEPLETED URANIUM AMMUNITION.

''(a) PROHIBITION.—Except as provided in subsection (b), none of the funds made available to carry out this Act or any other Act may be made available to facilitate in any way the sale of M–833 antitank shells or any comparable antitank shells containing a depleted uranium penetrating component to any country other than—

''(1) a country that is a member of the North Atlantic Treaty Organization;

''(2) a country that has been designated as a major non-NATO ally (as defined in section 644(q)); or

''(3) Taiwan.

''(b) EXCEPTION.—The prohibition contained in subsection (a) shall not apply with respect to the use of funds to facilitate the sale of antitank shells to a country if the President determines that to do so is in the national security interest of the United States.''.

SEC. 1549. END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES.

(a) IN GENERAL.—The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended by inserting after chapter 3 the following new chapter:

''CHAPTER 3A—END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES

''SEC. 40A. END-USE MONITORING OF DEFENSE ARTICLES AND DEFENSE SERVICES.

''(a) ESTABLISHMENT OF MONITORING PROGRAM.—

''(1) IN GENERAL.—In order to improve accountability with respect to defense articles and defense services sold, leased, or exported under this Act or the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), the President shall establish a program which provides for the end-use monitoring of such articles and services.

''(2) REQUIREMENTS OF PROGRAM.—To the extent practicable, such program—

''(A) shall provide for the end-use monitoring of defense articles and defense services in accordance with the standards that apply for identifying high-risk exports for regular end-use verification developed under section 38(g)(7) of this Act (commonly referred to as the 'Blue Lantern' program); and

''(B) shall be designed to provide reasonable assurance that—

''(i) the recipient is complying with the requirements imposed by the United States Government with respect to use, transfers, and security of defense articles and defense services; and

''(ii) such articles and services are being used for the purposes for which they are provided.

''(b) CONDUCT OF PROGRAM.—In carrying out the program established under subsection (a), the President shall ensure that the program—

''(1) provides for the end-use verification of defense articles and defense services that incorporate sensitive technology, defense articles and defense services that are particularly vulnerable to diversion or other misuse, or defense articles or defense services whose diversion or other misuse could have significant consequences; and

''(2) prevents the diversion (through reverse engineering or other means) of technology incorporated in defense articles.

''(c) REPORT TO CONGRESS.—Not later than 6 months after the date of the enactment of this section, and annually thereafter as a part of the annual congressional presentation documents submitted under section 634 of the Foreign Assistance Act of 1961, the President shall transmit to the Congress a report describing the actions taken to implement this section, including a detailed accounting of the costs and number of personnel associated with the monitoring program.

''(d) THIRD COUNTRY TRANSFERS.—For purposes of this section, defense articles and defense services sold, leased, or exported under this Act or the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) includes defense articles and defense services that are transferred to a third country or other third party.''.

(b) EFFECTIVE DATE.—Section 40A of the Arms Export Control Act, as added by subsection (a), applies with respect to defense articles and defense services provided before or after the date of the enactment of this Act.

SEC. 1550. BROKERING ACTIVITIES RELATING TO COMMERCIAL SALES OF DEFENSE ARTICLES AND SERVICES.

(a) IN GENERAL.—Section 38(b)(1)(A) of the Arms Export Control Act (22 U.S.C. 2778(b)(1)(A)) is amended—

(1) in the first sentence, by striking ''As prescribed in regulations'' and inserting ''(i) As prescribed in regulations''; and

(2) by adding at the end the following new clause:

''(ii)(I) As prescribed in regulations issued under this section, every person (other than an officer or employee of the United States Government acting in official capacity) who engages in the business of brokering activities with respect to the manufacture, export, import, or transfer of any defense article or defense service designated by the President under subsection (a)(1), or in the business of brokering activities with respect to the manufacture, export, import, or transfer of any foreign defense article or defense service (as defined in subclause (IV)), shall register with the United States Government agency charged with the administration of this section, and shall pay a registration fee which shall be prescribed by such regulations.

''(II) Such brokering activities shall include the financing, transportation, freight forwarding, or taking of any other action that facilitates the manufacture, export, or import of a defense article or defense service.

''(III) No person may engage in the business of brokering activities described in subclause (I) without a license, issued in accordance with this Act, except that no license shall be required for such activities undertaken by or for an agency of the United States Government—

''(aa) for use by an agency of the United States Government; or

''(bb) for carrying out any foreign assistance or sales program authorized by law and subject to the control of the President by other means.

''(IV) For purposes of this clause, the term 'foreign defense article or defense service' includes any non-United States defense article or defense service of a nature described on the United States Munitions List regardless of whether such article or service is of United States origin or whether such article or service contains United States origin components.''.

(b) EFFECTIVE DATE.—Section 38(b)(1)(A)(ii) of the Arms Export Control Act, as added by subsection (a), shall apply with respect to brokering activities engaged in beginning on or after 120 days after the enactment of this Act.

SEC. 1551. RETURN AND EXCHANGES OF DEFENSE ARTICLES PREVIOUSLY TRANSFERRED PURSUANT TO THE ARMS EXPORT CONTROL ACT.

(a) REPAIR OF DEFENSE ARTICLES.—Section 21 of the Arms Export Control Act (22 U.S.C. 2761) is amended by adding at the end the following new subsection:

''(l) REPAIR OF DEFENSE ARTICLES.—

''(1) IN GENERAL.—The President may acquire a repairable defense article from a foreign country or international organization if such defense article—

''(A) previously was transferred to such country or organization under this Act;

''(B) is not an end item; and

''(C) will be exchanged for a defense article of the same type that is in the stocks of the Department of Defense.

''(2) LIMITATION.—The President may exercise the authority provided in paragraph (1) only to the extent that the Department of Defense—

''(A)(i) has a requirement for the defense article being returned; and

''(ii) has available sufficient funds authorized and appropriated for such purpose; or

''(B)(i) is accepting the return of the defense article for subsequent transfer to another foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act; and

''(ii) has available sufficient funds provided by or on behalf of such other foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act.

''(3) REQUIREMENT.—(A) The foreign government or international organization receiving a new or repaired defense article in exchange for a repairable defense article pursuant to paragraph (1) shall, upon the acceptance by the United States Government of the repairable defense article being returned, be charged the total cost associated with the repair and replacement transaction.

''(B) The total cost charged pursuant to subparagraph (A) shall be the same as that charged the United States Armed Forces for a similar repair and replacement transaction, plus an administrative surcharge in accordance with subsection (e)(1)(A) of this section.

''(4) RELATIONSHIP TO CERTAIN OTHER PROVISIONS OF LAW.—The authority of the President to accept the return of a repairable defense article as provided in subsection (a) shall not be subject to chapter 137 of title 10, United States Code, or any other provision of law relating to the conclusion of contracts.''.

(b) RETURN OF DEFENSE ARTICLES.—Section 21 of such Act (22 U.S.C. 2761), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(m) RETURN OF DEFENSE ARTICLES.—

''(1) IN GENERAL.—The President may accept the return of a defense article from a foreign country or international organization if such defense article—

''(A) previously was transferred to such country or organization under this Act;

''(B) is not significant military equipment (as defined in section 47(9) of this Act); and

''(C) is in fully functioning condition without need of repair or rehabilitation.

''(2) LIMITATION.—The President may exercise the authority provided in paragraph (1) only to the extent that the Department of Defense—

''(A)(i) has a requirement for the defense article being returned; and

''(ii) has available sufficient funds authorized and appropriated for such purpose; or

''(B)(i) is accepting the return of the defense article for subsequent transfer to another foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act; and

''(ii) has available sufficient funds provided by or on behalf of such other foreign government or international organization pursuant to a letter of offer and acceptance implemented in accordance with this Act.

''(3) CREDIT FOR TRANSACTION.—Upon acquisition and acceptance by the United States Government of a defense article under paragraph (1), the appropriate Foreign Military Sales account of the provider shall be credited to reflect the transaction.

''(4) RELATIONSHIP TO CERTAIN OTHER PROVISIONS OF LAW.—The authority of the President to accept the return of a defense article as provided in paragraph (1) shall not be subject to chapter 137 of title 10, United States Code, or any other provision of law relating to the conclusion of contracts.''.

(c) REGULATIONS.—Under the direction of the President, the Secretary of Defense shall promulgate regulations to implement subsections (l) and (m) of section 21 of the Arms Export Control Act, as added by this section.

SEC. 1552. NATIONAL SECURITY INTEREST DETERMINATION TO WAIVE REIMBURSEMENT OF DEPRECIATION FOR LEASED DEFENSE ARTICLES.

(a) IN GENERAL.—Section 61(a) of the Arms Export Control Act (22 U.S.C. 2796(a)) is amended—

(1) in the second sentence, by striking '', or to any defense article which has passed three-quarters of its normal service life''; and

(2) by inserting after the second sentence the following new sentence: ''The President may waive the requirement of paragraph (4) for reimbursement of depreciation for any defense article which has passed three-quarters of its normal service life if the President determines that to do so is important to the national security interest of the United States.''.

(b) EFFECTIVE DATE.—The third sentence of section 61(a) of the Arms Export Control Act, as added by subsection (a)(2), shall apply only with respect to a defense article leased on or after the date of the enactment of this Act.

SEC. 1553. ELIGIBILITY OF PANAMA UNDER ARMS EXPORT CONTROL ACT.

The Government of the Republic of Panama shall be eligible to purchase defense articles and defense services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), except as otherwise specifically provided by law.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. TRAFICANT OF OHIO (AMDT B–20 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. ANNUAL REPORT RELATING TO BUY AMERICAN ACT.

The Secretary of Defense shall submit to Congress, not later than 60 days after the end of each fiscal year, a report on the amount of purchases by the Department of Defense from foreign entities in that fiscal year. Such report shall separately indicate the dollar value of items for which the Buy American Act (41 U.S.C. 10a et seq.) was waived pursuant to any of the following:

(1) Any reciprocal defense procurement memorandum of understanding described in section 849(c)(2) of Public Law 103–160 (41 U.S.C. 10b–2 note).

(2) The Trade Agreements Act of 1979 (19 U.S.C. 2501 et seq.)

(3) Any international agreement to which the United States is a party.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. KENNEDY OF MASSACHUSETTS (AMDT B–28 IN HOUSE REPORT 104–570)

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. SENSE OF CONGRESS CONCERNING ASSISTING OTHER COUNTRIES TO IMPROVE SECURITY OF FISSILE MATERIAL.

(A) FINDINGS.—Congress finds the following:

(1) With the end of the Cold War, the world is faced with the need to manage the dismantling of vast numbers of nuclear weapons and the disposition of the fissile materials that they contain.

(2) If recently agreed reductions in unclear weapons are fully implemented, tens of thousands of nuclear weapons, containing a hundred tons or more of plutonium and many hundreds of tons of highly enriched uranium, will no longer be needed for military purposes.

(3) Plutonium and highly enriched uranium are the essential ingredients of nuclear weapons.

(4) Limits on access to plutonium and highly enriched uranium are the primary technical barrier to acquiring nuclear weapons capability in the world today.

(5) Several kilograms of plutonium, or several times that amount of highly enriched uranium, are sufficient to make a nuclear weapons.

(6) Plutonium and highly enriched uranium will continue to pose a potential threat for as long as they exist.

(7) Action is required to secure and account for plutonium and highly enriched uranium.

(8) It is in the national interest of the United States to—

(A) minimize the risk that fissile materials could be obtained by unauthorized parties;

(B) minimize the risk that fissile materials could be reintroduced into the arsenals from which they came, halting or reversing the arms reduction process; and

(C) strengthen the national and international control mechanisms and incentives designed to ensure continued arms reductions and prevent the spread of nuclear weapons.

(b) SENSE OF CONGRESS.—In light of the findings contained in subsection (a), it is the sense of Congress that the United States has a national security interest in assisting other countries to improve the security of their stocks of fissile material.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA (AMDT B–31 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. SOUTHWEST BORDER STATES ANTI-DRUG INFORMATION SYSTEM.

It is the sense of Congress that the Federal Government should support and encourage the full utilization of the Southwest Border States Anti-Drug Information System.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. TAYLOR OF MISSISSIPPI (AMDT B–32 IN HOUSE REPORT 104–570)

At the end of subtitle B of title XXVIII (page 459, after line 5), insert the following new section:

SEC. 2816. PLAN FOR UTILIZATION, REUTILIZATION, OR DISPOSAL OF MISSISSIPPI ARMY AMMUNITION PLANT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a plan for the utilization, reutilization, or disposal of the Mississippi Army Ammunition Plant, Hancock County, Mississippi.

At the end of title XXVI (page 443, after line 21), insert the following new section:

SEC. 2602. NAMING OF RANGE AT CAMP SHELBY, MISSISSIPPI.

(a) NAME.—The multi Purpose Range Complex (Heavy) at Camp Shelby, Mississippi, shall after the date of the enactment of this Act be known and designated as the ''G.V. (Sonny) Montgomery Range''. Any reference to such range in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the G.V. (Sonny) Montgomery Range.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at noon on January 3, 1997, or the first day on which G.V. (Sonny) Montgomery otherwise ceases to be a Member of the House of Representatives.

AMENDMENT TO H.R. 3230, AS REPORTED OFFERED BY MR. HASTINGS OF WASHINGTON (AMDT B–34 IN HOUSE REPORT 104–570)

In section 3104 (title XXXI):

Insert at the end of paragraph (8) (page 519, after line 19) the following new paragraph (and renumber the next paragraph accordingly):

(9) For nuclear security/Russian production reactor shutdown, $6,000,000.

Designate the text of such section as subsection (a) and insert at the end (page 520, after line 20) the following new subsection:

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts specified in subsection (a) reduced by $6,000,000 for use of prior year balances.

MODIFICATION TO THE AMENDMENT OFFERED BY MR. HALL OF OHIO (AMDT B-35 IN HOUSE REPORT 104–570)

The amendment as modified is as follows:

At the end of subtitle D of title XXXI (page 543, after line 17), insert the following new section:

SEC. 3145. WORKER HEALTH AND SAFETY IMPROVEMENTS AT DEFENSE NUCLEAR COMPLEX, MIAMISBURG, OHIO.

(a) WORKER HEALTH AND SAFETY ACTIVITIES.—The Secretary of Energy shall carry out the following activities at the defense nuclear complex at Miamisburg, Ohio.

(1) Within 12 months after the date of the enactment of this Act, completion of the evaluation of pre-1989 internal radiation dose assessments for workers who may have received a dose greater than 20 rem.

(2) Installation of state-of-the-art automated personnel contamination monitors at appropriate radiation control points and facility exits, and purchase and installation of an automated personnel access control system.

(3) Upgrading of the radiological records software and integration with a radiation work permit system.

(4) Implementation of a program that will characterize the radiological conditions of the site and facilities prior to decontamination so that radiological hazards are clearly identified and results of the characterization validated.

(5) Review and improvement of the evaluation of continuous air monitoring and implementation of a personal air sampling program within 60 days after the date of the enactment of this Act.

(6) Upgrading of bioassay analytical procedures to ensure that contract laboratories are properly selected and independently validated by the Department of Energy and that quality control is assured.

(7) Implementation of bioassay and internal dose calculation methods that are specific to the radiological hazards identified at the site.

(b) FUNDING.—Of the funds authorized in section 3102(e), $5,000,000 shall be available to the Secretary of Energy to perform the activities required by subsection (a) and such other activities to improve worker health and safety at the defense nuclear complex at Miamisburg, Ohio, as the Secretary considers appropriate.

(c) SAVINGS PROVISION.—Nothing in this section shall be construed as affecting applicable statutory or regulatory requirements relating to worker health and safety.

Mr. SPENCE (during the reading). Mr. Chairman, I ask unanimous consent that the modifications be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] each will control 10 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. NEUMANN].

Mr. NEUMANN. Mr. Chairman, I would like to engage the distinguished chairman of the Committee on National Security in a colloquy.

Mr. Chairman, I had intended to offer an amendment to eliminate the Department of Defense MANTECH program because I believe the program has serious flaws. After examining one Navy manufacturing technology center of excellence in my district, I became concerned that the taxpayer dollars were not being spent wisely. I found that despite significant Federal investment, the center had not lived up to its promises. Job promises had not been realized. overhead appeared excessive.

As an example, I read news reports of purchases of $69 tape dispensers and $6,000 conference tables. Executive compensation was, I believe, out of line with the center's responsibilities. As an example, the director received a $50,000 pay raise at the same time the company shrunk by two-thirds, increasing his compensation to $261,000 a year.

This led me to the 1992 GAO study of the MANTECH program. I would like to quote from the 1992 study. This is a direct quote.

> The Office of the Secretary of Defense does not have reasonable assurances that the MANTECH program is being effectively implemented.
>
> The cost savings or financial benefits being attributed to the MANTECH projects are not reliable.
>
> The Office of the Secretary of Defense has not established a methodology for assessing the program's impact.

In response to the 1992 GAO study, the Department of Defense expressed concern that congressional earmarks has not been evaluated against any selective criteria, no benefits had been quantified, and no analysis of cost effectiveness had been performed.

I understand that the Committee on National Security and the Congress did move in 1992 and 1994 to address some of these problems. I commend the gentleman from South Carolina and his committee for these efforts. The program has apparently been tightened up and further controls put on spending.

However, I remain concerned that Congress still lacks the complete knowledge needed to evaluate this program. The Congress still does not know if doing business through the military's centers of excellence is an effective way to get the most for the taxpayers' money.

Mr. Chairman, would the gentleman consider requesting a follow-up to the 1992 GAO report to provide the knowledge needed to further evaluate the effectiveness of this program?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. NEUMANN. I yield to the gentleman from South Carolina.

Mr. SPENCE. Mr. Chairman, although the committee has no knowledge of the claims by the gentleman in his district, I will agree that a GAO study is timely, since the Congress has taken serious steps to ensure a strong manufacturing program in the Department of Defense.

Mr. NEUMANN. I thank the gentleman from South Carolina and look

forward to working with his committee on this issue.

Mr. DELLUMS. Mr. Chairman, I yield myself 1½ minutes for the purpose of entering into a colloquy with my distinguished colleague, the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Indiana.

(Mr. ROEMER asked and was given permission to revise and extend his remarks.)

Mr. ROEMER. Mr. Chairman, I rise to commend the efforts of the committee to support key modernization efforts for our services and wish to compliment both Chairman SPENCE and Ranking Member DELLUMS for their efforts in meeting the needs of our armed services. However, I would like to point out some deep concern regarding the HMMWV.

The HMMWV, manufactured in South Bend, IN, is the world leader in light tactical wheeled vehicles which are needed for rapid deployment forces. Its versatility also allows it to serve as a platform for newly developed command and control, shelter, and weapons systems programs. The new UpArmored version is also critical to protecting our troops now serving in Bosnia from the extensive threat of mines. The HMMWV might also be used to help the INS patrol our borders and the U.N. keep the peace.

The HMMWV budget request for fiscal year 1997 is not sufficient to prevent a gap in both the vehicle and armoring production lines. General Reimer, Chief of Staff of the U.S. Army, placed the HMMWV near the top of his unfunded requirements priority list in testimony before Congress. An increase of $66 million above this request is required to avoid a production gap and meet priority vehicle fielding requirements. I note the Senate version of the bill includes this additional authorization for fiscal year 1997 and urge my colleagues to support this level of funding in the upcoming authorization conference in order to ensure protection of our troops in Bosnia and other hostile areas.

Mr. DELLUMS. Mr. Chairman, reclaiming my time, I share the concerns of my distinguished colleague from Indiana, and I recognize the importance of the HMMWV Program and its extensive role in meeting the services' current requirements. I would further like to assure the gentleman from Indiana that this issue will be considered during the upcoming conference, and I yield to the gentleman for a final remark.

Mr. ROEMER. Mr. Chairman, I thank the distinguished gentleman and former chairman of the committee for his support and articulate words.

Mr. DELLUMS. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from the State of Washington [Mr. HASTINGS].

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Chairman, I thank the gentleman for yielding me time. I rise in support of this amendment. I applaud the committee's decision to accept my amendment in this end bloc amendment, providing funding for the Russian Reactor Conversion Program. I spite of the fact that the cold war is over, Russia continues to use many of its nuclear reactors to produce weapons grade plutonium. My amendment, which utilizes existing funding, will allow us to shut down these reactors, reducing the direct threat to the United States. Nearly everyone I talked to supports this amendment.

Mr. Chairman, I also want to take a minute to mention an issue of particular interest to my district. This bill includes provisions in the committee mark to streamline the DOE's environmental management program, including, No. 1, granting additional authority to local site managers to cut through redtape and get the cleanup job done, placing strict limits on burdensome paperwork known as DOE orders and otherwise streamlining the DOE orders, and more important, requiring performance based contracts to assure contractors are given incentives to spend our tax dollars wisely.

Mr. Chairman, I rise today to urge my colleagues to support this critical legislation.

For more than a decade, we have sat by as our Nation's defense spending has been dramatically reduced. In fact, spending on procurement has fallen by 70 percent since 1985. Thus, the committee's action to increase funding over the President's request is a welcome change—one which will ensure that our military remains the best equipped and best trained in the world.

I also want to take a minute to mention two issues that are of particular interest to my district.

First, I applaud the committee's decision to accept my amendment providing funding for the Russian Reactor Conversion Program. In spite of the fact that the cold war is over, Russia continues to use many of its nuclear reactors to produce weapons-grade plutonium.

The Department of Energy runs a small program which focuses on either shutting down these reactors, or converting them so that they will not be able to produce plutonium. The program also leverages U.S. expertise in spent nuclear fuel management, in order to prevent reprocessing.

My amendment asks for no new funding. It will fund the program out of unspent balances from prior years. Nearly everyone who I have spoken to supports the program, and the debate thus far has simply been over which Federal agency should fund it—not whether it should be funded. By authorizing the use of existing funds, my amendment will preserve an important non-proliferation initiative, without taking funding away from crucial defense programs.

A related DOE project, the International Nuclear Safety Program, works to ensure the security and safety of Russian power-producing nuclear reactors. I understand that the subcommittee chairman believes that funding for this program should come out of foreign assistance funding, rather than out of defense spending, and I would propose that we work together to see that this program is adequately funded in this manner.

Second, I applaud the committee for accepting my legislation to streamline the Department of Energy's Environmental Management Program. My bill codifies important steps that the Department has taken in the past few months, including:

Granting additional authority to local site managers to cut through the redtape and get the cleanup job done;

Allowing site managers to transfer funding to the most critical cleanup projects;

Placing strict new limits on burdensome internal paperwork requirements—also known as DOE orders;

Encouraging performance based contracts, to ensure that private contractors are given an incentive to spend our tax dollars wisely;

Encouraging streamlined approval processes for new technology; and,

Allowing budget savings at cleanup sites to be used for other key projects.

These provisions are a significant step towards fundamental reform of the DOE cleanup program. They will not only speed progress made on cleanup, but ensure that Federal resources are used effectively. As a result, I strongly urge that my colleagues support this legislation.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Ohio [Mr. TRAFICANT].

(Mr. TRAFICANT asked and was given permission to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Chairman, I once made a statement with all this ''Buy American'' stuff when I heard all of the arguments that we could hire generals a lot cheaper from Korea. Evidently it helped me, and in 1994, I want to give credit to then Chairman DELLUMS who had helped me pass a law that says that if in fact a foreign country discriminates against certain types of American products, then there shall be no waivers of the blanket ''Buy American'' Act.

I think that is a very important piece of legislation. I want to thank the gentleman from helping with that. The reason why I have asked for the time is I want to engage in a colloquy with the chairman, and I commend the chairman for the fine job he has done.

But is that, because it was authorized in 1994 as a part of the Defense authorization bill, permanent law?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from South Carolina.

Mr. SPENCE. Mr. Chairman, the gentleman is correct. The operative provision of the gentleman's original amendment is already in law as part of the fiscal year 1994 Defense Authorization Act.

Mr. TRAFICANT. With that, Mr. Chairman, again I thank everybody. I want to thank Chairman DELLUMS because it took us some time to get that

done under his leadership. He took a loot at that.

Second of all, my amendment now calls for a report. I think we must know the status of when this buy American act is waived, what are the dollar amounts and what are the goods being produced and purchased overseas.

So I want to again thank the chairman for including this in the en bloc, and I want to thank Chairman DELLUMS under his leadership for enacting this that is now permanent law.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Research and Development.

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, there is a provision in our bill about a program called Joint Advanced Strike Technology, also known to industry as the joint strike fighter, that very few Members of this body have any knowledge of.

Our committee recommendation in this bill on the Joint Advanced Strike Technology Program restricts funding and asks for further justification for the program. This action has been viewed as controversial by some because it is seen as directed at one particular military service. Others find our action controversial because they claim that the committee's action came as a surprise and without sufficient debate. I appreciate these views, however this body needs to more fully understand the basis for the committee's action on JAST.

First, let me say that while most of you have never heard of this program called JAST, CBO estimates it is a $300 billion program. Yes, I said $300 billion. That is more than 7 B–2 programs and is well over the total amount of the entire DOD budget that we are debating.

DOD wants to spend $300 billion of your money, but the Pentagon refuses to classify JAST as an acquisition program—for reasons only Pentagon lawyers can seek to justify.

Section 2430 and 2432 of title 10, United States Code that govern Defense Department major acquisition programs, define what constitutes a major defense acquisition program and require that the Pentagon provide the Congress certain reports detailing overall costs and schedules for major acquisition programs so we can meet our oversight responsibilities.

However, while the Pentagon intends to spend $300 billion of taxpayer money, it refuses to comply with the law. The Pentagon has spent $400 million already and plans to spend nearly $4 billion more during the next 6 years and ultimately $300 billion for what the Pentagon continues to call a non-acquisition program.

No one should be surprised by our committee's action.

In 1993 the committee zeroed the funding for the Navy's request for the predecessor program to JAST, called advanced short takeoff and vertical landing aircraft.

In 1994, the committee again zeroed the funding request for this program.

In 1995, the committee authorized the DOD request. However, in its report on the bill the committee stated it did so ''more out of concern for the industrial base than as an endorsement of the requirement for such an aircraft.''

So no one should be surprised by the committee's recommendation. The committee's views have been consistent through 4 years of Democrat and Republican leadership.

Now that more Members have expressed an interest in pursuing the details of this $300 billion program, I intend to recommend to the chairman that we come out of conference with a requirement that first, the Pentagon comply with the law and that they meet the reporting requirements of a major defense acquisition program. Second, that an independent analysis be done regarding the so-called joint requirement for this program, and finally, that we restrict obligation of funding for JAST until the Pentagon complies with these two requirements.

Mr. DELLUMS. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, I thank the distinguished ranking minority member for yielding the time.

Mr. Chairman, the amendment which I am offering is included in the chairman's en bloc amendment. The first section of my amendment contains language which requires the Army not later than 180 days after the enactment of the fiscal year 1997 defense authorization to submit to Congress a plan for the utilization, reutilization, or disposal of the Mississippi Army ammunition plant which is located in Hancock County, MS.

The second section of my amendment, which I think many will have a great interest in, would name the multipurpose range complex heavy tank training facility at Camp Shelby, MS, for Congressman G.V. ''SONNY'' MONTGOMERY.

As Mississippi Adj. Gen. James H. Garner wrote:

> Congressman G.V. ''SONNY'' MONTGOMERY has been especially supportive in the development of Camp Shelby to meet the training needs for not only the Mississippi National Guard, but the many other States using Camp Shelby for their annual training * * * I feel that it would be very appropriate, in tribute to Congressman Montgomery as he retires at the end of this year, that the multipurpose range complex be named the G.V. ''SONNY'' MONTGOMERY multipurpose Range. I would wholeheartedly support such legislative initiative to honor Congressman Montgomery in this way.

Just briefly, since he was first elected in 1966, Representative MONTGOMERY has steadfastly served as the voice of the citizens of Mississippi's Third District in Congress and our Nation.

The gentleman from Mississippi is a veteran of the U.S. Army in World War II, a retired National Guard General, member of the House National Security Committee, and former chairman of the Veterans' Affairs Committee. He has dedicated his life to serving the Nation both on the front lines of battle and in the Halls of Congress.

Incidentally, I would like to mention that during every single Christmas break during the Vietnam war, Chairman MONTGOMERY spent his Christmas in Vietnam with the troops.

His legislative legacy is impeccable. It includes the Montgomery G.I. bill, championing the concept of an All Volunteer military, making the Reserves truly a ready force, and equipping and strengthening the National Guard. He fought for reemployment rights for reservists and National Guard personnel who were called to active duty. He ensured that our Nation's veterans were eligible for basic benefits like healthcare, low-interest home loans, and a chance for a better education.

And, in spite of all his triumphs and personal successes, Congressman MONTGOMERY remains a kind and humble man. His successor will no doubt have huge shoes to fill.

Mr. Chairman, I am honored to have had the opportunity to serve with SONNY MONTGOMERY. I will be forever grateful for what he has done personally to assist me, the great things he has done for our State, our Nation's veterans, and our Nation. You will be missed, SONNY. Good luck in your retirement.

Mr. SPENCE. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I do so for the purpose of joining the gentleman from Mississippi, Mr. TAYLOR, in paying tribute to our colleague, SONNY MONTGOMERY, not only in naming this particular range after the gentleman from Mississippi, but for his long and distinguished service to this body.

As I said on yesterday and on other occasions too, I know of no person on either side of the aisle who has stood stronger for national defense over the years than SONNY MONTGOMERY. He is going to be sorely missed in this body and by this country when he retires.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. LAUGHLIN].

(Mr. LAUGHLIN asked and was given permission to revise and extend his remarks.)

Mr. LAUGHLIN. Mr. Chairman, as an officer in the active and Reserve U.S. Army for over 30 years, I rise in support of H.R. 3230.

I would like to begin by thanking Chairman SPENCE and Chairman DORNAN for their support of title 12 of the defense authorization bill, known as the Reserve Revitalization Act of 1996.

They recognize the vitality and importance of our Reserve components in the national defense of the United States.

On behalf of my fellow reservists and guardsmen, I can tell you that their devotion to our Nation's citizen-soldiers is known and very appreciated.

In particular, I would like to express my appreciation to Congressman SONNY MONTGOMERY.

Without Mr. MONTGOMERY's support of the Revitalization Act and his years of dedication to the national security of our great land, our country would be a very different place.

I also would like to thank my friend from New Jersey, Mr. SAXTON, for withdrawing his amendment to the defense authorization bill.

I believe it is important that my fellow Members understand why it is so important that the Army Reserve report directly to the chief of Staff of the Army.

Simply stated, this will improve the readiness of the Army Reserve.

Of all the Reserve components, the U.S. Army Reserve has the lowest readiness of any of our military Reserve commands.

I agree with Mr. SKELTON that the Army Reserve readiness has improved somewhat.

But this improvement is not because of its command relationship with forscom.

It is because of congressional pressure. It is because of congressionally mandated equipment additions.

It is because of intensive oversight by this body over the years.

The Army Reserve is the only Reserve component which does not report directly to the service Chief of Staff.

During the authorization bill's markup in the Subcommittee on Personnel, this issue was specifically and thoroughly debated.

By an overwhelming vote, the subcommittee adopted the present bill language.

This language requires the commanding general of the Army Reserve to report directly to the Chief of Staff of the Army.

This arrangement mirrors the command relationships of all the other services.

It only makes sense that this will lead the Army Reserve toward the better readiness ratings earned by the Army's sister services.

The Army has resisted this change.

Unfortunately, this resistance to the will of Congress is not new.

In 1991, Congress mandated the establishment of the U.S. Army Reserve Command over the strenuous objections of the Department of the Army.

At one point, Congress was forced to threaten to withhold $100 million from the Army budget before the Army leadership would follow the orders of Congress.

The 1991 Defense Authorization Act, in section 903, directed the Army to assign the Army Reserve Command to the U.S. Atlantic Command, a warfighting commander in chief.

Instead, the Army placed the Army Reserve Command under the control of forescom.

This year's legislation, in part, is another attempt to require the Army to improve the Readiness of the Army Reserve.

All former chiefs of the Army Reserve support the current bill language, based on their years of practical experience.

You heard Mr. MONTGOMERY read one letter that expressed the sense of those past leaders of the Army Reserve.

In addition, the Chief of Staff of the Air Force, the Chief of Naval Operations and the Commandant of the Marine Corps personally were involved in drafting this important language.

Each of them supports direct reporting between the Reserve Commander and the Chief of Staff as necessary and required for Reserve readiness.

Every study which has examined the Army Reserve has emphatically recommended that the Army Reserve Commander report directly to the Chief of Staff.

This is the best way to improve the Army Reserve's readiness, because it puts the chief of the Army Reserve at the table with the Army's top decisionmakers.

This is the same organization followed by all other of our Nation's military services—the Navy, the Air Force, and the Marines.

Studies chaired by retired generals Richardson and Foss, as former commanding generals of the Army training and doctrine command, made these recommendations.

The congressionally mandated independent commission directly addressed this issue in 1992 when it recommended elimination of layering and recommended direct reporting to the Chief of Staff.

Finally, the Hay group in 1993 specifically recommended that the commanding general of U.S. Army Reserve Command, USARC, report directly to the chief.

It is high time that the consistent and repeated recommendations of several study groups be implemented by Congress.

I urge my colleagues to support this important authorization bill, and do what is right for the readiness of this Nation's active duty military members and for America's citizen-soldiers.

□ 1500

All former chiefs of the Army Reserves, as mentioned in the statement yesterday by the gentleman from Mississippi, SONNY MONTGOMERY, support this provision. This allows them to have one boss and to have one direct chain of command, and that is to the senior U.S. Army general on active duty.

It is very important that we raise the level of readiness of the Army Reserves, because they have consistently had the lowest level of readiness of our Reserves.

Mr. Chairman, I urge support of the defense authorization bill.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WATERS], another of my distinguished colleagues.

Ms. WATERS. Mr. Chairman, I would like to thank the gentleman from South Carolina, Chairman SPENCE, and the gentleman from California, Ranking Member DELLUMS, for including my amendment in the en bloc amendment.

As in other sectors of society, the defense industry has undergone a wave of mergers in the past few years. With this much consolidation, I think it makes good sense for the Department of Defense to take a hard look at some of the consequences of this massive change.

In 1994, Northrop and Grumman merged, Loral and IBM-Federal Systems merged, and Martin Marietta merged with both General Dynamics-Space Systems and Lockheed that year.

In 1995, Loral merged with Unysis-Defense. Litton merged with Teledyne-Electronics. Raytheon merged with E-Systems, and Hughes merged with Magnavox-Electronic Systems.

Already this year, Northrop-Grumman has merged with Westinghouse-Defense Electronics and Lockheed-Martin has merged with Loral-Defense.

The Defense Department would report their findings to Congress 6 months after the date of enactment of this bill. This would give us a reasonable chance to evaluate, analyze and digest the information before we begin next year's funding cycle.

Mr. Chairman, I ask for support on the en bloc amendment. I think this addition of the en bloc will make this a better bill.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma, Mr. J.C. WATTS, our Oklahoma quarterback.

Mr. WATTS of Oklahoma. Mr. Chairman, I want to commend the ranking member, the gentleman from California [Mr. DELLUMS], and also the gentleman from South Carolina, Chairman SPENCE, for as we fought these battles in committee they both conducted themselves with great professionalism and provided leadership on both sides of the aisle, and I appreciate their efforts and their professionalism.

The National Defense Authorization Act for Fiscal Year 1997 is a well-thought-out bill that gives much-needed support to the men and women of the Armed Forces.

Today, men and women of the United States military are protecting the cause of freedom in Bosnia, the Middle East, and other areas in the world. What better way to demonstrate our support for them than to offer legislation that enhances military pay, housing, and other earned benefits.

The National Defense Authorization Act for Fiscal Year 1997 remembers our Nation's defenders. In addition to increasing their basic pay, the bill speaks to important quality of life issues by increasing the basic allowance for quarters and giving thousands of military members housing choices that were previously unavailable.

I urge and call on my colleagues to offer their support for this legislation and the en bloc amendment to the 1997 authorization act.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN] for the purposes of engaging in a colloquy.

Ms. HARMAN. Mr. Chairman, I thank the gentleman from California, Ranking Member DELLUMS, for yielding me this time, and I would like to engage the chairman of the Subcommittee on Military Research and Development, the gentleman from Pennsylvania [Mr. WELDON] on two subjects, dual-use technology and the Nautilus program, both of which are included in this bill, and to thank him for his leadership and bipartisanship.

On the first subject, Mr. Chairman, we do not have the luxury any more of unlimited research and procurement funds in the defense budget, so saving money by using commercial products and technologies to solve military problems becomes more important than ever. Dual-use technology is an area of critical importance to us in the Congress as we work to get the most value for each tax dollar spent on defense.

Working on a bipartisan basis, we have crafted an innovative dual-use technology provision in this bill, which includes cost sharing and will make program managers in each service sector look to the commercial marketplace first for solutions to their technology needs.

I look forward to working with the gentleman from Pennsylvania to ensure this provision becomes law.

Mr. WELDON of Pennsylvania. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman.

Mr. WELDON of Pennsylvania. Mr. Chairman, I could not agree with the gentlewoman more. This is an innovative proposal we have worked together on. I applaud her for her leadership and look forward to fully funding this new initiative, which I am very excited about, and thank her for her leadership on this issue.

Ms. HARMAN. I thank the chairman. Second, we have plussed up the ballistic missile defense piece of this defense bill, and I am fully supportive of that, but our program will not meet the threats for some years. There are immediate threats in some theaters around the world, one of which is Israel.

I have been a strong supporter, as the gentleman knows, of our collaboration with Israel on various aspects of the ballistic missile defense budget. Just a few weeks ago the President and Prime Minister Peres signed a statement of intent providing that the Nautilus, which is a ground-based theater missile defense system, would be developed and deployed as soon as possible.

I am disappointed that the administration has not included funding in this bill for the Nautilus program, but we in our subcommittee and then in the full committee included supportive language. I would like to talk to the chairman about this bill.

Mr. SPENCE. Mr. Chairman, I yield 1½ minutes, the remainder of our time, to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Military Research and Development.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank the gentleman for yielding me the balance of his time.

Mr. Chairman, I thank the committee chairman and I thank the gentlewoman from California [Ms. HARMAN] for her leadership on this vital issue and program.

The Nautilus program is critical, critical to our overall missile defense program and critical to the security of Israel. I pledge to her what she has said today we will fully support.

The gentleman from South Carolina, Chairman SPENCE, and I assume the gentleman from California, Mr. DELLUMS, also support this vital initiative. But I have to again mention to all of our colleagues that this administration, which talked about the importance of the high energy laser program, the Nautilus, for the past 3 years has tried to zero out the entire program.

In fact, I have to correct, Mr. Chairman, a statement I made yesterday. I said the President requested $3 million this year for the high energy laser program. What he did was requested $3 million to terminate the program; to zero it out; to end it. Thank goodness this Congress has been there to make sure the funding is in place so that we can protect Israel.

Finally, this President is seeing the light and joining with this Congress and enlightened people like the gentlewoman from California [Ms. HARMAN] in making sure that Israel's security is guaranteed by programs like the high energy laser program and missile defense technology. I applaud her, I look forward to working with her, and thank goodness, Mr. Chairman, the President has seen the light as well.

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, I appreciate the gentleman's remarks, and I would note that I have been a long-term supporter of these initiatives and will continue to be. I am pleased that the administration at this point has proposed its collaboration with Israel.

Mr. DELLUMS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. SPENCE. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Military Procurement.

Mr. HUNTER. Mr. Chairman, I want to thank the chairman of the full committee for the great job he has done in moving this bill through the committee process and through the floor, and say to my colleagues, Democrat and Republican, that we have put together an excellent bill.

I just want to take a minute, because we have had such a fast run on the House floor that I think it is important to kind of bring this thing back into the context of the total bill, and talk a little bit about what we have done overall. I see the gentleman from Pennsylvania, CURT WELDON, the chairman of the Subcommittee on Military Research and Development, and the gentleman from South Carolina, Mr. SPENCE, the full committee chairman, who both had as one of their goals to enhance missile defense.

I think it is appropriate that we have just had this discussion between the gentlewoman from California [Ms. HARMAN] who has really been an advocate of missile defense and the cooperative program with Israel, because the administration has now agreed to undertake a program that, for all practical purposes, with the Nautilus missile defense system and the Arrow defense system that we have been building with Israel for some time, that will shoot down incoming missiles that are coming into Tel Aviv or other places. President Clinton has now agreed with the concept that we should defend the people of Israel against enemy missile attacks.

Now, that means a couple of things. First, he understands now that the possibility of those missile attacks exist. The gentleman from Pennsylvania [Mr. WELDON] and I wrote a letter some 5 or 6 years ago advising Israel and our then head of SDI that we expected to have missile attacks on Israel at some point in the future using Soviet made rockets, missiles, and that did occur. So President Clinton now agrees that missile attacks may occur in Israel and it is good to defend against them and defend the people, the population, of Israel.

Our next job is to drag this President kicking and screaming into the idea that it would also be good to defend the people of the United States against missile attacks. That is the impetus of the language that we have put forward in this bill.

We also have the 3-percent pay raise for our troops. We have ammunition, we have the heavy equipment that our troops need to deploy worldwide, and we have enhanced sealift and airlift in this bill. So we have done quality of life and we have done power projection, and I hope that everybody, Democrat and Republican, will vote for this bipartisan defense bill.

Mr. Chairman, I want to thank the gentleman from South Carolina for putting this all together, and the subcommittee chairmen, who really worked long and hard on this. I noticed the gentleman from Virginia [Mr. BATEMAN] and his counterpart in the O&M subcommittee, put in lots of money so that we will have plenty of capability in ship repair and ordnance

repair and equipment repair at our depots. That is an important aspect of being able to move the Marines in short order into a forward deployed area.

Mr. Chairman, we have added some $300 plus million, including $96 million for M–16 bullets that the Marines told us they were short in terms of fighting the two-war scenario.

This is an excellent bill, Mr. Chairman, and I hope everyone will vote for this bill.

Mr. SPENCE. Mr. Chairman, reclaiming my time, I yield to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Military Research and Development.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank the chairman for yielding to me, and I want to thank the gentleman from California [Mr. DELLUMS], for his leadership. I encourage our colleagues to vote for this important piece of legislation, I think an historic piece of legislation that deals with the quality of life issues so important to our men and women serving around the country; that ensures we protect their pay increases, their housing, their quality of life priorities.

This bill also deals, Mr. Chairman, with our priorities in terms of rebuilding our acquisition and getting on to those platforms that can replace those aging items that need to be replaced.

I applaud the chairman for his leadership in allowing us to expand out and to put in a new innovative approach with the Russians in the area of missile defense, something we have never done before and which is a formal part of this bill.

I applaud the chairman for allowing us to expand from an environmental standpoint to allow the Navy to take a leadership role in more fully understanding the oceans, to allow the CNO to coordinate efforts among the nine Federal agencies doing oceanographic work into one effort headed up by the CNO of the Navy, supported by all the major environmental groups and the 45 major oceanographic institutions nationwide.

The bill is a good bill. It is a bill every Member of this body can support, just as in our committee, and I would encourage my colleagues to look at the vote out of committee. Forty-nine to two, Mr. Chairman was the vote. Overwhelming bipartisan support from Republicans and Democrats who have made the statement that we have reached a fair compromise.

Some of us might have liked to have had more money here or more money there, but we have covered all the major requirements, from impact aid to quality of life, to modernization, to missile defense, and we have done it in a bipartisan manner. The best evidence that we can show in terms of our support of this bill is now to take this piece of legislation that passed out of our committee 49 to 2 and have an overwhelming vote to send it to the Senate so that we can reach a fair compromise and send a bill to the President that he can support.

We can clean up some of the areas that Members have concern with, but, overall, we have an outstanding bill, one that I am proud to support and one I hope my colleagues will join with us in voting ''yes'' on.

□ 1515

Mr. DELLUMS. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Texas, Mr. PETE GEREN.

Mr. PETE GEREN of Texas. Mr. Chairman, I rise in support of this bill, but I rise particularly to offer my support for the Taylor amendment. The Taylor amendment includes a provision that honors our colleague and friend, the Honorable SONNY MONTGOMERY. No finer gentleman has ever served in this House or lived a life more dedicated to the armed services of our Nation. This honor included in the Taylor amendment is richly deserved.

Mr. DELLUMS. Mr. Chairman, reclaiming my time, I recognize that we are attempting to fill in for a few moments while our leaders come back from other places. Let me take this opportunity to point out, Mr. Chairman and members of the committee, that there are five members of our committee for whom this is the last time they will come to the floor to debate a defense authorization bill: the Messrs. MONTGOMERY, BROWDER, PETERSON, GEREN, and Mrs. SCHROEDER of Colorado.

With respect to three of my colleagues, the gentleman from Alabama, Mr. BROWDER, is now seeking higher office in the other body; Mr. PETERSON is moving on to other things; and the gentleman from Texas, Mr. PETE GEREN, has decided to return to Texas into private life and pursue the balance of his life. For these three persons, I would like to say to them that it has been a pleasure to serve with them, to serve with them in my capacity as subcommittee chairman of various committees, full committee chairman last year, this year as the ranking Democrat. And I wish them well.

For two of my colleagues, I have been around here for a long time, Mr. Chairman. I am now in my 26th year. For the gentleman from Mississippi [Mr. MONTGOMERY] and the gentlewoman from Colorado [Mrs. SCHROEDER], I would like to lay out a couple of anecdotal bits. Mrs. SCHROEDER, as my colleagues well know, came to Congress 2 years after this gentleman. I was elected in 1970, sworn in in 1971. The gentlewoman from Colorado was sworn in in 1973. I remembered my first 2 years I served on the Foreign Affairs Committee. My second term, by a set of circumstances that is a whole other story, I managed to end up on the Armed Services Committee as the peacenik from Berkeley.

I recall that the person sitting next to me at the very bottom of the rung on the committee was the gentlewoman from Colorado [Mrs. SCHROEDER]. It was very interesting that there were two of us new Members to the committee, but the chair of the committee at that time decided that there would only be one additional chair in the hearing room. So the gentlewoman from Colorado and the gentleman from California had to sit in the same chair. So we sat cheek-to-cheek, hip-to-hip, and it took great dignity on the part of both of us to do this. We leaned into each other, recognizing what was being said to us by the humiliating effort to not allow the gentlewoman from Colorado and the gentleman from California to sit in two separate seats. But we turned to each other and we said let us do it with great dignity. Let us not give these people the luxury of thinking that they got to us. It was a difficult day, but when you are sitting cheek-to-cheek with someone, you learn a great deal about them.

Over the 20-something years that we have served together, we have learned a lot about each other. I personally will miss the services of the gentlewoman from Colorado. She has singularly fought major battles in this body to bring sanity to our military budget, to help move the world toward peace, to move us toward nuclear disarmament and toward arms control.

She has made an effort to stand on the floor of this body to challenge this Nation to a rational, coherent, and compassionate set of human priorities. I will miss the gentlewoman because sitting there with her year in and year out, fighting the same battles has given me heart, has given me courage to know that I was never standing alone, even sometimes when we were outnumbered in the Armed Services Committee.

With respect to my distinguished colleague from Mississippi, Mr. MONTGOMERY, he and I were guys who walked in, he was here before myself. We have very different politics. But it is the interesting thing about this institution that people looking from the outside rarely, even the media, rarely get a feel for that even where you can have differences of opinion, friendships develop and friendships emerge.

I knew that I had made it in this institution when I became friends with SONNY MONTGOMERY. I knew that my personal credibility was no longer being challenged in this institution.

My little story about SONNY MONTGOMERY is I remember several years ago when the Republican Party was controlling the other body, we had worked for several weeks to get through the Defense authorization bill. Every single item in the bill had been reconciled with the exception of one. The Montgomery GI bill. Every single issue, billions of dollars had been reconciled, late into the night, wee hours in the morning.

I am about to wrap it up. I am just filibustering so we can get other people back. Be lenient, I will finish this quickly, Mr. Chairman.

Everyone was leaning on the gentleman from Mississippi. SONNY, let it

go, let it go, we will hold some hearings next year. And I remember they were beating hard on the gentleman from Mississippi and, I thought, in a relatively unfair way. So this junior Member from California, with left-wing politics, stepped up and stood next to the gentleman from Mississippi [Mr. MONTGOMERY] and said: Stay strong, SONNY, you can win this thing. And to the shock and amazement of the colleagues in the conference, the gentleman from Mississippi, conservative Democrat, the gentleman from California, progressive Democrat, arm in arm walked out of the conference and, walking out of that conference, allowed thousands of young people to go to college who would never have had the opportunity.

In Mr. MONTGOMERY walking out of that conference, he set a tone that said, if you are going to reconcile this bill, you are going to bring the Montgomery GI bill to fruition. He walked back in and they conceded. And that is why you now have the Montgomery GI bill that serves well thousands of young American people who can matriculate in this country.

So with those remarks, Mr. Chairman, I would like to say farewell to five very important, very significant Members who played a vital role in this Congress. I have enjoyed serving with them.

Mr. GILMAN. Mr. Chairman, the purpose of this amendment is to authorize the transfer of naval vessels to certain foreign countries pursuant to the administration's request of January 29, 1996.

Legislation authorizing the proposed transfer of these ships is required by section 7307(b)(1) of title 10, United States Code, which provides in relevant part that ''a naval vessel in excess of 3,000 tons or less than 20 years of age may not be sold, leased, granted * * * or otherwise disposed of to another nation unless the disposition of that vessel is approved by law * * *'' Each naval vessel proposed for transfer under this legislation displaces in excess or 3,000 tons and/or is less than 20 years of age and therefore the Congress must act.

Therefore the first part of this amendment would insert a new section in title X of the bill to authorize the transfer of 10 naval vessels—(8 sales, 1 lease, 1 grant—to the following countries:

To the Government of Egypt, one *Oliver Hazard Perry* class frigate *Gallery* (FFG 26); sale: $47.2 million.

To the Government of Mexico, two *Knox* class frigates: *Stein* (FF 1065) and *Marvin Shields* (FF 1066); sale: $5.9 million.

To the Government of New Zealand, one *Stalwart* class ocean surveillance ship: *Tenacious* (T–AGOS 17); sale: $7.7 million.

To the Government of Portugal, one *Stalwart* class ocean surveillance ship: *Audacious* (T–AGOS 11); grant: $13.7 million.

To Taiwan (the Taipai Economic and Cultural Representative Office in the United States), three *Knox* class frigates: *Aylwin* (FF 1081) *Pharris* (FF 1094), and *Valdez* (FF 1096) Sale: $8.2 million; one *Newport* class tank landing ship: *Newport* (LST 1179) lease: No rent lease.

To the Government of Thailand, one *Knox* class frigate: *Ouellet* (FF 1077); sale: $2.7 million.

According to the Department of Defense, the Chief of Naval Operations certified that these naval vessels are not essential to the defense of the United States. The United States will incur no costs for the transfer of the naval vessels under this legislation. The foreign recipients will be responsible for all costs associated with the transfer of the vessels, including maintenance, repairs, training, and fleet turnover costs. Any expenses incurred in connection with the transfers will be charged to the foreign recipients.

Through the sale of these naval vessels, this legislation generates $71.7 million in revenue for the U.S. Treasury. In addition, through repair and reactivation work, service contracts, ammunition sales, and savings generated from avoidance of storage/deactivation costs, the Navy estimates this legislation generates an additional $525 million in revenue for the U.S. Treasury and private U.S. firms.

The second purpose this amendment is to amend authorities under the Foreign Assistance Act [FAA] of 1961, as amended, and the Arms Export Control Act [AECA] to revise and consolidate defense and security assistance authorities, in particular by updating policy and statutory authorities.

This amendment is identical to H.R. 3121, which the House passed on April 16, 1996, by voice vote, continues the effort by the Committee on International Relations to amend the FAA and AECA to make improvements to defense and security assistance provisions under those Acts. The provisions included in this amendment are the product of bipartisan effort and cooperation and enjoy the strong support of the Departments of State and Defense.

This amendment would insert a new title XV in the bill and is organized by subtitle as follows:

Subtitle A modifies applicable provisions on terms and criteria of financing assistance, including drawdown authorities and a rewrite of the excess defense article authority.

Subtitle B modifies terms of assistance for the International Military Education and Training [IMET] Program.

Subtitle C clarifies current law authorities under which antiterrorism assistance is provided.

Subtitle D modifies authorities under which assistance for international narcotics is provided.

Subtitle E deals with general provisions regarding military assistance including approval of third-country transfers, standardization of congressional review procedures for arms sales, definitions, arms sales certification thresholds, designation of major non-NATO allies, end-use monitoring, and other miscellaneous issues.

I appreciate the opportunity to explain my amendment and would urge my colleagues to support it.

Mrs. LOWEY. Mr. Chairman, I rise today in strong opposition to the provision in this amendment that authorizes international military education and training assistance for Indonesia.

In 1992, we voted to end all IMET assistance for Indonesia because of that country's abysmal human rights record and their continued oppression of the people of East Timor. Despite the lack of improvement in Indonesia's human rights record, and the opposition of myself and many of my colleagues, a modified IMET program was approved for Indonesia in the Foreign Operations Appropriations Act for fiscal year 1996.

When this provision was added to the foreign aid bill last year, we said we would monitor the human rights situation in Indonesia very carefully and act accordingly this year. Well, the State Department's Country Report on Indonesia was released in March, and according to the report, ''The Government continued to commit serious human rights abuses.''

That doesn't sound to me as though the situation has improved.

The State Department report also said that in Indonesia ''reports of extrajudicial killings, disappearances, and torture of those in custody by security forces increased.'' Not decreased. Not stayed the same. Increased. Should we really be authorizing IMET assistance for this government now when they have not addressed these critical human rights issues? I don't think so.

Indonesia's policy in East Timor is about the oppression of people who oppose Indonesia's right to torture, kill, and repress the people of East Timor. It is about the 200,000 Timorese who have been slaughtered since the Indonesian occupation in 1975—200,000 killed out of a population of 700,000. It is about genocide.

Mr. Chairman, this provision should be debated fully by this House, not slipped into an en bloc amendment.

Mr, EVANS. Mr. Chairman, I oppose passage of the fiscal year 1997 DOD Authorization Act because I believe it funds expensive and unneeded cold-war programs that will compete with fundamental defense spending priorities.

I am concerned that this bill, as did the fiscal year 1996 Authorization Act, puts us on a course to buy cold-war weapons systems such as the F–22, the new attack submarine and national missile defense—star wars. Funding these types of programs puts immediate spending priorities at risk. The number of big ticket and unnecessary procurement items authorized will make it difficult to fund basic defense needs in the outyears. The bow wave of increasing procurement costs that the bill establishes will make it much harder to ensure basic defense capabilities and needs.

While I agree with some of the priorities funded in this bill that help us meet new and changing threats, such as avionics upgrades and the V–22 program, I believe that the extra $7.5 billion authorized in this bill for procurement will threaten more important defense priorities. This increase will have direct consequences on specific readiness needs, such as: adequate funding to operate and maintain our forces, stable pay and benefits for our military service members, the ability to retain a steady and capable civilian work force, and the modernization of less glamorous hardware programs such as artillery systems.

Mr. CASTLE. Mr. Chairman, I must reluctantly vote against the fiscal year 1997 Department of Defense Authorization Act because I am troubled by a number of aspects of the bill. First and foremost, the overall spending level is too high. While I appreciate that the bill seeks to address a number of shortcomings in the President's defense budget, too much additional spending has been added to the bill.

Our Nation's legitimate defense needs must be met, but if we are to succeed in the critical and ongoing effort to balance the budget, the defense budget cannot be exempt from spending reductions.

This year's authorization level is $2 billion over last year's level, probably significantly higher than required to meet the essential military aspects of our national security. Furthermore, I disagree with the decision to prevent amendments to the bill that might allow for a rational debate on program funding levels and some reasonable reductions.

Most of the additional funds authorized in this year's plan were for procurement—about $8 billion. This is too generous an increase over the budget request. While I believe procurement and modernization funding does need to increase in certain longlead components of major programs, this year's increase seems to avoid making the necessary choices to establish our most important priorities. This unsolicited increase is not the most rationale way to procure additional weapons, does not go far enough to reflect those items most needed by the services, and may have an adverse impact on our ability to meet real requirements in the future.

I am particularly concerned by the committee's plan to pursue what may be a premature deployment of a national ballistic missile defense system. I am not convinced that a true ballistic missile threat to our Nation from rogue nations will materialize as quickly as some have asserted. Our Nation's current missile defense plan can provide for an affordable defense against limited missile threats before those threats will emerge. I am concerned over the committee's plan to deploy a space-based ''star wars'' defense, and costs that would add nearly a billion dollars over the President's request to accelerate the development of both national and theater missile defense systems. This course of action commits us to a very expensive and probably unaffordable path. This attempt to accelerate missile defense deployment without a consensus on the actual threat is not sound policy.

The bill does meet important needs for operations and maintenance programs, as well as improvements in our military housing and other facilities. It is difficult for me to oppose this bill because it funds some important military construction programs in my own State of Delaware. But these worthwhile provisions are overshadowed by other problems in the bill.

The authorization bill attempts to legislate divisive social policies which will not improve our military readiness. These policies include a ban on privately funded abortions for U.S. military personnel in overseas hospitals, and mandatory separation of HIV-positive personnel without evaluation of whether they can perform their duties.

In conclusion, I think the fiscal year 1997 Defense authorization bill provides worthwhile support for our military personnel. Nevertheless, the overall funding level in the bill goes beyond what is necessary at this time, and the provisions regarding social policies are unnecessarily divisive. For these reasons, I reluctantly oppose the bill.

Mr. UNDERWOOD. Mr. Chairman, I rise today to commend Chairman SPENCE and ranking member DELLUMS for their work on this legislation and to thank them and Subcommittee Chairmen DORNAN, HEFLEY, and WELDON for their attention to Guam's priorities.

The most significant provision in H.R. 3230 for Guam is the repeal of restrictions imposed on land transferred by the Federal Government to the Government of Guam over 15 years ago. The land covers 927 acres, located in the port area and adjacent to facilities closed by the Defense Base Closure and Realignment Commission [BRAC] last year.

The repeal of restrictions will enable the Government of Guam to develop a comprehensive redevelopment plan and to attract private investors to the port area. Reuse of the port land will stimulate long-term economic growth and private sector employment. Private sector job growth is especially important in light of the loss of jobs by workers at BRAC-closed facilities near the port last year.

I am pleased that H.R. 3230 includes report language on the upgrade of the Piti Power Plant on Guam. The report language notes the continued commitment of the Navy under the Guam power agreement to transfer the Piti Power Plant to the Government of Guam in good working order, and urges the Navy to accelerate funding for the upgrade of two generators already programmed for fiscal year 1999.

The upgrade of two generators at the Piti Power Plant will fulfill a long-standing Navy commitment and greatly improve on the ability of the Guam Power Authority to provide adequate power to the island. The acceleration of the programmed funds to next year is critical, and I want to thank Chairman HEFLEY for his attention to this matter.

H.R. 3230 also includes report language on the extension of theater missile defenses [TMD] to U.S. territories. The report states that ''the committee strongly supports fielding highly effective TMD systems that are capable of protecting U.S. territories from ballistic missile attack and directs the SecDef to review the TMD requirements for U.S. terrorists.'' It requires the Secretary of Defense [SecDef] to submit a report on the results of this review to the congressional defense committees not later than November 15, 1996.

As the majority pursues the development of a national ballistic missile defense system, I believe it should be an equal priority of the SecDef to develop a theater missile defense system which will protect U.S. territories from missile threats.

On Guam, the debate over missile attack is not academic. A few years ago, North Korea threatened Guam, which is closer to North Korea than Hawaii and Alaska, with a missile attack. This is a very real threat, and Guam deserves to receive equal consideration in the development of national missile defense systems. The report language included in H.R. 3230 will focus the Pentagon on the missile defense needs of the territories, especially the Pacific territories, which are outside the coverage of the national missile defense systems.

I am disappointed that no funds are authorized in the bill for construction of an armory for the Guam Army National Guard. As my colleagues know, the Guam Army National Guard is the only national guard unit without an armory. At the same time the Guam Army National Guard is being nationally recognized for its excellence in recruiting and retention. A readiness center to be used for training is essential to the continued excellence demonstrated by the Guam Army National Guard.

It is my hope that next year, the National Security Committee will not be forced into the same position again, and the Department of Army will request funds for armory construction in its annual budget request to Congress. Without informing Congress that armory construction is a priority to the Army, the Guam Army National Guard and other guard units will be left without the needed facilities. I urge the Secretary of the Army to recognize the service of the National Guard and to request funds to construct new armories in next year's budget request.

In spite of this reservation, I want to reiterate my appreciation for the attention of Chairman SPENCE and Ranking Member DELLUMS to issues of importance to Guam.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise to oppose this defense authorization bill. A nation's greatness ought to be measured only in terms of the greatness of its people; not by the greatness of its ability to dominate and intimidate with military might. Excessive funding in the defense authorization budget at the expense of critical social needs gives rise to a perilous sense of artificial security and leads to a dereliction of duty to all our citizens' needs.

Therefore, I oppose this bill because it reduces and/or eliminates funding for many critical Federal programs of importance to my constituents. We do not need a defense budget that authorizes $12.4 billion over what the administration has already requested. Why must we tailor our military force for threats that simply no longer exist. Wake up people. The cold war is over.

More than half of the increase over the President's request is for additional weapons procurement. How can we justify a $6 billion increase when funds are being reduced for safe and drug-free schools, for programs for kids with disabilities; for nearly 50,000 American children from the Head Start Program are eliminated, and so forth. We can't. The justification is not there. We can't because this bill, is simply not people-friendly.

Further, this bill is flawed by self-serving adventure-fantasies catering to but a few. It ignores with extreme insensitivity the sordid impact it has upon social concerns.

One of these social concerns affecting my constituents, is this bill's requirement of the immediate discharge of service personnel infected with HIV, the virus that causes AIDS. While I respect the fact that others have a strong opinion on the topic of homosexuals in the military, I do not share views that rescinding the ban on homosexuals in the Armed Services would cause dangerous problems.

I am also concerned that this bill has an overseas ban on abortions. Ideally, men and women would have all the information they need about birth control and sociably accepted methods to ensure it would be readily accessible. Unfortunately, this is not the reality for many Americans. Therefore, I continue to strongly believe that a woman, whether in or outside the military, in consultation with her doctor, family, and/or clergy has the right to choose.

Ms. WOOLSEY. Mr. Chairman, I rise in strong support of this Shays-Frank-Gephardt amendment.

Ladies and gentlemen, I think the defense hawks need some history lessons. Lesson No. 1: the Second World War ended 50 years ago. Lesson No. 2: the cold war ended 5 years ago.

Now, a pop quiz: who won! In case some of you cold warriors forgot—we did. We defeated fascism and we defeated communism.

But this defense bill completely ignores this reality.

Right now, many of our European and Asian allies enjoy higher standards of living than our constituents, the American people. Somehow, these nations can support education, health care, child care, and so forth. Because we keep paying their military bills.

I don't know about you, but I am sick of Uncle Sam acting like Uncle Sucker.

The time has come for our allies to share the burden of their own defense. The time has come for shared responsibility. The time has come for us to reap the benefits of our hard work, and invest in our children, our seniors, and our environment.

I urge a ''yes'' vote on this amendment.

Mr. VENTO. Mr. Chairman, I oppose this legislation. It represents not only a continuation of the misplaced priorities but a compounding of missteps in last year's defense bill, of a much more extreme level. Last year, the Republican majority added $7 billion to the Pentagon's request. This year they added almost double this amount, over $12 billion in unnecessary spending. Even within the Republican party there are those who believe this is going too far, both in terms of spending and policy.

While the bill itself is bad policy, the process by which it is being considered is worse. In the past, open debate and opportunities to modify defense legislation have guided this process. Now we are restricted by the Republican rule in the amendments we can consider and issues that can be voted upon. Important amendments were offered but were not permitted in this debate, including a Republican amendment to reorganize the spending priorities of this out of balance defense budget.

The bill itself adds over $12 billion to the request of the Pentagon. Most of this new spending in the $267 billion bill goes to unrequested weapons systems, which one analysis points out will require an additional $50 billion in outlays in the next 6 or 7 years. How can the Republican majority maintain their balanced budget rhetoric with increased spending such as this? Unfortunately, the Republican agenda to accomplish this is through deep cuts to programs assisting American working families, seniors, students, and children. The spending on the procurement accounts of this bill alone, at about $83 billion, is more than any nation in the world will spend on their entire global defense program.

The budget offered by the majority which we will be considering this week highlights the priority problems of this Congress and this DOD authorization bill. Defense spending under the Republican's proposed overall budget plan will increase over the next 6 years, while severe funding cuts are proposed to be made to community development, infrastructure, the environment, and yes even education, I guess smart weapons but not smart soldiers is this formula, the United States will enter the next century with more weapons systems, but with seniors at-risk due to Medicare cuts, and a work force not keeping pace with technological and skills changes. If responsible cuts are to be made in the Federal budget, there should be no special dispensation for defense spending, above all spending Congress must ask the tough questions of DOD spending in 1996.

Instead of reasonable defense spending though, this authorization bill adds billions of dollars to the Pentagon's wish list. A host of new planes and helicopters, as well as submarines and ships are added, above what is justified or necessary for our military role. The additions and modifications to missile defenses waste millions of taxpayer dollars, again shifting the focus toward the discredited star wars missile defense. In addition, this legislation unilaterally alters the Anti-Ballistic Missile treaty [ABM] by imposing a definition of theater and strategic defenses. These changes to the ABM treaty circumvent the Clinton administration and past administration negotiations and commitments with Russia over this important issue.

The majority also states that the additional billions of dollars are for items the service chiefs have requested. The service chiefs were literally asked what they might do with additional funding if they had it. In response they provided a list of new and continued programs. Certainly anyone could provide a list of items they would purchase if extra funds were available. But to say that the service chiefs requested these additions to this year's bill is outrageous, this was a wish list, as if the dollars and taxes didn't matter.

In terms of requested weapons systems, the Department of Defense's own inspectors have determined that recently the Navy overstated its needs by at least $10 billion. This includes redundancy of systems and overestimation of the numbers of weapons needed. Another Defense Department report in May 1995 also indicated the Navy was seeking $14 billion in submarine technology that it did not need. More recently, the GAO released a study questioning the need for billions of dollars spent on ground attack weapons. The report found existing systems can accomplish the tasks of many of the sought after new weapons on which billions will be spent.

The problems of budgetary and defense policy in this bill are equalled by the social policy it contains. Instead of being concerned with the future direction of military policy and the role of the United States in the post-cold-war world, this bill focuses on social issues such as the discharge of HIV-positive personnel.

The Congress has already taken action on the issue of discharging HIV-positive personnel. This policy, which is not sought by the military and was formulated and carried out under Republican administrations, removes perfectly capable personnel from the military. The training and investment in these soldiers would be lost to an ill-conceived policy.

Certainly a much better bill can be crafted, one that does not include huge increases in spending beyond what the Pentagon has requested and one with an opportunity to debate the important defense issues. I urge my colleagues to vote against this bill.

Ms. PELOSI. Mr. Chairman, I rise in opposition to the Department of Defense [DOD] a authorization bill for 1997.

I oppose the bill because the legislation authorizes $12.4 billion more in defense spending than requested by the Pentagon. Later, this week we will vote on a budget resolution which proposes to spend $19 billion less than the President's request for priority domestic programs. The priorities being proposed are not consistent with the realities of challenges facing the United States.

One of the worst provisions in this bill would lead to the immediate discharge of 1,049 services members infected with HIV, the virus that causes AIDS. The Department of Defense opposes this provision and does not believe that these service members present a deployment problem. Clearly, members with HIV should be treated as any other service member with chronic, possibly fatal, medical conditions and remain on active duty until such time as they cannot perform their duties.

This provision is discriminatory because it treats people with HIV differently from any other people with other chronic diseases are treated. Thankfully, a bipartisan coalition was successful in removing this provision from last year's bill and hopefully, this same coalition will prevail before this legislation is completed.

In addition, this bill would undo the current compromise and put in statute a complete ban on lesbians and gay men from serving in the military. Clearly, lesbians and gay men have served their country with distinction as members of the armed service from the very beginning of our country. This provision is unnecessary and is part of a disturbing pattern of promoting hostility toward lesbian and gay Americans.

Mr. Chairman, for budget reasons in general, and this provision in particular, I urge a ''no'' vote on this legislation.

The CHAIRMAN. The question is on the amendments en bloc, as modified, offered by the gentleman from South Carolina [Mr. SPENCE].

The amendments en bloc, as modified, were agreed to.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker pro tempore (Mr. YOUNG of Florida) having assumed the chair, Mr. BARRETT of Nebraska, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes, pursuant to House Resolution 430, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DELLUMS. I am in its present form, sir.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DELLUMS moves to recommit the bill H.R. 3230 to the Committee on National Security with instructions to report the same back to the House forthwith with the following amendment:

At the end of title X (page 359, after line 20), insert the following new section:

SEC. 1041. REALLOCATION OF NATIONAL MISSILE DEFENSE FUNDING INCREASE.

(a) INCREASE IN AMOUNT FOR IMPACT AID.—The amount provided in section 301(5) for operation and maintenance for defense-wide activities, and the amount specified in section 367(a)(1) as the portion of such amount that is available for impact aid assistance, are each hereby increased by $53,000,000.

(b) AUTHORIZATION FOR CORPS SAM SYSTEM.—Of the amount provided in section 201(4) for research, development, test, and evaluation for defense-wide activities that is available for programs managed by the Ballistic Missile Defense Organization, not less than $56,000,000 shall be made available for the Corps Surface-to-Air Missile (SAM) system.

(c) OFFSETTING REDUCTIONS FROM AMOUNTS FOR NATIONAL MISSILE DEFENSE.—The amount provided in section 201(4) for research, development, test, and evaluation for defense-wide activities, and the amount specified in section 231 as the portion of such amount that is available for programs managed by the Ballistic Missile Defense Organization, are each hereby reduced by $53,000,000. Of the amount specified in section 231, not more than $749,437,000 may be made available for the National Missile Defense program element.

Mr. DELLUMS (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

Mr. DELLUMS. Mr. Speaker, I yield to the distinguished gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Speaker, I rise in support of this motion to recommit because I believe it is designed to help the people we should care about most, and that is the families serving in our military and their children. Specifically, this motion to recommit puts $53 million more into the Impact Aid Program, which should be called the military children education program.

Mr. Speaker, last December at Fort Hood in my district, I met with 50 soldiers being deployed to Bosnia. The second soldier I met had missed the birth of his first child because he was in Desert Storm. He was about to miss the birth of his second child because of his service to his country in Bosnia. It was a very personal experience to me in realizing the tremendous sacrifices our military families make for our country.

If we cannot guarantee that soldier he should be paid as much as we would like him to be paid, if we cannot guarantee his family will not wait in line for hospital care, if we cannot guarantee 1996 housing, one thing we should all agree is that we ought to ensure that that soldier and others like him can know when he serves his country that his child will get a first-class education. This $53 million for impact aid will help do that.

Mr. Speaker, I appreciate the efforts of the gentleman from South Carolina, Chairman SPENCE, and the gentleman from Virginia, Mr. BATEMAN, to put $50 million in impact aid in this bill, and I support that effort. But this motion to recommit takes their good idea and takes it a step farther in making an unquestioned commitment to ensuring that the children of our military families receive a quality education. Our families deserve no less.

Mr. DELLUMS. Mr. Speaker, with the remaining amount of time, let me add some additional remarks with respect to the motion to recommit.

It would provide two opportunities to achieve what this gentleman believes to be a better balance of national security priorities. The motion would increase funding for two very important programs, would pay for these increases by reducing funding for star wars-type national missile defense programs contained in this bill.

Specifically, the bill removes $109 million from star wars funding increases. It would increase funding, as the gentleman from Texas pointed out, impact aid assistance by $53 million. It would also plus-up the Corps SAM missile program by $56 million, taking it from the national missile defense program.

The gentleman from Texas articulately discussed the matter of impact aid. I will not attempt to compete with those remarks.

On the second matter, let me note that much has been made, and appropriately so, of the urgency of being able to deploy a theater missile defense. Corps SAM is a system that we need to deploy with our troops. It will travel with our forces and provide protection to them from tactical threats in the theater, the No. 1 priority threat that we have at this particular moment.

Again, we should direct our scarce resources away from fanciful and extraordinary ideas, like star wars-type programs, and into programs of demonstrated requirements. A $56-million increase in Corps SAM is precisely an appropriate type of reordering missile defense priority.

So in summary, it does two things: $56 million for theater missile defense, which ought to be the appropriate priority in missile defense, not national. We take the money from the increases in national missile defense. Mr. Speaker, $53 million of those dollars go into impact aid. As the gentleman pointed out, this is educational assistance for the children of our service personnel who ought to have the same fine education that any of our other children outside the military have access to.

Mr. SPENCE. Mr. Speaker, I rise in opposition to the motion to recommit.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Speaker, this is a good bill. As has been said on many occasions today, we have amply provided, I think, for the national security needs of this country. We reported the bill out of the committee by a vote of 49 to 2, a very bipartisan, as you can see, vote.

□ 1530

This authorization amounts to $600 million less than that budget figure allocation in our budget for 1997. This translates into 1.5 percent less, adjusted for inflation, than current spending.

From the standpoint of what we did for the military, we had a 3-percent raise for our troops, a 50 percent increase over the President's budget for housing allowance; things that are needed very much: family housing, barracks, child care facilities for our people.

We enhanced our military readiness by increasing the underfunded request. We added ammunition to the Marine Corps. They did not have enough to fight two major contingencies. We continued to add to the underfunded modernization programs. The Chairmen of the Joint Chiefs have asked for $60 billion in modernization beginning now. This administration only asked for about 39. We have added to it.

In short, we have done those things that the administration did not do.

From the standpoint of impact aid referred to in this motion to recommit, none was requested by the administration. This committee added $58 billion to impact aid. There were no amendments in the committee to do otherwise.

On theater missile defense, we added to the request that was submitted by the administration. I might add parenthetically on the matter of theater missile defense, it is a very important priority of this committee. As a matter of fact, last year we added to theater missile defense over the request of the administration, and the administration proceeded to spread out that which was authorized and somebody had appropriated. This year again we have added a third of what the administration request was for theatre missile defense, and so we do not really need to have anything more added to it even for impact aid or missile defense.

Mr. Speaker, I yield to the gentleman from California [Mr. HUNTER], the chairman of our Subcommittee on Procurement.

Mr. HUNTER. Mr. Speaker, let me just reiterate the theme that the chairman just elaborated on is, I think, a very important one for all of the Members to understand, and that is that this should not be, this bill should not be, a competition between whether or not we are going to give a pay raise to

the troops or we are going to have the right equipment for them to use in a military conflict. It should not be a conflict. It should not be either-or.

What we have done in this bill is come up with an additional funding that allows us to have a 3 percent pay raise, it allows us to give the $300 million that the Marines need in ammunition to be able to fight the two war scenario, it enables us to get the 96 million M–16 bullets that they were short under the administration's budget, it enables us to have the theater defense and to start on the national defense just like the one that we are giving the State of Israel.

It enables us to do all those things that are important in terms of being able to project American military power and carry out foreign policy.

This is a complete package, and the gentleman has done a superlative job in bringing this thing together on the committee level and bringing it to the floor.

Let us pass this bill. Vote ''no'' on the motion to recommit.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Research and Development.

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Speaker, this is an amazing motion. We heard one of our colleagues from Texas get up and say we need money for impact aid. I have his letter from April 10 asking us to put $58 million in the bill. That is what is in the bill.

What are we talking about?

Mr. Speaker, I have heard from the colleagues on the other side saying we are spending too much money on missile defense, we have too many programs, and we need more burden sharing. What do they want to do with the motion to recommit? They want to reestablish another missile defense program that we have eliminated, and they want to do it for Europe, not for the United States, even though France has opted out of the program.

Mr. Speaker, this is amazing, it is absolutely amazing. We have heard that we want to cut programs, we have done that. We heard we want to not fund our European allies, and we have done that. So here we are being asked to support a motion to recommit to reestablish another missile defense program to protect not the United States, but the Europeans, even though one of the four partners, France, decided to opt out.

It is amazing, and I urge our colleagues do the right thing. Vote ''no'' on the motion to recommit and support the bill.

The SPEAKER pro tempore (Mr. YOUNG of Florida). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DELLUMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage of the bill.

The vote was taken by electronic device, and there were—yeas 185, nays 240, not voting 8, as follows:

[Roll No. 173]

YEAS—185

Abercrombie
Ackerman
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bishop
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Christensen
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Montgomery
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt (NC)
Watts (OK)
Waxman
Williams
Wise
Woolsey
Wynn
Yates

NAYS—240

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Mollohan
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Fields (TX)
Flake
Holden
Molinari
Paxon
Smith (NJ)
Talent
Ward

☐ 1555

The Clerk announced the following pair:

On the vote:

Mr. Ward for, with Mr. Paxon against.

Messrs. FAWELL, INGLIS of South Carolina, and TAUZIN changed their vote from ''yea'' to ''nay.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. YOUNG of Florida). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 272, noes 153, not voting 8, as follows:

[Roll No. 174]

AYES—272

Abercrombie
Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bono
Brewster
Browder
Brown (FL)
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
Deal
DeLauro
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doolittle
Dornan
Dreier
Dunn
Edwards
Ehrlich
Emerson
Ensign
Everett
Ewing
Fawell
Fazio
Fields (LA)
Flanagan
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hobson
Hoke
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Knollenberg
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McKeon
McNulty
Metcalf
Meyers
Mica
Miller (FL)
Mink
Mollohan
Montgomery
Moorhead
Moran
Murtha
Myers
Myrick
Nethercutt
Norwood
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Payne (VA)
Peterson (FL)
Pickett
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Regula
Richardson
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stump
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Torkildsen
Torres
Traficant
Visclosky
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff

NOES—153

Ackerman
Andrews
Barrett (WI)
Becerra
Beilenson
Berman
Blute
Bonior
Borski
Boucher
Brown (CA)
Brown (OH)
Bryant (TX)
Bunn
Camp
Campbell
Cardin
Castle
Chabot
Clay
Collins (IL)
Collins (MI)
Conyers
Costello
Coyne
Cummings
Danner
DeFazio
Dellums
Deutsch
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Foglietta
Foley
Ford
Frank (MA)
Franks (NJ)
Furse
Ganske
Gunderson
Gutierrez
Hancock
Hastings (FL)
Hilliard
Hinchey
Hoekstra
Horn
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (SD)
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kleczka
Klink
Klug
Kolbe
LaFalce
LaHood
Lantos
Leach
Levin
Lewis (GA)
Lincoln
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Manton
Markey
Martini
Mascara
Matsui
McCarthy
McDermott
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Moakley
Morella
Nadler
Neal
Neumann
Ney
Oberstar
Obey
Olver
Owens
Pallone
Payne (NJ)
Pelosi
Peterson (MN)
Petri
Poshard
Rahall
Ramstad
Rangel
Reed
Riggs
Rivers
Roemer
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Sensenbrenner
Serrano
Shays
Skaggs
Slaughter
Stark
Stokes
Studds
Stupak
Thornton
Torricelli
Towns
Upton
Velázquez
Vento
Volkmer
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Yates
Zimmer

NOT VOTING—8

Fields (TX)
Flake
Holden
Maloney
Molinari
Paxon
Talent
Ward

□ 1606

Ms. BROWN of Florida, Mr. FAZIO of California, and Mrs. THURMAN changed their vote from ''no'' to ''aye.''

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: ''A bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.''

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. YOUNG of Florida). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 3230, the Clerk be authorized to correct section numbers, punctuation, cross references, and to make such other technical, clerical, and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

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

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

REPORT ON RESOLUTION PROVIDING FOR FURTHER CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 178, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 104–577) on the resolution (H. Res. 435) providing for further consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, which was referred to the House Calendar and ordered to be printed.

REPORT OF NATIONAL SCIENCE BOARD ENTITLED ''SCIENCE AND ENGINEERING INDICATORS—1996''—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without

objection, referred to the Committee on Science.

To the Congress of the United States:

As required by 42 U.S.C. 1863(j)(1), I am pleased to submit to the Congress a report of the National Science Board entitled *Science and Engineering Indicators—1996.* This report represents the twelfth in a series examining key aspects of the status of American science and engineering in a global environment.

The science and technology enterprise is a source of discovery and inspiration and is key to the future of our Nation. The United States must sustain world leadership in science, mathematics, and engineering if we are to meet the challenges of today and tomorrow.

I commend *Science and Engineering Indicators—1996* to the attention of the Congress and those in the scientific and technology communities.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 15, 1996.*

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1997

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, May 14, 1996 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 178.

□ 1609

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the U.S. Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, with Mr. CAMP in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, May 14, 1996, the concurrent resolution is considered read the first time.

The gentleman from Ohio [Mr. KASICH] and the gentleman from Minnesota [Mr. SABO] each will control 90 minutes.

The Chair recognizes the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, for purposes of debate, I yield 11 minutes to my friend and the very distinguished gentleman from New Jersey [Mr. FRANKS].

Mr. SABO. Before my friend from New Jersey starts and lest I forget, I request unanimous consent that the last 30 minutes of debate on the minority side, which is allocated to the Joint Economic Committee, be controlled by the gentleman from Washington [Mr. MCDERMOTT], and that he have the authority to yield time to other Members.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRANKS of New Jersey. I thank the gentleman for yielding me time.

Mr. Chairman, the measure before us is not simply about thousands of individual numbers. It is not about economic assumptions. It is not about green eyeshades and sharp leaded pencils. Budgets are about people. Budgets are about ideas.

Mr. Chairman, the budget of the Federal Government speaks to who we are as a country. It looks at our hopes and our aspirations, our dreams. It looks at our challenges and our problems. It looks at our opportunities.

But no budget, Mr. Chairman, exists in a vacuum. A budget is developed against the backdrop of the environment that we find today. As family across this country are looking at their own economic circumstances, they are saying very clearly that America can and must do better. While the economy may be showing signs of improvement for some, many families are still struggling. Tens of thousands of workers continue to lose their jobs, many the victims of corporate downsizing.

In fact, between June of 1994 and June of 1995, fully half the major corporations in the United States eliminated jobs, less than a third of the workers who lost their full-time jobs found new jobs that paid as much money. On average, workers who lost their jobs had to settle for jobs that paid 8.2 percent less. And for dislocated workers between the ages of 45 and 55, their incomes declined by fully 14 percent. We have watched high-paying manufacturing jobs continue to disappear at an alarming rate. Between March of 1995 and March of this year, 326,000 manufacturing jobs were lost.

In the past 2 years, there has been a 10.2 percent increase in the number of Americans who hold two or more jobs. Today more people are working two jobs than at any time in our Nation's history.

□ 1615

Yet, despite working longer and harder than ever before, too many families feel as if they are not moving ahead. They are working harder merely to stay in place, and it is no wonder. The American family has seen no increase in their wages over the past 3½ years. Meanwhile, taxes are taking a bigger and bigger bite out of the family's annual income.

It is interesting to note that back in 1950, Federal taxes consumed just 5 percent of the average family's income. Today, 26 percent of a family's income goes just to pay for Federal taxes. Most families across the country, Mr. Chairman, remember that back in 1993, just 3 years ago, President Clinton raised their taxes, bringing the tax burden to its highest level in history. The Clinton tax package increased taxes on gasoline, increased taxes on individual incomes, increased taxes on married couples, increased taxes on Social Security benefits, increased taxes on inheritances. As a result, every family, every year, is seeing their tax bill escalate. Last year, the average family with a single wageearner took home $803 less in their paycheck than they did in 1992.

What does all this mean to our children as we look to the future? If we stay on the current path and we do not stop our deficit spending, a child born today will face a very bleak future. Seventeen years from today, when that child is prepared to graduate from high school, every tax dollar sent to Washington, DC, will be consumed by just five programs: Social Security, Medicare, Medicaid, Federal employee retirement benefits, and the interest obligation on the national debt. That means that when that child gets ready to graduate and go to college, there will be no money available in the Federal budget to help with his college education, no money to keep his neighborhood safe from crime, no more Federal aid to build new roads or mass transit systems, and no money available to protect and defend our country. Over his working lifetime, that child will be paying off a huge debt, a debt he inherited from all of us. That child's lifetime obligation as his share of the interest payment on the national debt will be $18,000.

The fact is that America needs a budget that saves our children's future. Our children deserve a better and brighter future than this scenario. They deserve one filled with hope and opportunity and a chance to live out the American dream. Since the start of the Great Society programs in 1965, we have spent $5 trillion on a vast assortment of social spending programs. That is more than we spent to win World War II.

What has that enormous investment produced? The number of children living in households dependent on welfare has tripled, from 3.3 million to 9.6 million. There has been an explosion in the number of mothers, many of them children themselves, who are having children out of wedlock, a 326 percent increase over the last 30 years.

We need to make sure that Washington is there to lend a temporary hand in time of need, helping the people to get back on their feet again so they can lead independent, self-sufficient lives.

As we look ahead to the vast changes that await us in the twenty-first century, just around the corner, we must empower individuals to take advantage of new opportunities, and to do that, America needs a budget that empowers people to be self-reliant.

To accomplish that objective, we need a budget that reduces the power and influence of Washington over our everyday lives. In just 30 years, Government spending has exploded. The cost of running the Federal Government has moved from $134 billion a

year to $1.5 trillion a year, and along with all this spending, we have created a wasteful and bloated bureaucracy. Every year that bureaucracy churns out thousands of pages of new rules and regulations that affect all aspects of our lives, from the food we eat to the car we drive to the houses we live in. And it is not just businesses that pay the price for all this Government red-tape. Families pay, and pay quite dearly.

Government regulations cost the average family $6,800 every year. Just think about how time-consuming and confusing it is to fill out your own income tax form. That is because the IRS has 480 different tax forms, and another 280 forms to tell you how to fill them out. It is no wonder it takes the average taxpayer over 12 years just to figure out their own taxes.

America needs a budget that lowers taxes and spends less of our hard-earned money. There is something fundamentally wrong when the average American family pays more on taxes, taxes to the Federal, the State and local governments, than they spend on food, clothing and shelter combined. The average worker spends 2 hours and 47 minutes out of his 8-hour workday just to pay his tax burden. Twenty years ago, that same worker was spending half that amount of time to meet his tax burden.

Mr. Chairman, our budget plan will help America to do better. It will end 30 years of reckless deficit spending. It will shift power, money, and influence out of Washington, DC, and give it back to the American people. It trusts our neighbors and our communities to develop thoughtful and compassionate solutions to today's problems.

This budget attacks waste and inefficiency, and by lowering taxes and reshaping our Federal Government, it will help American families to move ahead so they can earn more, keep more, and do more.

Mr. SABO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, here we are again, a repeat of 1995. I represent a party that in 1993 produced real deficit reduction. We did not simply talk about it. We produced it, and the deficit has fallen in half.

We come today to face the question of how we continue to put our Federal fiscal house in order, but how to do it in a fashion that is fair and workable.

One of the most important programs that America passed some 30 years ago was Medicare, to assure that elderly Americans had adequate health care. I congratulate my Republican friends on finally making one change in your proposal. You have accepted the President's position that the base premium for part B Medicare should not exceed 25 percent of total cost, and I congratulate you on that change.

Unfortunately, as I look at the details of your program, however, I discover that while you appear to have been easing your Medicare cuts over the 6-year period before 2002, that in reality, at the end of that time, the provider cuts in the final year, 2002, will actually have to be deeper and make Medicare more vulnerable than was your program as it passed the Congress and was vetoed by the President. That is hardly progress, my friends.

We find throughout this budget a variety of sugar coating to make it look a little bit better than the radical agenda of 1995. But when we look at its long-term impact, we find that in many cases, it is as bad or worse than what the President fortunately had to veto. And Medicare is one of those cases. The cuts, let me say again, to that program in 2002 under your program of today, they are going to have to be deeper than the cuts that you were proposing just a few months ago that the President, fortunately, vetoed.

We will have some more to say on that subject, much more, as we discover that your budget of 1996 is just simply a repeat of the unfortunate program of 1995.

Mr. Chairman, I yield 4 minutes to my good friend, the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Chairman, I want to thank my colleague from Minnesota for yielding me this time.

Mr. Chairman, I rise in opposition to the Republican budget resolution and in strong support of the Democratic substitute offered by the conservative Democratic coalition. The people back home who are listening to this debate will hear echoed many of the same themes we debated in last year's budget debate. But while the Republican budget resolution has come closer to the coalition substitute in terms of numbers, it still represents a political philosophy that does not reflect the views of the American people, and one that will hurt our economy and our citizens. Because the Republicans insist on borrowing $122 billion to pay for a tax cut, their resolution achieves $142 billion less in deficit reduction than does the coalition budget.

As it did last year, the coalition substitute still represents an honest path to a balanced budget, that protects both the middle class and our most vulnerable, and nowhere is this more true than in the Medicare Program.

Last year the Republicans proposed over $28 billion in Medicare spending reductions. This year, they are down to $16 billion. Last year the President proposed $98 billion in spending reductions, and this year he proposes $124 billion. So both sides have made substantial and significant progress forward toward a centrist compromise toward the coalition's budget. But yet while the numbers are moving closer, serious and substantive differences remain. Republicans have backed away from their radical cuts, but they have not backed away entirely from their radical policies.

The Republican plan turns Medicare managed care into a voucher program and forces seniors to pay the difference. The coalition plan prohibits from charging extra and protects seniors from unscrupulous and unfair billing.

The Republican plan spends $4.6 billion, over $7,000 a person, on medical savings accounts, at a time when the trust fund's solvency is in jeopardy. The coalition plan handles MSA's in a prudent and thoughtful way by having a test program, a demonstration project.

The Republicans spend $4.6 billion on medical savings accounts, but not one penny on preventive benefits. The coalition Medicare package spends $2 billion on benefits for prostate and colon cancer screening, mammographies and pap smears, and diabetes self-testing equipment, a preventive benefit that will save over $100 million a year for the Medicare Program when it is fully implemented.

The Republican budget cuts $123 billion from hospitals, home health agencies, and skilled nursing facilities. Under this new baseline, these cuts are even larger than those proposed by the Republicans last year, and they will devastate health care in rural areas such as mine.

The Republican Medicare plan represents the majority's misplaced priorities. It benefits some of those who manage the care, but it harms many of those who receive the care. In doing so, it cuts $22 billion more from Medicare than does the coalition's bill.

□ 1630

The coalition's Medicare policy represents sensible middle ground, without gimmicks, without surprises, or without reversals in policy.

I urge my colleagues to support our Medicare reform package and to support the coalition's budget resolution and to vote against this Republican budget resolution.

Mr. FRANKS of New Jersey. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Arizona [Mr. HAYWORTH].

(Mr. HAYWORTH asked and was given permission to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Chairman, I thank my good friend from new Jersey for yielding the time. I listened with interest to the comments of the ranking member of the Committee on the Budget and to the comments of my good friend from Virginia. It is not my intent to indulge in venom or vitriol this afternoon, but, instead, I think it is a time for truth.

The gentleman from Minnesota seems to be saying, ''Well, you have almost learned your lesson, new majority.'' Therein lies the most clear difference between the two overwhelming philosophies, for those who champion the Washington bureaucracy and the Washington approach as knowing all and knowing best put their faith in that bureaucracy instead of putting their faith in the people of America.

Those of us in the new majority put our faith in the American people, not the Washington bureaucracy.

And this, Mr. Chairman, is what is truly radical, this fact, this piece of truth: That the average person pays more in taxes and the average family pays more in taxes today than it pays in food, clothing and shelter combined. That is a fact.

It is time for truth, and the truth is the largest tax increase in American history, and this is a fact that my friend from Virginia, who champions deficit reduction, gets away from. The fact is the Clinton budget and the Clinton tax increase costs every household in America $2,600 in additional taxes. We can do better.

My friend from New Jersey brought this check up. We do not need the fictional Baby Jane Doe. I can put a real name there, John Mica Hayworth, who is now 2 years of age. If we fail to resolve these problems, if we fail to live within our means, John Mica Hayworth will pay in interest on the debt over $185,000 in his lifetime. That is unconscionable.

This budget dispute is not about numbers, it is about flesh and blood and the future, and despite the rhetoric and the playground taunts, the fact is we can do better for today's seniors, for the youngsters of today, for generations yet unborn.

Say no to the Clinton crunch, yes to our new budget and yes to a new plan for the future.

Mr. SABO. Mr. Chairman, I yield myself 1 minute to simply say that was about the most inaccurate description of what has happened I have seen.

The fact is the bulk of the new revenues last year applied to changes in the income Tax Code for people with taxable incomes of over $140,000, which means they have close to a gross income of $200,000. The surcharge applies to incomes over $250,000, probably gross taxable income over $250,000, gross income of $300,000 or more.

I have to indicate also to the gentleman that the numbers he is using on this chart of average taxes assumes or averages in the Ross Perots with the rest of everyone. That is clearly inaccurate. It assumes that the cost of shelter is only 15 percent, and all of a sudden here a while ago, in the housing bill, the gentleman was trying to increase rents to over 30 percent of income for people in low-income housing. Grossly inaccurate.

Mr. Chairman, I yield 3 minutes to my friend, the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I want to thank my friend, the gentleman from Minnesota, Mr. SABO, for yielding me this time, and really congratulate Mr. SABO for working with Members on both sides of the aisle, Democrats and Republicans, people of different persuasions, to try to get us together on a budget that will balance the Federal budget by the year 2002.

I thought we were making progress and I thought Mr. SABO had done a great job in bringing us closer together as we ended 1995. Unfortunately, as I look at the Republican budget that is being brought up under this resolution, it seems like we are no further together than we were a year ago. That is very unfortunate. A missed opportunity. The budget should speak to the framework on which we want to see the priorities of this Nation, on raising revenues and on spending priorities.

Let me just talk, if I might, in the few minutes I have, on Medicare, one part of that budget. The Medicare proposal in the Republican budget will cost my seniors more, they are going to receive less care, and it seriously jeopardizes the quality of our Medicare system.

Last year the Republicans suggested cutting $270 billion from the Medicare system in order to finance $245 billion of tax breaks. Well, we are not dealing with a 6-year budget rather than a 7-year budget, so this year the cut in Medicare is $168 billion, the tax breaks of $122 billion going basically to wealthier people.

That is not what our seniors want. That is wrong. Instead, we should be looking at ways of preserving the Medicare system, which the Republicans talk about, but by their own admission they do nothing on the long-term solvency of the Medicare system and a large part of their savings do not go into the Medicare Part A Program.

We talk about giving our seniors more choice, and they do if a person happens to be wealthy or healthy, under the Republican program. But the vast majority of my seniors do not fall into that category. They will not be able to choose a health care plan that will cover their needs.

The Republican proposal removes the protections in Medicare about the plans charging more or the doctors charging more. Sure, if an individual is wealthy they can afford that extra money, but if they are of modest income, as most seniors are, they cannot and they will be forced into a plan where they do not have choice.

We talk about people going into a private plan and returning the Medicare but we offer no protection on their Medigap plans. Most seniors rely on Medigap, and yet the Republicans have removed that from their proposal.

We do have a choice. We do have a choice in order to preserve the Medicare system. We can vote for the President's budget, we can vote for the Congressional Black Caucus' budget. I favor the coalition budget because it is a responsible way to bring down the cost of Medicare without robbing our seniors to pay for tax breaks for wealthy people. It also preserves the quality of our Medicare system.

I urge my colleagues to reject the Republican proposal and support the coalition budget.

Mr. KASICH. Mr. Chairman, I yield 2 minutes and 15 seconds to the gentleman from Arizona [Mr. HAYWORTH] and ask the gentleman if he will yield to me.

Mr. HAYWORTH. Mr. Chairman, I gladly yield to my friend, the gentleman from Ohio [Mr. KASICH], the chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, for those folks that are watching this debate, what the last speaker said is just so far from being accurate it almost ought to be on the Tonight Show in the opening dialog.

I think we ought to stop scaring our senior citizens, our most vulnerable people. We have massive increases in Medicare spending, the program will be enhanced, preserved and improved, and I just really wish that these scare tactics would come to an end.

The President blamed it on the press. He said, ''The press made me do it,'' and I think he may be getting around to the point where he is going to stop, and maybe the rest of the people scaring the seniors ought to stop as well.

Mr. HAYWORTH. Mr. Chairman, I thank my friend and colleague from Ohio. It would be laughable if it were not so tragic.

My colleague from Maryland speaks of a missed opportunity. It is a missed opportunity when we fail to allow the American people to hang on to more of their hard-earned money and send less of it here to Washington, DC. That is tragic.

It is a missed opportunity when a Medicare trust fund under this administration is already $4 billion in arrears, instead of moving to solve the problem by allowing seniors the chance and the opportunity they have at every other phase of life to make their own choices, somehow try to lock them into a government bureaucracy.

Again, Mr. Chairman, it comes down to this question: Who should we trust? Should we place more trust in the hands of the Washington bureaucrats, who in the wake of that largest tax increase in American history have only delivered 49 percent of the revenues this tax increase was supposed to bring in, in our breakneck pace of spending; or do we trust the American people to make the right choices for their families and their futures?

We can play scare games all day, but in the final analysis, Mr. Chairman, we must stand at the bar of history with the American people as our judge; and, as for me and the new majority, we stand firmly in the column of the American people. We reject the outmoded notions that Washington knows best. Join us, save this country.

Mr. SABO. Mr. Chairman, I yield 3 minutes to my good friend the gentleman from Washington [Mr. MCDERMOTT].

(Mr. MCDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Chairman, I listen to this and I think that anybody who is watching it or listening to it in their office would ask themselves, who should I believe?

Now, the last Speaker got up here and said that we ought to stop scaring

the seniors. I agree with that. It was the Republican proposal that scared the seniors in the first instance. And for those individuals who know who Yogi Berra is, Yogi Berra once said, when asked about a particular event, it is kind of deja vu all over again. What we are seeing today is the same plan they rolled out here last year. They did not change anything.

Oh, they have tinkered with it a little bit. They said they are not going to fool with the senior citizens premiums. They are not going to raise it up to 31 percent; they are going to hold it at 25 percent.

Now, of course that is the House. Now, we all know it will pass out of the House and go over to the Senate. Is there any agreement with the Senate on that; does anybody know? No, there is no agreement. This is a House proposal, and we will get the same wrangle and, just watch, we will get the same jerking around.

Now, instead of the part B premiums, the House GOP is going to cut hospitals because they do not want to cut doctors. The part B, as my colleagues know, pays for the doctor bills, and they do not want to cut doctors because they made a deal with them. They said, ''If you will support our plan, we will give you a couple of things, and one of them is balance billing.''

Now, remember the history of balance billing. Back in 1985 we said that doctors had to accept what Medicare paid when it paid a senior citizen's bill. The doctor could not balance bill. For almost 11 years they have not been able to balance bill. But the Republicans said to the doctors, ''Look, if you will support our plans to cut the daylights out of Medicare, we will let you balance bill.'' So whatever Medicare pays, senior citizens can expect that the doctors will pile on an additional balance bill on top of that.

Now, in addition to that, we have to remember that the Speaker said, public statement, that he expects the traditional Medicare plan to wither on the vine. Now, how do they expect to cause this withering on the vine? The traditional plan that most people are in, they simply are not going to give the kind of increases that will make it possible for doctors to stay in that, so doctors will say, we do not want any seniors, and the only place a senior will be able to get their health care is to go into a managed care plan.

Now, by doing that, that means they will have moved all senior citizens into managed care and they simply are going to squeeze people down. It is very clear the plan the laid out. It is going to cost seniors $1,000 more a year by the year 2002.

Mr. Chairman, this is the kind of scaring that has gone on. It ought to stop. This same plan is being rolled out here again, and this should be enough in itself to defeat this budget resolution.

Mr. KASICH. Mr. Chairman, I yield 3 minutes and 15 seconds to the gentlewoman from Washington [Ms. DUNN], and ask if the gentlewoman will yield to me.

Ms. DUNN of Washington. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, let me just say, you can fool some of the seniors some of the time but not all of the seniors all of the time.

This trust fund is on the road toward bankruptcy. Our program is designed to significantly increase the amount of dollars in Medicare and to guarantee that this fund will be solvent well into the next century so our senior citizens can have a very viable program.

□ 1645

Ms. DUNN of Washington. Mr. Chairman, I want to switch the discussion to welfare, because welfare reform is included in this balanced budget resolution.

During the past 30 years, the Federal Government has spent more than $5 trillion on welfare programs intended to alleviate poverty, but the problem is getting worse, not better. The system is getting more and more cruel. Today one American child in seven is raised on welfare. That is what this budget debate is all about: the children and their families. The current welfare system encourages a life of dependency and weak families, and that has a devastatingly negative effect on a child's development.

Every one of us feels sick when we read in the paper, we see on television the real life stories of how the current welfare system has failed. Think of this: 19 children found together in a cold, dark Chicago apartment. Police found them sharing a bone with the family dog for food. Or the Boston family that has 14 out of its 17 adult children now living on welfare, right now, and receiving close to $1 million a year from taxpayers.

Our solutions are focused on promoting families and work, moving families into the work force and off welfare is the only way to break this cycle of dependency. Most Americans on welfare want to work, but, sadly, our Government offers them a better short-run deal to stay dependent.

To make our approach work, the amount of time someone stays on welfare must be limited. Our bill does that. The President says he supports a 5-year time limit on cash welfare benefits, but he includes so many exemptions that the current welfare system would no be significantly changed. Furthermore, under the President's plan, recipients are guaranteed noncash benefits forever.

We understand that families, especially mothers, need a helping hand in moving from welfare to work. That is why we provide over $6 billion in additional child care assistance over what is currently contained in the current welfare system. This gives parents the peace of mind to go off welfare into the work force.

We also understand that children are hurt when our system fails so pitifully in enforcing court-ordered child support. Right now today, $34 billion are owed in court-ordered child support not being paid to custodial parents from these children's own parents. Our program finds a way to locate those dollars, especially those deadbeat parents who move out of the State to avoid supporting their flesh and blood children.

Mr. Chairman, what is at stake is real welfare reform. Imagine what our country will look like in 5 years if we do not pass it. The system continues to hold millions of poor families in its grip. The problem is not the people who are involved. The problem is the failed process. The President recently asked for a welfare bill with personal responsibility, work and family. We give it to him. Sign this balanced budget proposal, Mr. President.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the hard-working gentleman from New Jersey [Mr. PALLONE], a real knowledgeable Member on health care.

Mr. PALLONE. Mr. Chairman, I just want to say the seniors in this country are scared and they have reason to be because of these Republican proposals on Medicare. There is no question in my mind what is going on here again is the same thing that we saw last year. That is that senior citizens are being made to pay for the cuts that are being proposed in this budget and that Medicare is taking a bigger hit, almost as big a hit as it did last year, and all to pay for tax breaks essentially for wealthy Americans.

Now why should a senior citizen be scared? They should be scared because when the Medicare program was established in 1963, they were basically told that they were going to have at least three things: One, they were told they were going to have an unlimited choice of doctors and hospitals. Medicare would reimburse for that. Second, they were told that they would have protection against having to pay a lot of money out of their pocket. Right now it is limited to 15 percent. And then they were told they would have guaranteed coverage of all Medicare benefits for the premium that was established by law.

All these things are at risk in this Republican budget today. First of all, because of the reimbursement rate, the fact of the matter is that seniors will be pushed into HMO's or managed care. They will not have their choice of doctors and hospitals.

Secondly, the protections against balanced billing are eliminated. The doctors, if you stay in the traditional Medicare program, can charge anything beyond the 15 percent that is provided under current law. So more money out of pocket means you do not have the health care if you cannot afford it.

Lastly, with the MSA's, with the medical savings accounts, basically seniors are going to be encouraged to go into this two-tiered system where

they have only catastrophic coverage, and they have to pay out of pocket for anything short of a catastrophic health care. So why should not senior citizens be scared?

All the basic tenets, if you will, of the Medicare program are at risk under the Republican budget. They do not know for sure if they can have their doctor anymore. They could very easily have to pay a lot more out of their pocket for going to a doctor or other Medicare or other health care expenses, and they do not even know if they choose an MSA that they will be able to have a lot of the services that Medicare now provides.

I would be scared. They should be scared because of what the Republicans are doing here today.

Mr. KASICH. Mr. Chairman, I yield myself 20 seconds.

Of course the gentleman obviously has not read our program because our program would give senior citizens more choice. In fact, most senior citizens would love to be in the Arizona plan which offers them prescription drugs, eyeglass coverage with no charge, no part B premium and no deductibles. We want to give senior citizens more choice. In that system they would not have more copayments and in fact get to choose whatever kind of system they want.

Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. SANFORD].

Mr. SANFORD. Mr. Chairman, it is interesting that if one looks at the polls today, for the first time in American history when folks were asked: do you think your children will do better off or worse off than you did, they are answering ''worse off.'' That is the absolute opposite of the American dream, because the American dream is built on the idea that I did this well, my father did a little bit poorer than that, and my children are going to be doing better than that.

One cannot build a civilization, one cannot build a country around the idea that my children are going to do worse off then I did. So I think at the core of this debate and the core of this budget, what we are really talking about is the American dream.

Mr. Chairman, I would say second what those polls show is that Americans at the gut level understand what history has well documented over the course of time. Rome fell in 476 after controlling essentially the entire known world. The Byzantine empire, the Italian renaissance came to an end, the Spanish empire came to an end, the Dutch empire came to an end, the Ottomon empire came to an end. A host of civilizations came to an end because everyone of them reached a crossroads wherein they had to decide: Do we go back to what made us competitive and a world power in the first place, or we stay on this cozy but ultimately unsustainable cycle of upward government spending and upward government taxation?

We are at that same crossroads today. A child born into America today will pay an 82-percent tax rate if we stay on the course we are on. That either means economic enslavement or it means a collapse of the financial system as we know it. It took every single personal income tax return filed west of the Mississippi River simply to pay for the interest on the national debt. A child born in America, as you saw by the check earlier, will pay $187,000 in taxes on their share of interest on the national debt if we stay on the course we are on. So we are at that crossroads.

I think what this budget does is point us at the right fork in the road, because it begins to move decisions back to people in their local communities, in their local towns, and in so doing restores the American dream, and I think has a lot to do with saving the civilization.

Ms. SLAUGHTER. Mr. Chairman, I yield myself 3 minutes.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Chairman, I rise today to express my strong opposition to the Republican budget resolution and to advise my colleagues to carefully consider the implications of this budget on domestic discretionary spending. My colleagues need to understand there is simply no growth in this budget for important programs. Defense is the only area where they have proposed real growth. It makes no investment in safe highways, airline traffic safety, safe streets, safe schools, education, health care, public safety, clean water, clean air, research and development, business development, and transportation. The tough choices we made in 1990 and 1993 controlled the growth in discretionary spending. The caps have worked and we have the discipline to control future discretionary spending. There is simply no justification for further assaults on critical domestic programs. It is also difficult to understand how my Republican colleagues could propose slowing the growth in domestic discretionary spending to such low levels that by the year 2002, the purchasing power of overall nondefense discretionary appropriations will be 26 percent below this year's level. At the same time that they plan on eliminating any real investment in our economic security, they are proposing $13 billion more for defense than requested by the Pentagon.

Let me remind my colleagues again, that these cuts are in the most basic programs. Education, environmental protection, medical research, Head Start, civilian research and development, nutritional assistance, transportation, and criminal justice. All of these programs, regardless of what you may hear will be adversely affected if we enact the domestic discretionary level proposed in the Republican budget resolution.

In addition to the funding levels proposed, my Republican colleagues are also proposing some significant changes and eliminations. Included in this budget resolution is an assumption that 25 important educational programs will be block granted; the Governors will get to decide how to spend this money. While I have yet to see the list of these 25 programs, I can tell you that in some cases, the States will not act to serve vulnerable populations of children. It was because of the refusal of the States to address the unique educational needs of homeless children that I worked to create the Homeless Education Program. States and local governments simply did not reach out to these children and I can assure my Republican friends that under the block grant proposal, homeless children will be denied basic educational services.

Once again the Republicans are proposing to dismantle the one agency whose mission is job development and growth. Did we learn nothing from last year's budget battle. We need a strong and effective Department of Commerce. The late Secretary Brown accomplished this objective and I am fully confident that Secretary Kantor will meet the same challenge.

This Republican budget resolution also proposes the elimination of the Legal Services Corporation. Guaranteeing the basic protection of a citizen's constitutional rights is one of our responsibilities as Members of Congress. We take an oath to protect and defend the Constitution. Shouldn't we be concerned about guaranteeing every citizen, regardless of their income, the right to due process and the right of fair and just representation? Apparently only those who have the ability to pay are allowed adequate legal counsel.

I am gravely concerned about the direction of this country as we enter the next century and firmly believe that this budget will not guarantee that we are prepared to meet the challenges. I urge my colleagues to vote no on the Republican budget resolution. We can balance the budget without jeopardizing our economic future.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the State of Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Chairman, there was a cultist popular humanistic theme in the 1960's that said ''God is dead.'' I am afraid that many of my colleagues on the other side of the aisle decided that they were left in charge, and what they did was drive us into the ever-deepening quicksand of more and more Government spending without results.

Our budget resolution offers more savings so that Americans can ultimately keep more of what they earn and they can decide what is best for them, not the Government. Bottom line, in our budget we trust the American people. In their budget, they do not,

Do I hate my Government? No. I just believe that we can do better for this

country and for our kids, our grandkids, working families, and seniors. We can do better than $200 plus billion annual deficits, a $5 trillion national debt. I think we can do better than an anemic welfare system that penalizes mothers for saving money and penalizes them for wanting to marry the father of their children.

Mr. Chairman, I believe we can do better by saving Medicare from bankruptcy. In this country, we expect the best from our high school, our college, and our professional athletic teams. Why should we not expect the same from our Government? We are the greatest, freest, wealthiest country in the world. I believe we can do better and we should as Americans. Red, yellow, black, and white, we should demand the best from our Government, and our budget starts us in that direction.

Am I an optimist? I am reminded of the guy who defined an optimist as going after Moby Dick in a rowboat and taking the tartar sauce with him. Am I an optimist? You bet I am. I do believe we can do better by trusting the American people and figuring out the right answers for this time in our Government.

I believe that our budget resolution starts us in that direction. Our budget gets us another year down the road of accomplishing a balanced budget in the next 6 years. If we balance the budget, it opens the gateway to the future for our kids and our grandkids. If we do not, we can only look forward to more financial despair and burdens on families, a bankrupt Medicare system and keeping the caged eagles in the poor community locked up just waiting to soar.

Mr. Chairman, I urge my colleagues to open the gateway to the future for our kids and our grandkids by voting for this budget resolution. Trust the American people.

□ 1700

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. COYNE].

(Mr. COYNE asked and was given permission to revise and extend his remarks.)

Mr. COYNE. Mr. Chairman, I rise today to point out the many deficiencies in the Republican budget resolution.

The Republican budget is fundamentally flawed. It places the burden of deficit reduction on health care, education, environmental, infrastructure, and safety net programs while leaving defense spending and corporate welfare virtually untouched. It still provides a substantial tax cut at a time when the Federal Government is running a sizable deficit. Defense spending is actually increased in this budget while critical domestic needs are ignored. Finally, the Republican budget puts a whole new spin on redistribution by increasing the burden on low- and moderate-income Americans and reducing the burden on the well-to-do; the Republican budget, for example, provides a child tax credit for middle- and upper-class families while cutting earned income tax credit assistance to low- and moderate-income households.

The Republican budget also resurrects a number of policies discussed last year. It eliminates the Commerce Department, the Energy Department, AmeriCorps, the National Endowment for the Arts [NEA], the National Endowment for the Humanities [NEH], the Legal Services Corporation, and the National Institute of Occupational Safety and Health, just to name a few. These agencies provide valuable services to the people of this country. The proposals to eliminate them are short-sighted efforts to pander to the public perception that all government is bad. If you doubt that this is the case, then ask yourself why many of the functions, operations, and even the staff of the Departments of Energy and Commerce will merely be shifted to other agencies, much like the transfer of the Interstate Commerce Commission's responsibilities and staff to the Department of Transportation last year.

In addition, the Republican budget would provide more than $2 billion less than the President's budget on crime-fighting programs. It is inconsistent to enact tough anticrime measures on the one hand and then deny law enforcement officials the resources that they need to carry out those measures on the other.

One of the most important investments the Federal Government can make is its investment in its human capital. And yet, the Republican budget would freeze Federal funding for job training programs at roughly 60 percent of the 1995 appropriations level for these programs. It would reduce funding for the Job Corps by nearly 10 percent as well. And it would eliminate AmeriCorps and the Direct Student Loan Program.

Despite the strong public reaction to the Republicans' antienvironment initiatives last year, the Republican budget resolution would once again undermine Federal efforts to protect the environment and improve public health. It would cut the EPA's operating budget by 11 percent for fiscal year 1997. Cuts of this magnitude would damage the agency's ability to enforce existing environmental statutes. It would also eliminate EPA programs to develop advanced environmental technologies. This budget would also phase out energy conservation programs, renewable energy research, and fossil energy research and development. Such policies are incredibly short-sighted.

One of the functions most dramatically reduced under the Republican budget proposal is community development. Funding for programs like the Community Development Block Grant Program would be reduced from $11 billion in 1996 to $6 billion in 2002. The Economic Development Administration would be eliminated altogether. Such cuts would devastate communities like Pittsburgh. Federal community development funding leverages billions of State, local, and private sector dollars into important development and revitalization efforts. Without this Federal seed money, many communities across the country will be at a loss to address many critical community needs.

American workers are also adversely affected. The Republican budget would reduce funding for programs like OSHA that ensure workplace safety. It would eliminate the National Institute of Occupational Safety and Health [NIOSH], the only Government agency that conducts research on workplace injuries. It would repeal the Davis-Bacon Act and the Service Contract Act, legislation that guarantees that employees of Federal contractors are paid locally prevailing wages for their work. And it would extract another $9.4 billion in savings from Federal civilian and military retirees, the same people who have been called upon again and again in recent years to bear a disproportionate share of the burden of balancing the budget.

The Republican budget assumes dramatic changes in Federal housing assistance programs as well. While these programs are in need of reform, current funding for these programs falls far short of meeting the need for affordable housing in this country. The Republicans would reduce spending on housing assistance from the current level of services by roughly $20 billion over the next six years.

The Republican budget would also make dramatic changes in important Federal transportation programs as well. The local matching rate for transit capital grants would be increased to 50 percent. Transit operating assistance would be phased out. And mass transit new starts would be eliminated. Research and development of advanced high speed rail would be eliminated as well. In total, transit funding would be reduced below a freeze level by more than $6.5 billion over the next six years. This policy shift would have a devastating impact on congestion, energy consumption, economic growth, and air quality in many of our urban areas.

The Republican budget would eliminate or dramatically reduce technology transfer programs like the Advanced Technology Program and the Manufacturing Extension Partnership Program, programs that provide valuable technical assistance to small manufacturers across the country and promote the development of advanced technology and innovative products. These programs help American businesses compete with foreign manufacturers. They produce an incredible return on the Federal Government's modest investment.

The Republican budget still makes dramatic changes in the Medicare and Medicaid Programs. The proposed savings are large enough to devastate

these critical health care programs. It is interesting to note that the difference in Medicare savings from last year's budget resolution to this year's is roughly the same size as the reduction in the size of the tax cut that the Republicans are proposing. That would suggest to me that the Medicare savings in this budget are motivated by the Republican tax cut package, and not by concern over the future of the Medicare Program. Regardless of the motivation, it should be clear to all Americans that attempting to save $168 billion from Medicare over the next 6 years is simply irresponsible, as is the plan's reliance on medical savings accounts to cut costs and impose fiscal discipline on Medicare beneficiaries and providers.

The Republican plan would also adversely affect Medicaid beneficiaries as well. The Republican's budget resolution would garner substantial savings, $72 billion, from Medicaid by converting it to a block grant, and it would eliminate the current guarantee of health care coverage for 2.5 million low-income children between the ages of 13 and 18.

Finally, the Republican budget would pull a number of additional threads from the already fraying Federal safety net. The Republican budget would make $53 billion in savings in programs like AFDC, food stamps, and SSI, primarily by eliminating the Federal guarantee of assistance for the needy and converting them to block grants.

Where does that leave us? With a Republican budget resolution that is fundamentally flawed. I voted against this resolution when it was considered by the House Budget Committee, and I shall vote against it when it is considered by the full House.

Any of the Democratic alternatives would be preferable. The President's budget is a responsible attempt to balance serious deficit reduction with important investments in our future and the need to preserve Federal safety net programs, although I believe that it would be better to balance the budget before we cut taxes substantially. The coalition budget also deserves credit for its commitment to deficit reduction, although I also have concerns about some of the provisions it contains. I believe, however, that the Progressive Caucus-Congressional Black Caucus budget proposal provides the Federal budget strategy that best addresses the needs of this Nation over the next 6 years. This budget substitute balances the budget, invests in our communities and our human capital, and even expands Federal safety net programs. It does so by reducing defense spending to a level commensurate with the reduced military threat we face with the end of the cold war, and by eliminating corporate subsidies and tax breaks that are wasteful and inefficient.

Consequently, I urge my colleagues to reject this improvident budget resolution and to adopt the Progressive Caucus-Congressional Black Caucus budget.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the city of Cincinnati, OH [Mr. PORTMAN].

Mr. PORTMAN. Mr. Chairman, I just want to say I support this budget without reservation. It is a great budget for all the reasons we have heard up here today.

I have got three kids at home. It is about the kids, it is about the next generation. We do not want to leave them with this crushing debt, now $5 trillion. We do not want to increase their taxes to the extent we would have to in order to service that debt. We want them to have a shot at the American dream.

So this budget is at least one important step toward getting that budget under control and to get it into balance in 6 years.

But let me mention something else, and the gentleman from Ohio [Mr. KASICH] talks about it a lot. Forget the numbers. This is also about shifting power and responsibility and authority and money out of this city, out of Washington and back to our States, back to our local communities and back to people, and that is very important, and it is a big distinction between the way we have been going and the way we like to go.

For 40 years we have increasingly aggregated that power and authority here in Washington. This budget is all about getting it out. Medicaid is a good example of that. Education is a good example of that. Welfare is a great example of that. Let me give my colleagues one example in Ohio.

For years Ohio tried to get a waiver to be able to do something innovative and creative in the area of welfare to try to help people actually move from welfare rolls to payrolls. Finally we got some of the waivers. We were able, in the last 3 years, to reduce our welfare rolls in Ohio by 23 percent. We could do twice that well, maybe three times that well, if we could get real flexibility that is in this budget proposal in the area of welfare reform.

Let us trust the people that sent us here. Let us do this budget because it is the right thing to do for our kids, to get our fiscal house in order, but also let us do it because it is time to start moving some of the power and authority out of Washington where it is increasingly aggregated and reverse that trend. This is one small step and an important step toward doing that.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, there are two budgets; no, there are four budgets being considered tomorrow. The one that I support borrows $137 billion less than the majority budget. I listened to a lot of speeches today, and I do not understand how anyone can propose that borrowing $137 billion more is going to make good economic sense.

We are talking about spending cuts. I hope my colleagues from rural America take a good hard look at our colleagues' budget. Cutting 46 percent more out of the agriculture discretionary function over the next 6 years does not make good economic sense by anybody's standards. Cutting 13 percent from research extension this year, 1997, does not make good sense. Whoever proposed that, I do not understand how they could possibly come up with that.

The idea that there is that much more overhead down at USDA completely ignores the fact that we have spent the last 3 years reorganizing the U.S. Department of Agriculture. We have cut $4.2 billion from that overhead. Now to come in and say we are going to take another $695 million because somebody keeps saying there is unnecessary bureaucratic overhead downtown, they are not looking at what has already been done over the last 3 years in the current administration, and they are truly going to do irreparable harm to agriculture, rural health.

Eliminating the office of rural health in the block grant program that has allowed rural hospitals who have been struggling to just keep their doors open, the success of that program, to suggest that is going to be eliminated does not make sense.

So, a lot of cuts. Yes, we need to cut; yes, we need to make decisions along these lines. But I would say take a good hard look at rural health, and that also includes urban health because what I say about rural health applies exactly the same way to the inner cities, and there are being many decisions made in this budget in the name of cutting the bureaucracy that are going to have the opposite effect. They are going to have a devastating effect on the food supply of this Nation some day.

Mr. Chairman, as Representative for the very rural 17th District of Texas, as a founding member and former cochairman of the House Rural Health Care Coalition, and as a 16-year veteran on the House Agriculture Committee, I find the degree to which this budget resolution assaults rural America truly stunning and enormously disturbing. In the past, rural Members, which of course can be found in both parties, have always managed to put aside partisanship in rural issues for one fundamental reason: An overriding worry about the potential loss of access to quality health care, loss of business, and ultimately, loss of economic viability in rural areas.

The programs and offices which this budget targets for elimination in the health function are the very programs and offices originated by the bipartisan Rural Health Care Coalition. I realize that constituents of urban Members do not worry about whether there is going to be a doctor to deliver their babies, an emergency room to treat the tractor accidents, a nurse to treat daily illnesses. But these are things my constituents do worry about. The programs targeted by this budget certainly do not respond to all of those needs by themselves but the programs and their coordination play a vital role at the edges.

The assault on agriculture is even more remarkable, with total agricultural discretionary spending cut a staggering 46 percent from 1997 to 2002. I understand Republicans think that this nearly 50 percent reduction will come from overhead, which I find particularly interesting since the Agriculture Department has just completed a major reorganization and downsizing. Since most of those cuts are unspecified, it's hard to know whether they will be taken from the hide of research and extension programs, conservation programs, or nutrition and safety programs. What is clear, however, is that with the Ag discretionary budget virtually cut in half, the impact will be felt in each and every function of the USDA. And that means the impact will be felt in each and every rural community.

I find it hard to believe that my many friends across the aisle who serve with me on the Agriculture Committee or on the Rural Health Care Coalition have focused on the aspect of the majority's budget. I have little doubt, though, that as these numbers are implemented into policies and as constituents across the country notify their Representatives of their concerns, my friends will become as alarmed about the impact of this budget on the future of rural America as I am today.

Mr. Chairman, for this and other reasons, I urge a ''no'' vote on the Republican budget and a ''yea'' vote for the coalition substitute which approaches a balanced budget in a far more humane and reasonable manner.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute.

I dearly love my colleague from Texas, but as my colleagues know, talk about a vain effort, I mean there is no one that I have yet met outside of the beltway who thinks that we have cut bureaucracy and redtape and travel expenses and supplies and equipment enough in any, virtually any, piece of this Federal Government.

This Republican majority believes that there is tons of money available in the travel allowance, the supply allowance, the equipment allowance of virtually every single department, bureau and agency of this Government, and frankly, I do not even think we started to downsize and save money.

So we are after the overhead accounts of everything in this Federal Government, and I have not yet gone home and had one taxpaying citizen say to me, ''You have really cut the bureaucratic overhead too much in Washington.'' Not one single person has told me, and I think we are absolutely on the right track.

Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from the State of Arizona [Mr. KOLBE].

(Mr. KOLBE asked and was given permission to revise and extend his remarks.)

Mr. KOLBE. Mr. Chairman, at the outset of this debate, the gentleman from New Jersey laid out the case very eloquently for this budget. A budget is not really about numbers. It is not about whether we spend $1,500 billion on the Federal Government or $1,600 billion. It is not even about whether we cut a program, whether we increase a program, whether we add a program, or whether we eliminate a program.

No, Mr. Chairman, a budget is an opportunity for this body and for our political parties to make a philosophical statement about the direction we believe this country should be going. It is an opportunity for us to say something about where we think our future is. It is an opportunity for each party in Congress to set forth its vision, its vision for America, its hopes, its dreams for our future and for our children's future.

Mr. Chairman, our budget makes such a statement. It says very clearly what we believe the National Government's priorities should be. It insists that we should decide what this Government can do, what it must do, and what it should do. It says that we should reduce the burden on our children, the burden that a new child born today in this country, assumes upon his or her birth. That burden is a burden of $188,000 just to pay the interest on the national debt.

Our budget says we believe other levels of government, the private sector, and nongovernmental organizations, can perform government functions better than Washington can. We say this about education, we say this about some aspects of welfare, about some aspects of health care, we say it about such things as economic development. And, yes, most importantly, it says that we believe the burden of taxes on American citizens should be reduced. Our budget would reduce the burden of taxes on American citizens.

The gentleman from Texas talked about having to borrow more money. But we reach a balanced budget as soon as any of our other budgets that are proposed. What we do differently is leave some of the money in people's pockets, leave money in the pockets of American citizens so they can decide how to spend the money on their health care, on their education, on their schooling, on their housing, on all the needs that they have. We do this because we believe that Americans who work hard and earn it should keep it.

That is what this budget is about; that is the statement this budget makes. I urge my colleagues to support it.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I rise in opposition to the budget resolution before us and I would like to comment on the treatment of research and development therein.

Last year, the Republican budget resolution initiated an all-out ideological and budgetary attack on our Nation's R&D establishment. That resolution proposed a reduction in civilian R&D by over 30 percent in real terms by the year 2002. Moreover, the detailed but misguided assumptions imbedded in the House version of the resolution report language became an iron-clad mandate for the Committee on Science and we were forced to follow its every detail in the authorization bills that were reported out. This budget resolution renews the attack.

Overall, this budget resolution cuts the nonhealth civilian science agencies by over $3 billion below the President's request just for fiscal year 1997. Over the entire 6-year period, this resolution cuts over $15 billion from the President's request. In inflation adjusted terms, our science investment will be cut by over 25 percent by the year 2002.

These cuts come on top of extraordinary efforts on the part of the administration to identify cost savings in all of the science oriented Federal agencies. NASA, NSF, NOAA, DOE, EPA and other agencies have dramatically downsized over the past 2 years. They have eliminated thousands of jobs, they have privatized major portions of their operations and they have cut overhead through reinventing Government. This budget resolution rewards them with additional cuts that go beyond streamlining management. These reductions are emasculating the core missions of these agencies and the fundamental role of Government in supporting research and development.

This is not a matter of simply balancing the budget. Indeed, the President's budget is balanced. The Republican plan contained in this budget resolution has established a rigid set of ideological principles, set forth in the accompanying report, with which to make judgments on the value of R&D. The authors of this resolution have asserted that this blueprint represents the only acceptable way to balance the budget.

For example, a balanced budget, according to the report language, must include the elimination of one directorate—namely the Social Sciences Directorate—at the National Science Foundation. It must include the elmination of solar and renewable energy research, fossil energy research, and energy conservation research at the Department of Energy. It must include a virtual elimination of any environmental research within NASA. The list goes on.

Mr. Chairman, these are not just recommendations for balancing the budget. They are demands that we conform our thinking to the misguided views of a few. These are also the demands that will be made to the Appropriations committees in the coming months.

In general, the goals of this budget resolution are to cut back and eliminate wherever possible applied research in the Federal Government and to block any attempts to partner with the private sector. This bias towards applied research and towards technology partnerships is particularly disturbing in view of the widely acknowledged need to link our investments in R&D more closely with the goals of economic development in the coming years.

I would call the attention of my colleagues to a recent report by the Office of Technology Policy entitled Effective Partnering. This report

reviews the efforts of successive Congresses and Presidents to increase the effectiveness of mission based R&D within the Government to enhance technology-based economic growth. Programs such as the Manufacturing Extension Program and the Advanced Technology Program that are slated for extinction in this budget resolution represent our best hope for the generation of future jobs. Moreover, these programs are aimed at the emerging small, high-tech industries that will form the backbone for our future economic competitiveness.

Mr. Chairman, this budget resolution is anti-science, anti-jobs, and anti-education. It will do irreparable damage to our investments and our commitments to research and development in the future. By drastically cutting clean coal and other fossil energy R&D it may stifle economic progress in important regions of our country.

I will close by stressing that these attacks have nothing to do with balancing the budget. In addition to the President's plan, there are many alternatives to balancing the budget that better preserve R&D. For example, I plan to vote for the conservative coalition budget which restores funds for investments not only in basic science, but also in NASA and in energy and conservation programs.

I urge a ''no'' vote on this budget resolution.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from the State of North Carolina [Mrs. MYRICK].

Mrs. MYRICK. Mr. Chairman, this debate today is about one thing and that is trust. As my colleagues know, we trust the folks back home to manage their own lives better than the bureaucrats in Washington, DC. Our budget resolution demonstrates that trust. For the last several decades Congress has said, ''Hey, folks, you know, you don't know what you are doing; the Federal Government needs to tell you how to do it, how to take care of your life.''

Mr. Chairman, I know from firsthand experience as a mayor of a city that the people back home do know how to take care of themselves. As my colleagues know, our city did not sit around and wait for Congress to tell us how to do it. We just got in there and did it. We believed that there is a better way.

□ 1715

We say that the American people have the answers. This country was built on self-sufficiency and free enterprise, with families making their own decisions. All over this country folks are finding the answers. They are overcoming adversity. They are solving problems. They are helping one another. This budget supports that effort.

Families need our help. Do Members know that it costs the average family $6,731 a year just for Government regulations? They need tax relief as well as control of their lives. Families are hurting. Our own son and daughter-in-law, our daughter-in-law had a terrible auto accident. She is unable to work. Their earning ability has been severely limited. They know firsthand how this budget is going to help them. It will give them some relief. It is going to provide a better future for our two granddaughters, Amanda and Savannah, and for all the other families in America. We truly want to take the power out of Washington and send it back to the people, where it belongs. Let us manage our own lives.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, the Republicans have insisted once again on enormous unrequested increases in defense spending in their budget. To do it, they are taking billions of dollars from discretionary accounts, thereby killing investments that are critical in a whole series of areas. Let me mention just three of those countless areas.

First, the Republican budget wipes out energy conservation and efficiency research, and stops the further development of solar and renewable energy sources, all of which are going to be necessary if this country is going to achieve energy independence from foreign sources, and all of which would be part of creating new jobs for American workers trying to compete in an international market.

Second, this budget phases out our commitment to public transportation, which is critical to take people to their jobs, to their doctors, to recreation, all of which are investments in the construction, in the operation, of the buses that move people in urban areas, large and small, large communities and small communities, all over this country.

No. 3, it turns its back on young people and the investment in those young people seeking an education by eliminating direct student loans and national service scholarships. Such extremism, Mr. Chairman, is not necessary to balance the budget. We can do a better job, and we should go back to the drawing board and get it right.

Mr. KASICH. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from the State of Arizona [Mr. SHADEGG].

(Mr. SHADEGG asked and was given permission to revise and extend his remarks.)

Mr. SHADEGG. Mr. Chairman, one of my colleagues came to the floor a few minutes ago and said that this debate is not about numbers, it is about philosophy. It is about vision. It is about where America is going, about whether America is going forward or going backward.

We need, America needs, a budget that saves our children's future, but that is not the budget that the Democrats will offer. The budget the Democrats will offer is a budget based on fear and class warfare. I hope my colleagues in America are listening to and watching this debate. Their budget is based on fear, is representation, and class warfare. Our budget is based on hope, growth, and opportunity. The difference between these budgets is that we trust the American people to take care of themselves.

Members heard the last speaker bemoan all the different cuts. He would have us cut nothing. Indeed, he would have us grow spending more and more and more, and debt more and more and more. These two children are the grandchildren of one of my colleagues. They face a debt in their lifetime of $188,000, each of them. Look at their faces. Their answer is more debt and more spending.

What has that spending gotten us? Let us take one issue, the education issue. They would tell us, the President would tell us, that we are gutting education and that we are stealing from education funds in America. They would tell us we should spend more and more and more.

Let me say about spending: It is not true that Washington knows best, and more spending does not necessarily make better education. Since 1980, the budget for the Department of Education has more than doubled. It has grown at a pace of more than 7 percent. That is twice the growth of the economy. The United States today spends more per primary and secondary pupil than any country in the world.

What have we gotten for it? What has that side that wants to take you back to more spending done for you? What that has gotten, what their excessive spending has gotten us, is 187 different studies that show there is no significant correlation between education spending and performance.

What has their spending done? SAT scores have dropped nearly 60 points in the last three decades. Math and science scores for students in America ranked behind China, Korea, Taiwan, the former U.S.S.R., England, and Slovenia. What has failed is their centralized big government solution.

If America is to move forward, we must trust the American people. We cannot burden them with more debt. I urge my colleagues to reject the past, to reject excessive spending, and to join us in passing a budget which protects their future and does not burden them with an immoral debt.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SHADEGG. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I understand what the gentleman is saying. The figure that the gentleman is referring to, it so happens that the President of the United States was Republican, in his party, for that period of time.

Mr. SHADEGG. The statistics I have cited are accurate.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Speaking of education, Mr. Chairman, I find it interesting to talk about this great Federal monolith,

since 94 cents of every dollar in public education is at the State and local level.

Let us talk about the Department of Commerce. If you were a business person, Mr. Speaker, and I came and said to you that I have a great idea, and you asked what is that, and I said we have this agency, the Department of Commerce, that because it developed for the first time ever a national export strategy, and because it has had an aggressive Commerce Secretary, Ron Brown, and now Mickey Kantor; has generated 80 billion dollars' worth of contracts over the last 3 years; and because this department was so effective that it took $1.5 billion, half of it private money, and generated 220 public-private partnerships to promote civilian technology, and because we have this Department of Commerce that has increased exports 26 percent over the past 3 years, and because we have this Department of Commerce that has increased tourism and provided the first White House conference ever on this growing industry for much of America, and you might be saying, yes, yes, what are you going to do with this agency, their answer would be, we are going to eliminate it?

Because that is what this budget does. It eliminates the Department of Commerce, breaks up some functions and ships them off into lower categories in other agencies, sets up a whole lot of new boxes, but eliminates the one means by which business has been getting increasingly a place at the table.

Take the Economic Development Administration, for instance. Every Member has had an EDA project in their district which has helped generate many dollars over what went into it. For Swearinger Industries, for instance, in Martinsburg, WV, $2 million of EDA investment helped trigger $130 million in private sector investment, 800 new good-paying jobs, and a significant civilian increase and a technology industry boost.

Eliminating the Department of Commerce? those who speak of their children, I understand the concern about debt, but how about the future? How about opportunity, how about jobs? How about somebody that is fighting for them to make sure they get their piece of the pie as well? That is where this budget is wrong, and that is why the Department of Commerce should stay.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Chairman, I want to begin by complimenting the great chairman of the Committee on the Budget, the gentleman from Ohio, JOHN KASICH, for his leadership and dedication in moving this forward.

The debate today is really about the future of our children. It is America's children. We must be concerned not only for our own children, but all America's children.

Last week on this floor I spoke of the children growing up in public housing in Chicago's State Street corridor. In that neighborhood unemployment is almost universal. More young women become teenage parents than graduate from high school. Guns outnumber books. Children murder children. It is a community filled with despair.

Mr. Chairman, the budget we offer today is one filled with hope, hope for a brighter future for all Americans, including the children of State Street and all of our inner cities. The Republican budget keeps us on the path we started last year toward opportunity and economic growth. The 1997 budget endorses the landmark housing bill that passed the House last week, and is designed to give the people at the local level the power to deal with the problems in their communities without being strapped by Federal regulations and bureaucracy. We want to continue to shift responsibility, power, and money and influence out of Washington and back to neighborhoods, communities, and people.

House Republicans are doing what we said we would do: balancing the budget, freeing people from the trap of welfare, and providing genuine tax relief for working Americans. Who could be against a higher standard of living for our children and our grandchildren? That is exactly what this debate about the 1997 budget is all about.

There are two clear paths before us. We can return to the path we left last year and deliver a future of unsustainable spending and increase, crushing debt, huge increases in taxes that dash hopes and dreams, and that in the end promise fewer opportunities and not a good quality of life for the smallest among us who are still too young to vote. Or we can stay on the brighter path that we started last year. It will require courage, but it is filled with the hopes and aspirations that every parent has for their children.

The Republican budget for 1997 makes possible a future filled with hopes and dreams and opportunity. I urge its passage.

Ms. SLAUGHTER. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, last year our Republican colleagues, self-described Gingrich revolutionaries, caught Government shutdown fever and brought this Nation to a halt, until the country spoke up and rejected their budget. Now they are back again with the same type of zealotry that they had in 1995. I think the Four Tops wrote their theme song long before they got to Congress when they wrote ''It's the same old song, just a different verse, since you have been gone,'' because they have not given up their revolutionary zeal to change their country in a way the country does not want to be changed.

Let me give just one example of what this budget resolution assumes and how it affects Austin, TX. Today, Austin, TX, got 10 more law enforcement officers. They are young people, just like these who graduated from our law enforcement academy last year. It brings to our community a total of over 100 law enforcement officers, over 5 million Federal dollars to support local community policing efforts.

This budget proposes to give billions of dollars to star wars. It forgets we have real wars in our streets. Our community is safer because of the commitment that this Congress made to 100,000 new police officers across this country—8,000 communities have benefited from that program. Yet this resolution assumes the termination of the cops on the street program, and some block-headed block grant program that will not guarantee the safety of our neighborhoods and which can easily be trimmed.

Let us stand up for safe communities and reject this Republican budget.

Mr. KASICH. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, we have a very unique way in which we would put police on the street. Rather than putting police on the street in some cities that do not experience high violent crime rates, we have decided to let local people decide that police are going to be put on the streets where there is the most violent crime.

□ 1730

So where there is the greatest need is where we want the people to be. We think that makes a lot more sense than distributing police on a per capita basis. Send them where they are needed, that is our motto.

Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from the sunny State of Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I rise in strong support of the budget resolution. This budget says to the American people, ''We think you are taxed too much.'' Since 1981, under Democrat control, we have had 19 separate tax increases. We think the economy is growing much too slowly. We know that slow growth coupled with enormous tax rates will leave our children with a lifetime tax rate of 80 percent just to pay interest on the debt.

Why is a balanced budget so important? Americans will have more take-home pay because our budget includes a $500-per-child tax credit and a reduction in the capital gains tax which would stimulate economic growth. We also have true welfare reform, which is the No. 1 priority of most Americans.

On the present course our children and their children will be left with immense debts and a tax bill of $180,000 a year just to pay the interest on the debt. That is why we cannot buckle in the face of adversity. We must stick to our principles.

The President's plan has given the American people a tax increase of $241

billion and a deficit that will increase dramatically after the year 1997. In other words, slow growth, high taxes, and weak economic growth will continue unless we stick to our principles.

Our country needs to go in a new direction. We must cut taxes and cut spending. Currently future generations will have to deal with this soaring debt and these high taxes. Let us pass this budget.

Ms. SLAUGHTER. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, the Republican budget is shortsighted in its policy assumptions on transportation spendings.

By singling out mass transit for executive cuts in transportation programs, the Republicans retreat from the ISTEA agreement of 91 [ISTEA].

Although transit represents approximately 10 percent of the 1996 transportation budget, it receives nearly 50 percent of the cuts in outlays. And while maintaining the Federal match on highway projects at 80 percent, the majority jeopardizes mass transit by lowering the Federal match to 50 percent.

Under these revised incentives, local planners will inevitably choose highway projects at the expense of much needed mass transit.

Also, the phasing out of operating assistance will lead to fare increases, service cuts, and layoffs. This proposal would disconnect thousands of low-income workers from their jobs, isolate many elderly from their daily business and from health care.

In addition, the budget terminates funding for new start programs which provide commuting alternatives to some of our fastest growing cities.

Rail expansion in areas such as St. Louis, Los Angeles, Portland, New Jersey, and the Sunbelt States will be directly threatened by elimination of new starts funding.

The majority's budget is shortsighted and wrong in its effort to pull Federal support from transit planning and programs until the transit needs of urban America are fully met.

I urge a ''no'' vote.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, who do we want to please with this budget? I think we want to please the American people. The Republican Budget Committee for the first time in many, many years held hearings across the United States the last couple of years to ask the people what kind of a budget they wanted.

They said they would like a budget that allows them to keep more of their hard-earned income in their pockets rather than paying it out in taxes. They said America needs a budget that shifts power, money, and influence out of Washington and back to the people and the States and their communities.

This budget is based on these principles. It takes less of each person's income by reducing the massive tax burden we have placed on our people. The average person in my State of Michigan now works 86 days a year just to pay their share of taxes at the local, State, and national level. Since President Clinton had his huge tax increase of 1993, my Michigan workers now have to work 7 additional days just to earn all of that money that goes in additional taxes. The Heritage Foundation estimates that the 1993 Clinton tax increase has cost Americans 1.2 million jobs, private sector jobs, and $208 billion in economic output.

This budget calls for studies, Mr. Chairman, to say to States maybe it is going to be better if they keep the Federal tax money, rather than detour it through Washington to have Washington politically decide how that money is going to be distributed, and what they do send back? They send back massive regulations and restrictions.

Andrew Jackson realized that transportation is primarily a State issue. This budget gives seniors a choice in their medical coverage. This budget reduces the deficit every year and finally balances.

Mr. ORTON. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding time. A moment ago I spoke about agriculture and rural health and was challenged by the chairman of the committee, whom I deeply respect, and I would just say that we will continue that discussion any time, any place, regarding the facts of agriculture. But now I wish to speak to the debt and the deficit.

I have seen the charts, I have seen the kids, and I have seen the accusations about this side of the aisle. But the budget that I support with the gentleman from Utah [Mr. ORTON] and others on this side, we propose to borrow $137 billion less so that those same children do not have to pay interest on that debt. I do not understand why it makes good sense to borrow $137 billion to give a tax cut. That is all we are saying. Let us confine ourselves to the spending cuts.

I want to ask the gentleman from Utah a question. Last year the budget resolution contained a provision preventing Congress from considering a tax cut until CBO certified that we had found the spending cuts to balance the budget first. Is that language in the resolution that the Committee on the Budget reported last week?

Mr. ORTON. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Utah.

Mr. ORTON. No. In fact, Mr. Chairman, the language that the gentleman from Texas [Mr. STENHOLM] is referring to was section 210 of last year's conference report on the budget resolution, which in fact was entitled Tax Reduction Contingent on Balanced Budget in the House of Representatives.

The Congressional Budget Office in describing that particular provision of the act stated, ''Both procedures in the House and Senate require CBO's certification that enacting the proposed reconciliation legislation would lead up to a balanced budget in 2002 before the Senate or the House can consider proposals to cut taxes.''

Both Senate Majority Leader DOLE and chairman of the Senate Committee on the Budget DOMENICI are on record with regard to this provision, Senator DOLE saying the tax cuts, quote, ''do not take effect unless and until the nonpartisan CBO certifies that we are absolutely on the path to a budget that is balanced in the year 2002.'' That is the safety valve. They do not take effect until certified. Chairman DOMENICI said, ''But let me suggest that in the final analysis we will have tax cuts for the American people only when we get a balanced budget.''

These particular provisions and protections in last year's budget reconciliation act are not in this year's budget. As the gentleman knows, we attempted in the committee to amend the budget to put these provisions back in, these safeguards, and the committee refused to do so.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair must caution all Members not to make personal references to Members of the other body.

Mr. ORTON. Mr. Chairman, these were merely quotes.

Mr. STENHOLM. Mr. Chairman, let me just ask the gentleman another question. I have heard referenced today that in the tax cut proposal by my friends on the other side, that they are making provision for a $500-per-child tax credit. Is it possible, for $122 billion, to get a $500 tax credit?

Mr. ORTON. If the gentleman will yield further, not according to the Joint Committee on Taxation. They have scored that over the 6 years as costing $135 billion. If in fact you only have a $122 billion tax cut provided for in the budget, as they do, you are $13 billion short.

Mr. STENHOLM. What would happen to the deficit numbers in the Republican budget if it included a tax cut large enough to pay for the child tax credit in every year?

Mr. ORTON. They would be $13 billion additional in the hole.

Mr. STENHOLM. The resolution that is before us contains a net tax cut of $122 billion. At the same time information put out by the majority indicates they can pay for a permanent repeal of the gas tax, a cut in the capital gains, which I happen to support, estate tax relief, small business expensing, AMT relief, expansion of IRA's and extension of expiring tax credits. By my math, that is more than $122 billion.

Mr. ORTON. In fact that adds up to a total according, to the Joint Economic Committee, of $216.1 billion in cuts. If in fact you only have $122 billion provided for in tax cuts, you are $94 billion short.

Mr. KASICH. Mr. Chairman, I yield myself 2 minutes.

I think what is important for people to understand is that we laid out a program that said that we would downsize Washington and we would take the savings from downsizing Washington to pay for part of our tax relief program, which is the family tax credit. We also have said that we intend to close loopholes that large corporations' lobbyists have been able to secure during my lifetime, and we have suggested that we would close those loopholes and give some of the money that the big corporations with lobbyists in Washington, take some of their breaks away and create additional tax relief for hardworking ordinary Americans.

In our proposal, we are going to downsize government and at the same time we are going to close these loopholes that were passed by the old Democratic majority. We decided that all those loopholes that my Democratic friends have complained about for 40 years, finally some of them are going to be closed by Republicans, because we do not think lobbyists ought to win in this town.

What I have a hard time understanding is the great concern on the part of my Democratic colleagues about giving tax relief to Americans. We did not support raising taxes in 1993, and I would assume some of them who are complaining about our tax cuts did not support it then, either. We intend to systematically repeal as much of that tax increase so Americans can have more of their money in their pockets, rather than systematically taking it out of their pockets to put it into the pockets of bureaucrats. We do not favor that. We want Americans to keep more of what they earn.

We as a majority in this Congress, joined by many on the other side of the aisle, are going to systematically reduce the power, the money and the influence of this city so that the American people can have more, more empowerment, more wealth and more of their own paycheck.

Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. BROWNBACK].

(Mr. BROWNBACK asked and was given permission to revise and extend his remarks.)

Mr. BROWNBACK. Mr. Chairman, just to follow up on those excellent comments by the chairman of the Committee on the Budget, what we all can agree to that is truly excessive here in Washington is the size of the Federal debt and the size of the Government. We have got over $5 trillion in debt and a government that takes up 22 percent of the overall economy of the country. We just think the debt is too big, it has got to be smaller for our kids, and we think the Government is too big and it needs to be smaller so that we can carry it.

To put a little meat on the bones factually, the Joint Economic Committee says that if we can cut the size of government, if we can cut it slightly, get it from 22 percent of the economy to even around 19 percent of the economy, we will create a growth rate in this country that is double the current growth rate. We are going to create jobs, better jobs at higher wages, so not only do we get the size of government down, not only do we shrink the overall deficit, not only do we get to balance over a period of 6 years but we are going to create jobs, we are going to create growth in the economy. This is a win all the way around.

I would like to report to the American people, if they do not know, we have hit our first-year balanced budget targets. We wanted to get the deficit down to $158 billion. Instead it is around $150 billion. We are below the target that we wanted to hit this year. And we are now on 6 years to balance the buget, and we are doing it fairly and compassionately and predictably so this economy can grow, so the American people can do better and so that we can restore the American dream. That is what this is all about.

□ 1745

Mr. ORTON. Mr. Chairman, I yield myself 10 seconds simply to respond to the chairman. There is not great disagreement between us. What we have said is we ought to pay for the tax cuts first, before going deeper into the hole.

Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. LEVIN].

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Chairman, let me sum up the Republican majority budget. They have softened some of the terrible numbers, but many of the terrible, harsh policies remain.

For example, Medicare. Balanced billing, seniors will pay more under their provision. And also hospitals in southeast Michigan, the proposal of last year would have cut them $2.3 billion. No one thought that was sustainable. This would probably be even worse.

Medicaid, block granting it. Seniors as a result will get less long-term care. EITC, look, there is one clear conclusion under their proposal: When you combine EITC as they have drafted it with their child tax credit, 3 million hard-working families with kids are going to be worse off.

Let me say a word about taxes in general, and your $122.4 billion. I have heard a lot of rhetoric on this floor about the 1993 tax increases. You do not touch a single one of them, not a single one that you complain about, except the gas tax, and that you repeal for 7 months as an election year ploy.

Why do you not in addition to your rhetoric do something? And then second, the $122.4 billion is not really that. As the gentleman from Utah [Mr. ORTON] has said, it is $60, $70, $80 billion. The New York Times caught on to you in the article of May 12. It says, ''The $122 billion allotted in the budget for a tax cut is a net figure, and House leaders have said they will eventually cut an additional $60 billion or so in taxes on investors, businesses, and individuals.'' That raises the tax cut to $180 billion. ''The added tax breaks,'' I continue reading, ''were not plugged into the budget that was made public on Wednesday, in part because there is yet no clear way to pay for them and in part no doubt because the lower figure is a less attractive target for Democrats accusing Republicans of giving tax breaks to the rich.''

So last year it was $270 billion in Medicare cuts to pay for $245 billion in tax cuts, mostly for the wealthy. Now you are $168 billion in Medicare, and what are you, $180 billion in tax cuts, $190, $200? You shake your head, Mr. SHAYS. I said at that budget meeting it was $122 billion, plus an amount you are going to give to the Committee on Ways and Means. You say it is going to be raised by closing loopholes? What loophole did you close last time? Forty billion dollars in pension assets belonging to workers, giving it back to corporations? To raise $10 billion? You call that a loophole? You were out of touch last year, you are out of touch this year.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds to correct the gentleman on a number of points.

First off, the earned income tax credit under the Republicans last year went from $19 to $25 billion. The school lunch went from $5 to $6.8 billion. The Student Loan Program went from $24 to $36 billion. Medicaid went from $89 to $127 billion. Medicare went from $178 to $289 billion.

Only in this city when you spend so much more do people call it a cut.

Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, my friend from Michigan said that this is about numbers. This is not about numbers, this is about people and families. We can do better. Our plan helps, because we allow people to earn more. We allow families to earn more, and we allow them to keep more so they can do more.

Let me tell you about a person. We are going to talk about people. I had a woman come to one of my town meetings who I think put our budget in perspective, all these speeches we hear. She had a simple message for me. She said, ''You guys out in Washington don't get it. The problem with America today is air-conditioning.''

I said, ''What are you talking about?''

She said, ''The problem is air-conditioning.'' She was 90 years old. She said, ''When I was a little girl, we used to sit out on our front porch to keep cool during the summertime.''

In the neighborhood that she lived in, neighbors would watch neighbors. She said they would take care of one another. Her neighbors were worse to the

kids in the neighborhood than their own parents. They were stricter, and would take care of one another. In Iowa, a covered dish solves about everything for a neighbor.

Obviously that is not what we are suggesting here. She was suggesting with the invention of air-conditioning, people began to move inside. They began to move away from their neighbors, to move away from their neighborhood.

For 40 years in Washington, we have been asking them to move even further away from their front porches of America. We have been asking them to move to Washington to solve problems, instead of the neighborhood, the family, the community. And we have taken from them so they cannot earn more and so they eventually cannot do more.

Let me give you an example of this. I have a town in my district hit by a twister. That is the popular movie right now. We got hit by a twister about 5 years ago, a town by the name of Worthington, IA. This town was devastated. It destroyed just about the entire town.

Most people who have been watching the movie I am sure would think after the kind of devastation you see in a town like that, that maybe people would just leave. It is a town of about 800 people.

This town decided they would pull together. With volunteer money, because they knew they could not raise taxes like the Democrats did in 1993, this town decided with volunteer help, volunteer contribution, they built a city hall, a fire department, a community center, and they even went together and put in a library. This is a community that decided to help themselves. And when asked how did the Federal Government help you, there is not a program in the world, there is not a program the world, that would have helped them. Nothing at all. They could not get any help from the Federal Government. But they decided to pull together as a community, and, with local help, they were able to get this job done.

I think that is the kind of attitude we need again in this country if we are going to solve problems. $5.3 trillion since the 1960's to solve the war on poverty. What has it gotten us? Not less poverty. It has gotten us more poverty.

But what are the community action agencies and groups doing in our communities, such as the Salvation Army, organizations that derive their strength and their spirit from individual initiative and opportunity and responsibility for others?

That is exactly the kind of spirit that we need. It gets money out of Washington. Our plan puts money back in communities and families, back to the front porches of America.

So when you look at this budget and you say to yourself, what is this really as a bottom line? It is a question do you want it at a bureaucracy, a fancy white building, downtown Washington, filled with bureaucrats, or do you want that money on the front porches of America, the great front porches, that for years in this country solved our problems and in the future will continue to solve our problems if we will just let them.

Families need to earn more, they need to be able to keep more, and, with that, they will be able to do more. And when it comes right down to it, it is a matter of who you trust. We know who Republicans trust. We trust individuals and families, because they make better decisions. In Washington, unfortunately, the opposition says bureaucracy makes better decisions.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentlemen from Texas [Mr. DOGGETT.]

Mr. DOGGETT. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this budget has no true balance. It is rather only a retread of the same old Gingrich budget resolution that America rejected last year. And the understanding that the American people have of this budget is proven correct again today. You will remember, this is a budget whose main theme was how much it could cut Medicare in order to pay for tax breaks for the privileged.

Well, today's resolution proposes to cut Medicare $100 billion less than last year's resolution, and guess what? Just by coincidence, the tax breaks are $100 billion less than last year's resolution, or more or less in that range.

It demonstrates that the American people were correct in understanding that there is a direct relationship by how much Medicare gets cut, how much health security gets jeopardized, and how many tax breaks there are for the privileged.

But what does this resolution omit? It refuses to do a single thing about the billionaire expatriates who renounced their U.S. citizenship in order to avoid paying their fair share of taxes. That would have gotten us over $2 billion in revenues. It refuses to cut a single corporate tax loophole. It imposes, you might say, a means test for welfare. But if you have got the means, every one of your tax loopholes and your corporate subsidies is protected. That is the thrust of this budget resolution, and it ought to be rejected.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds, to once again correct the gentleman for his inaccurate comments.

Medicare under our bill goes from $196 billion to $283 billion. That is a 45-percent increase in spending from this year to the sixth year. Under our Medicaid Program, it grows from $95 billion to $140 billion.

Only in this city, when you spend so much more do people call it a cut. We are spending more because we need to improve this program.

Mr. Chairman, I yield 2¼ minutes to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, the gentleman from Texas talks about tax cuts for the privileged. Of course, that is not true, and it is part of the rhetoric we have been hearing in this body now for a year and a half. It is totally unsubstantiated.

You know, we are interested in the privileged, because we consider all Americans in this country to be privileged. We are proposing a budget this year that continues along the path of balance, to relieve Americans from the tax burden that is going up and up and up year after year. And in 1995, we passed the first balanced budget in generations. Unfortunately, it was vetoed by the President. We continued to work to save taxpayers money, and we ended up with a budget that cuts over a 2-year period $43 billion. That is $668 for every American family. Those are our privileged Americans, all American taxpayers.

There are a bunch of Chicken Littles walking around over here saying the sky is going to fall, that we have got this problem and that problem. The fact is that we have passed two budgets now and changed the debate in Washington, hopefully forever. The debate now is when we will balance the budget, not whether.

Mr. Chairman, here is what we do now. We end once and for all three decades of reckless spending. We stop forcing yours and my children to continue to pay the bills. As our Federal Reserve Board chairman says, if we continue on our course, we are going to raise, and substantially, the standard of living for every American in this country. Those are the privileged people for us, working Americans.

The difference between our budget and their budget is that we trust Americans. We trust Americans. We want to send power, money and influence back to the States and localities. And long after the shrill rhetoric dies from this debate, the people who will really benefit from this budget that we pass are going to be my children and your children. They are the people that are going to be the winners in this debate.

Mr. ORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, the debate today truly is about the future of all of our children. This budget resolution is a repeat of many of the extreme proposals from last year. Just look at the 1980's and the deficits that gave us our current $5 trillion debt. Fiscal year 1982 was the pivotal year; a huge tax cut, assurances of future spending cuts, and our Nation's very first more than $100 billion deficit.

From there the deficit exploded. It was exceeding $200 billion 3 of the next 4 years. When you begin a budget balancing plan with a big tax cut, you invite failure. They deliberately created the illusion of the necessity of extreme

cuts from health care, from education, from job training, from environmental protection, from transportation, extreme cuts that Americans have said very clearly that they do not want.

□ 1800

Or they have to do things like raising $20 billion in taxes from low-wage working Americans whose only sin is to earn less than $25,000 a year.

Their tax cut has nothing to do with balancing the budget. What it does do is leave us in the year 2002 with close to $6 trillion of debt that we have no revenue to begin to pay back, and $240 billion a year in interest on that debt that is going to have to be paid year after year after year, without end, into the future of all of our children.

I urge my colleagues to reject this budget, the committee's product. It makes too many of the mistakes of a year ago.

Mr. SHAYS. Mr. Chairman, would you inform both sides how much time is available, subtracting 30 minutes from each on the Committee on Economic and Educational Opportunities. How much time does this debate have?

The CHAIRMAN. Under the previous order of the House of May 14, 1995, the 3 more provided for general debate includes 1 hour on the subject of economic goals and policy. So that is 30 minutes of the time controlled by the gentleman from Ohio [Mr. KASICH] and 30 minutes of the time controlled originally by the gentlewoman from New York [Ms. SLAUGHTER], but now the gentleman from Utah [Mr. ORTON] is reserved.

Total time remaining is 39¾ minutes for the gentleman from Ohio [Mr. KASICH] and 48½ minutes for the gentleman from Minnesota [Mr. SABO].

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, I want to point out to the folks watching this debate, our problem has been that we have consistently transferred resources from people who are young savers to people across the spectrum who are consumers. In our society we have destroyed the concept of savings.

When a nation does not save, a nation cannot invest. When a nation cannot invest, it cannot put the tools in the hands of the workers to compete and win, and we end up with job insecurity and stagnant wages. Mr. Broder on Sunday talked about the need to boost savings and investment and risk taking and opportunities so that our people can have the tools to win. That is what our document does.

Part of it is about huge deficits that kill the ability to save, but the other part of it is to transfer money from savers to consumers, and over time this country finds itself in a stagnated position. Our plan is designed to reward savings, to reward investment, to reward risk-taking, so that this country can have higher productivity and so that our workers can win and gain and earn more into the next century.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland [Mr. HOYER].

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Chairman, this is about our children and it is about trust. Unfortunately, we are not being as honest with the American public as we ought to be.

In 1981 we talked about supply-side economics. We passed the Republican program in 1981. I say to my Republican colleagues that we passed it as they wanted to pass it and President Reagan signed it in August 1981. He said, after passing the tax bill as well, ''We will balance the budget by October 1, 1983, under my program.''

That is what was said to the American public and to this House. This is what happened. We went from $945 billion in total debt, I tell the chairman of the Committee on the Budget, to $4.5 trillion in debt. Why? Because we pursued the same kind of economic program that is included in the Republican budget today. The same kind. It is a supply-side budget which created gargantuan debt for the grandchildren and children that we talk on this floor.

Yes, it is about trust, and there is a responsible budget to be offered to this House, the coalition budget, which is a bipartisan budget that creates $137.5 billion less in debt. Why? Because it is honest with the American public, and says if we are going to buy education and environmental protection and health care, we need to pay for it, not so our children pay for it.

Let us not pursue supply-side economics once again to the detriment of future generations.

I rise to join my colleagues in expressing my deep concern about the nearly $124 billion of tax breaks for the wealthy included in the Republican leadership's budget proposal.

I am a strong supporter of adding a balanced budget amendment to the Constitution and believe that we must get our fiscal house in order before we cut revenue.

The alternative budget proposed by members of the Democratic coalition and the distinguished ranking member of the Budget Committee is a responsible and genuine way to balance our budget.

By delaying tax breaks until 2002 when the budget would be balanced, the plan allows continued investment in our future.

The coalition plan provides $21 billion more for Medicare.

It includes $45 billion more than the Republican budget for education, head start, and job training.

It provides $14 billion more than the Republican plan for basic scientific research, such as NASA and its mission to Planet Earth Program, as well as energy conservation.

And I am especially pleased that the coalition does not include the unwise and unfair cuts in Federal employee benefits that are again in the Republican plan.

There is a sensible, real, CBO-scored way to balance our budget in 7 years. It does so without compromising investment in America's future and I urge every Member to support it.

Then, in 2002, when our fiscal house is in order, this Congress can approve tax reductions for all Americans-including the middle class and the poor who would be so devastated by the Republican proposal before us.

I urge a ''no'' vote on the Republican proposal and a ''yes'' vote on the coalition alternative.

Mr. ORTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Chairman, it is foolish and irresponsible to propose increasing the deficit as part of a plan to balance the budget, but that is exactly what the Republicans want to do. Their much touted 6-year budget plan will order the Congress to borrow $17 billion next year in order to pay for 1 year of tax cuts, tax cuts that in the end will cost $175 billion in just 6 years, even though the Republicans only have enough to pay for $124 billion.

Are we not supposed to be cutting the deficit? Every year we fail to balance the budget we add to the growing national debt. The nearly $5 trillion debt sops up national savings, leaving increasingly less money for private investment, new equipment, technology, and worker training. Balancing the budget involves some very difficult choices.

We just passed a defense authorization bill this year that added $13 billion to what the Pentagon asked for. Last year we added, that is right, we added $7 billion to what the Pentagon asked for.

We have tough choices to make. How about the $200 billion we could save in corporate welfare over a 6-year period if Republicans would forget about the special interests and really try to make the tough decisions to balance this budget? The short-term consequences of expanding free trade pale in comparison to the long-term effects of a growing national debt, lower wages, a poorly trained work force and lagging economic growth.

The Republican plan foolishly sells tax cuts to the public in exchange for increasing the debt while drastically reducing investments in technology, economic development, education and the environment, ironically the very resources we need to be competitive worldwide and to reestablish high growth rates that our next generation needs to enjoy.

Let us forget this plan and support the coalition's budget alternative. This involves tough decisions. The coalition budget does that.

Mr. ORTON. Mr. Chairman, I yield myself 1 minute.

The real issue here that we are asking is that we be honest with the American public. Section 210 in last year's conference report, titled ''Tax Reduction Contingent on Balanced Budget in the House of Representatives,'' at least promised the people we would not cut taxes first and then abandon spending cuts and end up increasing the deficit.

That is, if anything that we have learned from the decade of the 1980's, that should be it.

What is in this particular budget? We do not know. It says a net $122 billion tax cut. What is it? It does not even pay for the one item that has been identified. What about the gas tax? If we are going to repeal it more than just 6 months until the day after the election, that is going to cost an additional $30 billion. That is not paid for.

Even without the gas tax in it, the numbers are $64 billion off. Where are we going to cut spending? Where are we going to raise other revenues to make up that $64 billion? That is a giant hole in this budget resolution which no one has identified, no one has talked about. The public deserves to know what is in it or what is out of it, and the public deserves to have a promise that we will not increase the deficit.

Mr. SHAYS. Mr. Chairman, I reserve the balance of my time.

Mrs. MEEK of Florida. Mr. Chairman, the state of the budget for 19——

Mr. SHAYS. Point of order, Mr. Chairman.

The CHAIRMAN. Does the gentlewoman yield herself such time as she might consume?

Mrs. MEEK of Florida. Mr. Chairman, I yield myself 3 minutes.

The CHAIRMAN. Has the gentleman from Utah transferred control of the time?

Mr. ORTON. Mr. Chairman, the gentlewoman from Florida [Mrs. MEEK] will be controlling the remainder of the time until the 30 minutes, at which time the gentleman from Washington [Mr. MCDERMOTT] will control the time.

The CHAIRMAN. Without objection, the gentlewoman from Florida [Mrs. MEEK] is recognized for 3 minutes.

There was no objection.

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Chairman, last Thursday the Committee on the Budget met and deliberated for quite some time, and as we deliberated I made some assumptions about what I saw going on there. It appeared that the bottom line of that budget resolution was that the Republicans had changed the budget to some extent but there was still the same theme with some variations; the same theme of being able to work very hard to be sure that we would balance the budget in 7 years.

That was done with their budget, but as they did it, it appeared that the same people who were negatively affected in the first budget were still the same in this one. They assume tax cuts of at least $176 billion, which include a cut in the tax rate on capital gains. Part of these tax cuts is paid for by cuts in the rate of growth of spending for such programs as Medicare, Medicaid, and welfare.

It goes back to my original assumption, Mr. Chairman, that the same people that were negatively impacted in the first budget resolution, well, here we are again impacting them negatively again. But another part of the tax cut for the wealthy is paid for by raising taxes on working Americans.

The theme of the entire Republican budget resolutions all the time has been to help working Americans or to save for working Americans. Here we come back and show in this budget resolution that they are now raising taxes on working Americans who are at the very bottom of the income scale.

The Republicans want to cut the earned income tax credit by $20 billion. Now, we all know that is a cash payment from the IRS to low-income working families. The total Republican cuts in entitlement spending in this resolution came to $310 billion. The Medicare cut, $158 billion, accounts for 51 percent of the total cuts in entitlements. Almost all the other entitlement cuts, 47 percent, come from the three programs that I and my colleagues are going to debate for the next 15 minutes, Medicaid, welfare, and the EITC.

Mr. Chairman, I will talk briefly and focus on the EITC. At the markup, the majority said this year's proposal on the EITC essentially is the same as last year in the so-called Balanced Budget Act of 1995, and that bill was vetoed by Mr. Clinton. That is not quite true.

We now know what this EITC proposal means for those responsible, hardworking Americans who have chosen work over welfare. A few months ago the staff of the bipartisan Joint Committee on Taxation released an analysis of the impact on working Americans of the majority's EITC proposal as set forth in last year's conference report. The Joint Committee on Taxation found that 6.3 million families with annual incomes below $30,000 will face higher taxes because of the cutbacks in the EITC.

The Joint Committee on Taxation further found that the Republican plan would have raised taxes on many working Americans even after taking account of the $500-per-child tax credit in H.R. 2491. The report of the Joint Committee on Taxation concludes that 2.8 million families with children and with annual incomes below $30,000 would be worse off under last year's proposal even after taking into account of the $500-per-child tax credit. According to the Joint Committee, these 2.8 million families with children will be worse off by $29 a year even after taking into account of the $500 child credit.

Some of you may think an average tax increase of $29 is not very much. But that $29 is an average. That means some will face a larger tax increase. Moreover, this tax increase of $29 is more than the average American family will save because of the proposed repeal of the 4.3-cent-per-gallon gas tax. So what you're giving with one hand, you're more than taking away with the other.

The current Republican attack on the EITC is somewhat surprising because the EITC has historically had bipartisan support as a way to encourage people to choose work over welfare.

The EITC was originally enacted under President Ford in 1975, when the maximum annual credit was set at $400. Five times—under each of the next four Presidents—the maximum credit was raised, and in 1986 the schedule for the EITC was also indexed to keep pace with inflation. This year the maximum annual credit for a family with two or more children is $3,564.

But on a party-line vote the Committee on the Budget rejected my amendment to limit the changes in the EITC to those designed to reduce errors and fraud. According to the Congressional Budget Office, my amendment—which would fight fraud but still protect the working poor—would save about $2 billion over 7 years. The Republican majority was primarily interested not in reducing fraud, but in balancing the budget on the backs of the poor.

I've asked the Rules Committee to make in order my amendment to give Members the opportunity to goon record in support of people who tough it out every day, working in low-paying jobs, supporting themselves and their families. I doubt the Rules Committee will grant my request.

Many Members of the majority are using the existence of the current EITC to justify their opposition to an increase in the Federal minimum wage.

For example, on April 23, the majority whip made that argument to the House of Representatives. He relied on a Congressional Research Service [CRS] study he had requested. For each State, CRS added government payments for the EITC, Food Stamps, Aid to Families with Dependent Children [AFDC], and day care to the wages of a single person working full time at the minimum wage. CRS found that a single parent with two small children living in Florida and working full time at the minimum wage would have annual gross wages of $8,840 and would pay social Security payroll taxes of $676. This parent's wages would be supplemented, according to CRS, by an EITC payment of $3,536; food stamps worth $2,992; and an AFDC payment of $1,258. So this parent's total annual income after Federal taxes is $15,950.

Living in Miami, a single parent with two small children would find it hard to provide food, shelter, full-time day care, and clothing for $15,950 a year. Cut that EITC payment, and you hurt that family terribly. If the Republican majority really wants people to choose work over welfare, they would support both an increase in the minimum wage and the current level of EITC.

During the Budget Committee debate on my amendment, the Republicans asked how I proposed paying for the $20 billion in EITC spending over 6 years that my amendment would have protected. The answer to their question is contained in their own discussion on reducing corporate tax subsidies. In explaining how the Republicans would pay for their proposed cut in the tax on capital gains, the majority's draft report on the budget resolution ''assumes a reduction in provisions in the Tax Code that can be clearly identified as benefiting one industry or a limited number of corporations and derive no public benefits.'' The draft report goes on to say that the Committee on Ways and Means has identified such changes in the Tax Code that ''raise approximately $26 billion.''

It appears that the Republicans have clearly stated their preference: to use this $26 billion to pay for tax cuts for wealthy Americans rather than to avoid raising taxes on working Americans.

There are almost 1 million hard-working families in Florida who will be affected by the Republicans' proposal to cut the EITC by $20 billion over 6 years; 46,000 of these families are in my congressional district.

In conclusion, Mr. Chairman, under the current Republican budget proposal, surely the rich will get richer, and the poor will pay for it.

Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, one of the greatest errors made by the majority in their budget of last year were the devastating reductions they proposed in the future funding of the Medicaid Program. Unfortunately, they have done it again.

What is Medicaid? Medicaid is the joint venture of the Federal Government and State governments to meet the health care needs of children from homes falling below the poverty line, of disabled individuals unable to work and otherwise cover their health care expenses, and the long-term care costs of destitute elderly citizens. There are no more vulnerable people in this country than kids raised in poverty, disabled, and seniors who require long-term care but lack the funds to pay for it.

I am convinced much of the public reaction against last year's GOP budget was because the American people would not walk away from these kids and these seniors as they struggled to meet their health care needs.

A central problem with the GOP budget before us is that once again it clobbers kids and destitute seniors with Medicaid reductions that will dramatically reduce the quality of the health care these Americans can access.

Now, on the surface, the differences in Federal spending between the proposals may not look like much. The administration proposes a $54 billion reduction; the coalition $70 billion; the GOP budget $72 billion. The dirty little secret, however, behind the GOP proposal is that it would allow State funding toward the Medicaid program to fall off dramatically.

□ 1815

The ultimate comparison is revealed on this chart and shows just how devastating their hits would be. The administration combined hit of $105 billion, coalition $125 billion, but the GOP budget, $257 billion in future expenditures, nearly at the reckless levels of their last year's budget.

The difference between the proposals means this: Under the GOP plan, fewer kids in impoverished homes will be able to get health care. The services currently available to disabled Americans will be reduced and in some cases eliminated. And the long-term care for our seniors, people like our parents and our grandparents but they do not have ability to pay for it themselves, will fall and it will fall in terms of accessibility and in terms of quality of care.

If we are to negotiate toward a historic balanced budget agreement, Mr. Chairman, we will not be able to bridge differences as great as those contained in their Medicaid proposal. I urge the majority to change their Medicaid plan, preserve the State-Federal partnership in meeting the health needs of impoverished kids and destitute elderly.

Until changes are made in this regard, however, I urge my colleagues to reject these devastating reductions in future Medicaid spending. Our kids and our seniors deserve better.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds to respond once again to the inaccuracies of my colleague.

From 1991 to 1996, we spent $463 billion on Medicaid. Under our proposal it increases. We will spend $731 billion, 463, 731. The President would spend only slightly more, 749. What is interesting is, our colleagues in the coalition budget would spend 732, $1 billion more. They call ours a cut and they call theirs an increase.

Mrs. MEEK of Florida. Mr. Chairman, I yield 15 seconds to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, Medicare is joint, State and Federal. If you look at the combined reductions in spending in the Medicaid Program, their proposal is recklessly, dangerously different than either the President or the coalition proposal.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, here we go again.

As the only Member of this body to have actually been a single, working mother on welfare, I rise, once again, to make it clear that this budget is no kinder or gentler to children and families than the welfare reform plan peddled by Speaker GINGRICH and the new majority last year.

That should come as no surprise to anyone because this budget is just a rehash of the majority's same old cruel policies and skewed budget priorities that were rejected by the American people last year.

They were rejected, my friends, because the American people want real welfare reform—reform that helps families get jobs and stay off welfare for good—reform that expands the earned income tax credit; boosts the minimum wage and invests in education; job training; health care; child care and child support.

However, this budget, like all of the majority's welfare reform plans that came before it, tells children in this country: if you're poor, you had better not get sick, don't get hungry, and don't get cold, because the majority doesn't think you're important.

It says to families: Republicans in Congress don't want to provide you with a guaranteed level of health care; food; and general assistance for your children.

Just by ending the guarantee of Medicaid alone, almost 4.9 million children may lose their health coverage.

And, by its cuts to the earned income tax credit and failure to boost the minimum wage, this budget tells working parents that you might as well go on welfare because the majority doesn't think work should pay.

In fact, approximately 3 million working families will come out worse thanks to the majority's cuts to the earned income tax credit.

Mr. Chairman, this is not the way to be treating our working families, and it is certainly not the way to be treating our children.

It's time for the majority to stop recycling it's misplaced priorities and it's extreme policies.

It's time for the majority to work with us to pass a balanced budget that moves our Nation forward without leaving behind those who depend on us most—our children, our families, and our seniors.

Mr. SHAYS. Mr. Chairman, I yield 2½ minutes to the gentleman from Arizona [Mr. KOLBE].

(Mr. KOLBE asked and was given permission to revise and extend his remarks.)

Mr. KOLBE. Mr. Chairman, twice now I have heard the gentlewoman from California, the gentlewoman from Florida talk about cuts in the earned income tax credit. Let me point out to my colleagues what we are talking about here.

Here is what we have spent the last 5 years on the earned income tax credit, $109 billion. This is what we are talking about spending the next 6 years, excuse me, the last 6 years versus the next 6 years, $155 billion. It must be some very special accounting that is used here in Washington by some of my colleagues that calls an increase from 109 to 155, $1 billion over the next 6 years, as some kind of a cut.

What we are talking about changing, what we are talking about eliminating is the earned income tax credit for illegal aliens. We do not think they should be eligible for the earned income tax credit. We are talking also about eliminating payments, ending payments to persons that have substantial sources of nontaxable or unearned income: for example, Social Security, tax exempt interest, IRA distributions, child support payments, those would be counted as part of the income, not currently included there.

So, yes, for those people there would be an elimination because they have other sources, in many cases government sources, of unearned income. We are talking about ending payments to childless workers. That was not ever the original intention of the legislation to have people who are childless workers. I would like to know the logic from my colleagues on this side of the aisle as to why a couple that earned, individual who has two children, is trying to

raise them, should work extra hard to pay for taxes to provide an earned income tax credit for somebody who is childless and working part time.

An individual who is working full time at the minimum wage would qualify for a total of $40 under the earned income tax credit. In other words, basically a full-time person who is childless working at the minimum wage does not qualify for it anyhow. So you are talking about part-time people anyhow.

For the first 18 years of the earned income tax credit, it was not available to childless workers. That was one of the things that was added much later.

My colleagues also often mention that this is one of Ronald Reagan's favorite programs. They ought to remember that when Ronald Reagan was President, he was talking about in 1986, the total cost of the earned income tax credit was $2 billion. Today it is $25.3 billion, that is an 1165-percent increase in just 10 years.

We are not talking about eliminating or cutting the earned income tax credit. We are talking about getting rid of some of the abuses and trying to target those who need it the most and allow working people who have families to keep some of the money in their own pocket and not have to pay for childless couples who do not really need the earned income tax credit.

Mrs. MEEK of Florida. Mr. Chairman, I yield myself 15 seconds to respond to my colleague's point of view.

I think what my colleague said did not present the whole picture of the cut that they have made in the EITC, because according to a study by the bipartisan Joint Committee on Taxation, the changes which the Republicans have recommended in their resolution would increase taxes on 6.3 million hard working families, that needs to be talked about, with an annual income below $30,000 a year.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from the State of New Jersey [Mr. MARTINI].

(Mr. MARTINI asked and was given permission to revise and extend his remarks.)

Mr. MARTINI. Mr. Chairman, I rise today in support of the American people and in support of the fiscal year 1997 budget resolution. Two years ago Americans were restless and concerned. No longer was the status quo good enough. I shared that concern and that is why I ran for Congress in 1994.

Now, 2 years later, our record shows that we have succeeded in changing the status quo. We have taken action to make America fiscally sound once again. We have proven we can cut wasteful spending and protect our most important priorities and do so with caring and compassion while addressing the need of working families. The reason is obvious. The difference between our budget and theirs is that we trust the American people and they do not.

We know the very richness and quality of our lives is not defined solely by government but, rather, by the opportunity to be involved with our community, schools, neighbors and of course our places of worship. In my mind, these ideas are not revolutionary. Rather, they are inherent in the very role of being a Congressperson, managing the financial affairs of Government responsibly and fairly.

Yes, this Congress pushed the envelope of fiscal responsibility at the President, and we pushed that envelope again. He could no longer ignore that. It was not always pretty but real change never is.

The result has been saving the American taxpayers $43 billion, the first such reduction since World War II, a cut in deficit without an increase in taxes. Contrast this with the 1993 Clinton Democrat Congress budget of more spending, ballooning deficits, and the biggest tax increase in American history, $245 billion.

Yes, Mr. Chairman, we have come far in the last 2 years. I say to my colleagues, now is not the time to succumb to the scare and fear rhetoric that we have heard from the other side. I might add the party that for years stood for the party that said we have nothing to fear but fear itself today offers us only fear and more fear.

Now is not the time to retreat. Now is the time to go forward with courage and to continue on the path of change that we have adopted. I say we pass the budget resolution.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Hawaii [Mrs. MINK].

(Mrs. MINK of Hawaii asked and was given permission to revise and extend her remarks.)

Mrs. MINK of Hawaii. Mr. Chairman, I would like to say that it was not too long ago that we were saying, read my lips, no tax increases. Our majority party has been saying no tax increases, we are going to have tax cuts because that is what this economy needs. Yet we know this budget resolution is going to reduce EITC by $20 billion. What does that mean for those childless families? That means a tax increase.

If they have under existing law been enjoying an EITC from the Government and suddenly this bill is passed, reducing that EITC benefit to this family because they are childless, that, my friends, is a tax increase to that family. There will be millions of families so affected.

A family without a child in the household that they can consider a dependent may suddenly be strapped by someone becoming very ill, a heart attack or a stroke or someone has to go out and work and perhaps under this devastating minimum wage not be able to survive. And the Government is going to say, now that childless couple needing the support from this Government just as poor as any other family is not going to have the EITC benefit because there is no child in the household?

We want to help all families that are poor, that are entitled to this support. I cannot believe that the majority would stand up and say that this is not a tax increase on that poor family that heretofore has had this benefit.

Mr. KASICH. Mr. Chairman, I yield myself 1 minute and 30 seconds.

Can we imagine a family where the income of two children at $30,000 who are being taxed to give benefits to a childless couple making $28,000, can we imagine the mother and father telling their children we cannot go to McDonald's tonight because we had to pay more taxes to give more benefits to a childless couple that is making $1,000 less than we are.

What does the family get who goes to work every day and is struggling to support their children? What do those people get? They do not want food stamps. They do not want housing. What they want is an opportunity. And what we aim to do is to give opportunity to those people trying to climb out of welfare.

We are trying to give benefits to those people who desperately need it. We are trying to help those people who cannot help themselves. But do my colleagues know who else we are very concerned about? Low income working Americans who give more and more and get less and less back. They are the forgotten Americans in this country. Those Americans are struggling every day to support their children, and all they ask for is an opportunity.

That is what this budget is all about, rewarding those people who get up every day and go to work, and all they ask for is a chance, and more of their money back in their paychecks for them to spend on their children. That is what is right.

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Mrs. MEEK of Florida. Mr. Chairman, I yield 30 more seconds to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Chairman, the distinguished gentleman from Ohio [Mr. KASICH], I think, misses the point. We all want to benefit working families. It was never the intention to make a distinction about a childless family. The formula currently includes benefits for childless workers because clearly there are circumstances where there are two individuals in a family, one perhaps disabled and unable to work, suffering some kind of disability where only one sole individual in that family can go out and work, and that family is as entitled to this benefit as any other family, and I do not believe the law ought to be changed. And the $20 billion that our colleagues are taking out of the program is to hurt that family. It is a tax increase.

Mr. Chairman, I rise today to ask my colleagues to take notice of a small, but important provision in this budget resolution. It expresses the sense of Congress that we should not enact or adopt any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured,

and further stipulates that Congress must revisit any legislation enacted to comply with this budget resolution which does cause an increase in the number of children who are hungry, homeless, poor, or medically uninsured.

I authored this amendment which was accepted by the Budget Committee on a voice vote. I must say that I was quite pleased when the chairman of the Budget Committee accepted my amendment without hesitation. Accepting this provision may have been easy, but I would caution this House that complying with it will be difficult given the budget proposal before us today.

As we have seen in the past, this budget seeks to sacrifice the most vulnerable in our Nation in exchange for a balanced budget by the arbitrarily chosen year of 2002.

It is difficult for me to see how we are going to prevent more children from becoming hungry, homeless, poor, or medically uninsured under this plan, which disproportionately targets those programs dedicated to assisting the poor, most of whom are children. Medicaid will be cut by $72 billion over the next 6 years, $53 billion will be taken away from welfare programs and the EITC will be cut by $20 billion. With the exception of Medicare, no other Federal program takes a larger hit in this budget than these three programs which make up the basic social safety net for our Nation's children.

It is obvious that the intention of their budget is to dismantle those very programs that work to keep children from being hungry, homeless, poor, and medically uninsured.

Most devastating is their decision again to do away with the basic guarantee, the entitlement, for children in this Nation to receive a minimum level of financial support and guaranteed health care, no matter where they live in this country, who their parents are, or the most difficult circumstances they may live in. Make no mistake, the adoption of this budget will end the Federal Government's commitment to a guaranteed safety net for our children.

We already know that if welfare legislation similar to H.R. 4 is adopted as this budget resolution suggests that at least 1.2 million more children will be thrown into poverty. This is based on analysis of the Senate version of H.R. 4 by the Department of Health and Human Services and the OMB.

Welfare reform as proposed in this document has nothing to do with giving families the tools to become self-sufficient and everything to do with cutting the budget. If we were truly interested in helping families on welfare we would be retaining the entitlement, especially for child care; increasing funding for education and job training, not decreasing it; and expanding health care for the poor, not reducing it.

In addition to the elimination of the safety net for children, this budget adds insult to injury by making it more difficult for low-income working parents to provide for their children without government assistance by cutting the earned income tax credit [EITC] by $20 billion over the next 6 years. According to the Joint Committee on Taxation, the EITC reforms proposed by the Republican budget would increase taxes for 6.3 million working families with incomes less than $30,000. We hear the Republican majority spout rhetoric about personal responsibility and the need to be self-sufficient, yet here we have a program that truly helps working families stay off welfare, and what do the Republicans do? They cut it.

Instead of supporting policies that lift people out of poverty like the EITC and an increase in the minimum wage, this budget relies on the failed policies associated with the trickle down economics. Worse, it destroys the safety net under current law for our 5 million children in welfare. To hurt these children is absolutely the wrong policy.

This budget resolution is seriously flawed. It eliminates or severely cripples some of the most important functions of the Federal Government, that which assumes our children and the most vulnerable in this Nation are cared for. The only hope we have is that provision I added in the Budget Committee which requires us to revisit this budget if it results in more children becoming hungry, homeless, poor, or medically uninsured. I ask my colleagues to reject this budget because it hurts children, it hurts the poor, the elderly, and the sick.

The gentleman from Arizona earlier said this budget is about priorities. Clearly, the majority's priorities do not lie with our children, or their families.

This budget resolution calls for the end of Americorps, terminates Goals 2000 which is local education reform, freezes Head Start, freezes WIC, cuts Job training by 25 percent below fiscal year 1996 levels, freezes funds for title I, freezes college student financial assistance programs like Pell grants, Work study cuts library funds by 20 percent, phases out legal services for the poor, phases out funds for the arts and humanities, and privatizes Corporation for Public Broadcasting, and cuts bilingual education.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. THOMPSON]. He is a new member of the Committee on the Budget.

(Mr. THOMPSON asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON. Mr. Chairman, I rise today in opposition to the Republican budget due to the fact that it cuts deeply into programs that help children, seniors, and working people. This budget will have a devastating effect on my constituents in the Second Congressional District of Mississippi. Cutting $72 billion in Medicaid will decimate nursing home residents and cause many seniors to be put on the streets. This is a mean-spirited effort and is equivalent to Robin Hood in reverse.

While the Republican majority refuses to raise the minimum wage, they insist on reducing the earned income tax credit. The only help available for working-class Americans, the earned income tax credit, goes to people who work, not people relying on welfare. This is very unfair and a slap in the face. Of the persons who receive earned income tax credit in Mississippi, 234,000 had a gross income of under $15,000. This is about 25 percent of the working families in Mississippi—63,000, Mr. Chairman, live in my district.

I urge opposition to the budget.

Mr. KASICH. Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania [Mr. FOX].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FOX] is recognized for 2¼ minutes.

(Mr. FOX of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. FOX of Pennsylvania. Mr. Chairman, our budget plan will help America do better. We have passed the first balanced budget in a generation. While the President vetoed our balanced budget, we have changed Washington forever. The debate is no longer about whether we need a balanced budget, it is about the best way to achieve one. We fought for one, the single largest reduction in spending since World War II, a savings to taxpayers of $43 billion. This budget will help seniors, working families, and children. We end nearly decades of reckless deficit spending. We stop forcing our children to pay our bills.

As Federal Reserve Chairman Alan Greenspan says, a balanced budget would enable families to look forward to their children doing better than they did, to give States the freedom to develop welfare programs that promote personal responsibility and break the cycle of welfare dependency. It restores the authority, Mr. Chairman, and responsibility for pubic education back where it belongs, in the hands of parents, principals, and local school boards, not with the growing Federal bureaucracy.

It allows decisionmakers in the States, not Washington bureaucrats, to design Medicaid programs that are tailored to meet the special needs of the poor and elderly.

This budget helps families move ahead through a $500 per child family tax credit, a special $5,000 adoption credit, a rollback of the Clinton tax hike. American families will get to keep more of what they earned.

Our balanced budget will also lead to lower interest rates. That will lower mortgage costs, car payments, student loans, and create hundreds of new jobs. Right now the Federal Government borrows so much available long-term capital that anyone else looking to borrow money is forced to pay higher rates. Once we stop deficit spending, interest rates will drop, saving the average family $1,700, almost $1,800.

This budget also attacks waste and inefficiency and puts an end to billions of dollars in corporate subsidies and special-interest tax breaks. It helps our veterans with $5.1 billion more than the administration's funding for hospitals and medical care.

Mr. Chairman, this budget is fair, compassionate, and it helps our constituents have a better life.

Mr. KASICH. Mr. Chairman, I yield the balance of my time to the gentleman from New Jersey [Mr. SAXTON], and I ask unanimous consent that he be allowed to control the time.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mrs. MEEK of Florida. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, last year, the American people rejected the Republican budget, and the President justifiably vetoed it.

This year's Republican budget is no better. Instead of moderating their extreme policies, the majority's plan continues to hurt hard working Americans.

Raising the minimum wage is supported by over 80 percent of the American people because it will help over 7 million working adults to pay for groceries, health care, rent, or their children's education.

The majority, however, is denying Congress a clean vote to raise the minimum wage, while at the same time proposing to cut the earned income tax credit for low-paid workers.

The EITC cuts of $21.6 billion will negatively impact 60,000 families in my district alone and 6 million low-income families across this country.

It makes no sense that as Congress debates the needs and the value of America's workers, the majority proposes to raise taxes on the poorest workers.

This is an unfair and unjust budget, and I urge my colleagues to vote ''no.''

Mrs. MEEK of Florida. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. OWENS].

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, this fiscal year 1997 budget of the Republican majority continues the same extremism of the fiscal year 1996 budget. American people have rejected that extremism, but it goes on and on. It is an assault on the majority of the American people, starting with the poorest people who need Government most. The children, the elderly and the people with disabilities are attacked first.

The Medicaid entitlement, the removal of the Medicaid entitlement, is the thrust of that attack, which is most dangerous. Are we going to take away the possibility of life itself from many people? The Medicaid entitlement, means-tested Medicaid entitlement, is probably one of the most noble actions of our Government. As my colleagues know, it is a prolife action in the most profound sense of the concept of prolife. It is for all life. But by taking away the Medicaid entitlement, we are going to condemn people to a situation where the funds will not be there to preserve life when it is needed. We are taking a step backward from the possibility of ever realizing universal health care. This is a step forward toward decentralized genocide.

By giving it out to the States, by having the States with less money try to meet these needs, we are going to ratchet down the benefits and make more and more people suffer and more and more people will die, and eventually we are going to get into a situation where there is a whole class of people which we are throwing overboard, a whole class of people for which life itself has no meaning, the Government will not help to preserve it, and that kind of step is what this extremist budget takes us into.

Medicaid entitlement must be preserved.

Mrs. MEEK of Florida. Mr. Chairman, I yield 45 seconds to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I thank the gentlewoman for yielding this time to me.

I want to emphasize something that has already been stated, that indeed the Republicans are at it again, they are really attacking the poorest of the poor. Contrary to what they say, they are actually raising taxes on more than 6 million low-income persons. At the same time, they are giving a capital gain to the wealthy. Why not give tax breaks to all America rather than putting it all on the poor? On 7.7 million low-income people, taxes were raised in 1995. They did it in 1995; they are at it again. The poorest of the poor is being hurt.

Mrs. MEEK of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in closing, I just would like to say that the Republicans are not facing the facts. Families with children will still be worse off in this new budget resolution. The Joint Economic Committee has already revealed that the $29 that the chairman talked about, that is an average figure. That is not the figure for every family. Some families will be hit harder by that, and we will have a large tax increase.

Mr. Chairman, we can balance this budget together, the Republicans and the Democrats, but we cannot balance it unless we work both with the poor, and the near-poor, and the rich.

Mr. SAXTON. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, first let me commend the chairman of the Committee on the Budget and his colleagues and the staff of the Committee on the Budget for providing us with the opportunity to consider what I consider a very, very find budget.

This next hour will be controlled by the members of the Joint Economic Committee, and it is our function, along with deciding on what our priorities should be, to try to shed some light on the fiscal implications of our Federal budget, of our proposed Federal budget, and our past actions on the economic performance of the private sector in our country.

Mr. Chairman, I find it quite interesting to do that because over the years that I have served on the Joint Economic Committee we have found that there are certain things that happen here in Washington that have a profound effect on the American economy.

Today many middle-class Americans are deeply concerned about their lack of economic progress, and I would like to speak for just a few minutes about that because that is one of the issues that we are trying to address with this budget. Ordinary Americans in many walks of life feel that they are on a treadmill where they have to run faster and faster to stay in the same place, if not fall behind. Unfortunately, they have every reason to be concerned because not only is income growth nonexistent but taxes have gone up.

I would like to just point out that over the last 10 months we have released a number of Joint Economic Committee studies and reports documenting the middle-class income meltdown. The sad truth is that a variety of statistics show that economic well-being of the American middle class has declined or stagnated under the policies of this administration, and we are going to try to fix it.

For example, take one standard measure, median family income: This statistic charts changes in the level of middle-income families over time and can be adjusted for inflation as well. The Joint Economic Committee found that during the Clinton administration there has been no progress in inflation-adjusted median income. In other words, families that earned $40,000 3 years ago on average continue to earn $40,000 this year. This chart exemplifies that.

During the last decade, during the 8 years of the Reagan administration, each year American families could anticipate a 1.7 percent increase on average in their income. Now, if we extrapolate that out during that period of time, that means that income went up during that 8 years almost 14 percent.

Now, just to take an example of what that meant to the average American family over that 8 years, it meant that a family that started the decade of the 1980's making $50,000, by 1988 was making $57,281, and so that kind of growth took place because we had in place growth policies here in Washington.

Now, by contrast, since the present administration took office, we have had goose eggs, no growth in median family income. And so one of the things that this budget tries to address is that problem by bringing into control Government spending and lowering the thresholds that we anticipate for future Government spending as well.

Unfortunately, we know that median income did not treat all Americans the same.

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For example, male earnings from 1992 to 1994 actually fell. In 1992 the median male income for males in this country was $31,897. It decreased by 2.2 percent by 1993 and fell to just over $31,000; and decreased another 1.1 percent in 1994 and fell to $30,854. So because of, we think, bad things that Congress did and the President did during those years, it

crested a disincentive for the economy to grow.

Secretary Reich has tried to explain this away by saying that corporate profits are up; therefore, median income must be down. Not true. Not true. This chart shows what happened with corporate profits and total compensation. The red line shows what happened with corporate profits.

During the years of John Kennedy back in 1963 and 1964, corporate profits consumed or took up about 14 percent of total compensation. Today you can see over in the other end of the chart, it is only 10 percent. It has actually fallen. The black line does represent total compensation for American workers, 55 percent in 1959 and just about 55 or 56 percent today.

Mr. Chairman, I commend the gentleman from Ohio [Mr. KASICH], the chairman, for the great effort he has put into this budget to treat all Americans fairly, and yet recognize the economic implications of what it is that we have created. Naturally, I am going to urge everyone to support this budget.

Mr. Chairman, I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are now probably talking about what we should have started this discussion with, and that is the whole of how the economy is doing. The question we have to ask ourselves, Mr. Chairman, is whether or not anybody believes a Republican and their analysis of the economy. Most of us on our side of the aisle have some doubts, but occasionally the light goes on on the other side, and somebody makes a statement that makes sense.

In February 1996, ROBERT DOLE, who just left the Senate because he could not cope with these radicals on the other side of the aisle, said, ''It is true, as some have said, that our economy is the strongest it has been in 30 years.'' If Members do not believe BOB DOLE, if they do not believe BOB DOLE, Members can listen to what they are now going to say. But the fact is that the economy today is the strongest that it has been in 30 years.

The second chart which I will put up here, do Members believe the Congressional Budget Office? We have had a discussion in this House over and over again as to whether or not we can balance the budget in 7 years, according to CBO numbers. Everybody on the other side said that the CBO numbers, they are absolutely correct.

Mr. Chairman, when President Clinton took over, if we follow this line, that is what CBO said was going to happen. The deficit was just going to go out of sight. As a result of the policies that the President instituted in 1993 and 1994, we now see that the deficit is coming down, and the President's projected budget will take it down in the course of 7 years to zero.

The President has done what has to be done in terms of dealing with deficit reduction. The fact is we still have real problems in this economy. The middle class, their incomes have been stagnant for 20 years. It did not start when President Clinton came in. It started 20 years ago. The lower classes have been drifting down. Their incomes have actually been falling in real money. We have serious problems. We have people out there who are permanent temporary employees: our children whom we sent to college, who accumulated debts, who have come out of those colleges in debt, and cannot find a permanent job.

The largest employer in this country is Manpower. People work 40 hours a week, they work 50 weeks a year at $10 and $15 an hour in my own city of Seattle, and they do not have health care benefits, they do not have a pension, they cannot buy a house. If you take a manpower pay stub into a bank and try to get a loan to buy a house, you are laughed out of the place. You simply cannot get a loan if you have a temporary job. There are thousands of people.

In my city, in the music industry there are no permanent jobs. Seattle rock music, everybody knows about it. They know about Nirvana, they know about Pearl Jam. They know all those companies. Those people, none of them have permanent jobs. So there are real problems in this country, because we have people with a temporary job trying to pay off school loans. It is no wonder that people are anxious.

But the problems are not solved by the policies in the Republican budget. The Republican budget wants to jerk the safety net out from under people. It wants to take away Medicare so that people in their middle years, who are trying to help a kid get through college, are suddenly going to have to help their parents with their health care bills. They want to take away Medicaid, which guarantees nursing home care for senior citizens in this country, and want to throw it back onto the families and say, ''You come up with the $30,000 a year to take care of your mother in the nursing home.''

Mr. Chairman, if you have to do that in the middle class, how are you going to help your kid go to a community college or pay for going to a university? Those are safety net issues.

The President said, it was a very interesting thing, he came out to Seattle a few months ago, 2 months ago, and said,

> There is enough money on the table to balance the budget. We have agreed, there has been enough agreement between the House and Senate and the Presidency on the numbers, but we will not balance the budget if your intention is to destroy the safety net.

That is the essence of this budget debate. It is not about numbers. These numbers, we could argue about numbers, $50 billion here and $25 billion there and whatever. The issue is whether or not the Federal Government is going to be able and willing to provide a social safety net for the people in this country, whether we are talking about educational loans or we are talking about Medicaid for nursing homes or Medicare for senior citizens. Whatever we are talking about, it is a question of whether the Government should be involved in providing that safety net and trying to help people make it up. We have done it in the past, we will do it again, but not with the policies that are in this budget.

Mr. Chairman, I think that this budget resolution makes no sense. The people of this House ought to reject it and go for a budget that makes some real sense in terms of helping people make it up the ladder, not pull the bottom rungs out from under them. That is what their budget actually does.

Mr. SAXTON. Mr. Chairman, I yield 3 minutes to the gentleman from Clarendon, TX [Mr. THORNBERRY], another member of the Joint Economic Committee who believes that big government acts as a drag on the economy.

Mr. THORNBERRY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, we have heard a lot about the trillions of dollars involved in the Federal Government's budget today, but I think it is also important to focus on the family budgets in this country, because in truth, the economic security of the country is only as strong as the economic security of the American family.

There may be some who think that the family budgets in this country are the strongest they have been in 30 years. That is not what I am hearing in my district. Everywhere I go people are squeezed. People are working harder and harder and having a tougher time making ends meet.

If we look at the statistics, they bear out that feeling. Since 1992, median family income in this country has gone down. Since 1992, the average Federal tax rate has gone up. The result is that Americans are left with less money in their pockets because the Federal Government is taking more and more money away from them.

Recent surveys show the American people across all lines think the Federal Government, government at all levels, should take about a quarter of what they make; it should take about a quarter of someone's income to pay for government, and yet the number today is more like 38.2 percent. That is, of course, as opposed to about 5 percent in 1950. Today parents are working harder and longer and have less time to spend with their children.

If Members do not think this country is experiencing the effects of people having to spend more time making ends meet, just to pay for food and shelter and away from their kids, I do not think they are in touch with what is happening. This budget includes a $500-per-child tax credit, so a family with two kids is going to get $1,000 more a year.

Some people say that is not enough to make a difference. I will tell the

Members, that is. That $1,000 for a typical family will pay for 3 months of groceries, it will pay for 1½ months of mortgage payments, it will pay for 3½ car payments, it will pay for 14 months of health insurance.

In my district alone, it will mean $322 million more dollars over 7 years. That makes a difference in people's lives. It makes a difference at times that they need some relief.

The bill has a lot of other good things for families. It allows senior citizens to keep more of the money they earn and not be penalized on their Social Security. It repeals the gas tax and the rest. The problem with taxes is sometimes people in Washington get confused about whose money it is, but it is a fundamental issue, I think, on who can better spend the people's money; whether the Washington bureaucrats can spend it better or whether the families themselves can spend it better. I put my trust in the American people.

I think this country will be better off by letting people keep more of the money that they earn and spend it on themselves and their families and their food and their shelter and their communities and their churches, rather than sending it all to Washington. That is a lot of what is at stake here. That is a fundamental difference in this budget. It is the reason the American people need this kind of tax relief.

Mr. HINCHEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as a member of the Joint Economic Committee, I want to raise a number of objections to the GOP budget resolution for fiscal year 1997. This proposal that we have before us is little more than a rehash of the Contract With America and its assault on working families, senior citizens, students, and the environment, all of which have been rejected by the American people in each of the renditions that it has come to this House.

This budget is bad for the economy. It is bad for working people, and I believe it should be rejected. Just a few weeks ago after a year-long struggle on the budget, this body showed that it had the ability to compromise on fiscal matters and pass a budget reduction measure with support that was bipartisan. The omnibus appropriations bill cut the deficit by an additional $23 billion, while at the same time protecting our Nation's commitment to providing affordable health care, housing, and education.

The bill was the product of productive dialog between the parties; long, tough negotiations and compromise by Members on both sides of the aisle. That is why I voted for it, and that is why Democrats and Republicans alike in this House supported it and provided it with an overwhelming majority.

Now, Mr. Chairman, the majority party here in the House proposes to take several steps backwards and rehash the debate once again to limit health care services for the elderly, undercut health care providers in my district and across the Nation. We are again debating whether we should end our Nation's longstanding commitment to help provide food and medicine for those who need it, and raise the cost of education for working families. In the end, this budget would have a devastating impact on the economic security of working families across America.

Under the bill, Medicare would be cut by $168 billion. Medicaid coverage would no longer be guaranteed, and spending on education is reduced below its level of just 2 years ago. One and one-half million fewer students would be aided by Pell grants, as opposed to those who would be aided under the President's bill. In other words, the President's bill would provide Pell grants for an additional 1.5 million students over that which is proposed in the Republican budget.

In addition, the earned income tax credit would be cut by $20 billion, essentially raising taxes on thousands of working families in my district, and a total of about 6 million working families across the country. The debate on this budget plan has been a loser for the Republican majority throughout the past year. This budget promises to continue this losing tradition today, tomorrow, and on until November.

It is symbolic and ironic that on the same day the majority has rejected a modest increase in the minimum wage to help working families achieve a decent standard of living, it presents this House with a plan to raise taxes on those very same families by cutting the earned income tax credit.

□ 1900

If we cannot raise the wages of working families, then why should we also provide tax breaks for the most affluent members of this society? Why should the House vote for a budget that provides capital gains reduction that largely benefits the wealthiest 1 percent of families when we are telling working people that we cannot afford to raise the minimum wage above the lowest level it has been at in 40 years. It is time that we stand up for the economic security of working Americans instead of trampling on their standard of living.

Mr. Chairman, I urge that we reject this losing budget proposal and we vote for one of the Democratic alternatives that will be presented tomorrow.

Mr. Chairman, I reserve the balance of my time.

Mr. SAXTON. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. MANZULLO], a Member who has been particularly active this year in understanding what it means to the American family to have less income and at the same time pay higher taxes.

(Mr. MANZULLO asked and was given permission to revise and extend his remarks.)

Mr. MANZULLO. Mr. Chairman, we all use charts in this body, and different figures are thrown out; but every day millions of Americans get up, get out of bed, they have their breakfast, they pack their lunch box, send their kids off to school. In many households both spouses work. We talk about the forgotten American, the people that go to work every day, the people in this country that are working harder and harder and taking home less money. Nobody is talking about that portion of the American people. Think about it.

The people in this country who get up every day and go to work, they say to me, ''Congressman, I don't understand it. I'm working harder than ever in my entire life, and the money simply isn't enough to make the expenses. I'm not buying new cars, I'm not buying new houses, I'm just trying to do the best I can to survive in this economy.''

Mr. Chairman, here is a chart. Here is the reason why. Americans today are working harder and taking home less money. Americans today are working harder and taking home less money. Americans today are working harder and taking home less money because governments of all sizes are growing and taking away the money.

The Federal Government continues to grow. The number of Federal employees declines, but the number of nongovernment employees who receive grants from the Federal Government to carry on the work of all the 10,000 Federal programs we have continues to grow. The man who gets up in the morning and packs his lunch and kisses his kids good-bye to go off to school and perhaps his wife goes off to work also, he takes home less money. And who cares about him? Who is caring about that man in America? He is down here taking home less money. Do you know why? Because government is too big. It is too intrusive. It is too pervasive. One program after another. Try to cut down the size of the Government, and the President adds AmeriCorps.

''Just give me another program. Just one more investment. Just another program. Just have this investment.''

Mr. Chairman, every single one of the 10,000 programs in this Federal Government has its own constituency, its own lobbyists, its own special interests. But who cares about the man who gets up in the morning and packs his lunch and kisses his kids off to school and perhaps his wife has to go to work, also, just to make ends meet? Who cares about him?

Let me just reiterate the words I have heard this evening from the other side. The Republicans are extreme. Decentralized genocide. Mean-spirited. Cruel. Radicals on the other side. Assault on America.

Do my colleagues know where the assault is taking place? On the American family. Taxes continue to go up.

Rob Yedor runs a factory called Myco in Rockford, IL, about 125 employees. ''Oh, with the great budget in 1993, we're going to raise the taxes of the

rich, we're going to increase the subchapter S taxes.'' What happened? He pays $250,000 a year more in taxes.

Mr. Chairman, where was that money going to go? For three things for his employees: to purchase additional capital, that is new machinery, to fund more fully his 401–K retirement plan, and to increase the wages of the people who work for him. That was the 1993 Clinton budget. Do my colleagues know who got hurt by it? The man who gets up in the morning and packs his lunch and sends his kids off to school, the average American worker. Here is the chart. He is taking home less money because this Government is too big.

Mr. SAXTON. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, the gentleman from New York [Mr. QUINN] wanted to be here to add to what we have said tonight but he lost his voice today, the poor guy. What he wanted to say was that we also did a study which showed that, when the Federal Government consumes more than about 17.4 percent of GDP, every dollar that we spend after that actually has a negative impact in pulling down the productivity and the production that takes place in the American economy.

Today, as the gentleman knows, the Federal Government consumes a full 22 percent of GDP. And so the optimum level, at about 17.5 percent, has been far surpassed. We are 4.5 percent above where we should be. This budget takes a small step toward getting us back to where we should be so that the guy who gets up in the morning and packs his own lunch and maybe the lunch for his kids, as the gentleman so eloquently pointed out, does not have to look forward to a future where we see diminishing returns on work, which is what is happening in the American economy.

Mr. MANZULLO. Mr. Chairman, there is a chapter that normally appears in every budget called the generational forecast. It has not been in the last couple of budgets. That states because of the $5 trillion national debt, unless something is dramatically done, the children born after 1992 entering the work force would have a combined State, local and Federal tax rate of between 70 and 90 percent. That is unconscionable.

Mr. HINCHEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, there are many parts of the Republican's proposed budget that I find objectionable, but there is one part that is particularly inappropriate.

They propose, once again, to eliminate the Department of Commerce by abolishing certain programs and by restructuring others.

The Department of Commerce, under the able leadership of Secretary Ron Brown, has been a shining example of what good Government can do.

And with the appointment of Secretary Kantor, continued good things are promised.

Why eliminate the one agency that has aggressively expanded American exports, has effectively pursued business opportunities abroad for American companies—big and small—has helped to ease our balance of trade deficit and, most importantly, has had a big hand in creating jobs here in the United States?

I am particularly distressed by their proposal to transfer the functions, but not the resources, of the Economic Development Administration [EDA] to the Small Business Administration [SBA].

This proposal would appear to be a classic example of seeking to make change for no reason, rather than change for good reason, change for the sake of change rather than change for the better.

The Economic Development Administration has been an effective and vital resource in helping communities, especially rural communities, respond to problems of economic distress.

In my district, EDA has been working to support the Global Transpark, an innovative and creative venture that will allow the rapid transportation of goods and services from my State to markets abroad.

With similar lack of logic, they propose to eliminate the Technology Administration, the Economics and Statistics Administration, the Minority Business Development Agency, and other important parts of the Commerce Department.

Our colleagues propose to save money through this dismantling and restructuring, but their math is misplaced.

The Commerce Department has already undertaken plans to consolidate, reengineer, move operations, delete regulations, change certain policies and save.

If our Republican colleagues are serious about passing a budget resolution in a timely and bipartisan manner, that will be signed by the President, they should start with a new beginning, not with an old ending. The Department of Commerce should not be eliminated.

Indeed, the Department should be funded at a level adequate to continue its good work.

Economics require it. America needs it. Good sense demands it.

Mr. SAXTON. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. SANFORD] who is going to report on yet another Joint Economic Committee study which shows the negative effects of large Government on the free enterprise system.

Mr. SANFORD. Mr. Chairman, in this whole debate about the budget, I would remind everybody that Mother's Day was this weekend.

One of my mother's sayings was that too much of a good thing is actually a bad thing. Benjamin Franklin said, ''I would rather urge moderation in all things,'' and farmers back in my district had this saying that you can only squeeze but so much blood out of a turnip.

What these sayings say, I guess, is a word of support for a recent Joint Economic Committee study entitled ''The Impact of the Welfare State on the American Economy,'' by Lowell Gallaway and Richard Vedder.

Its findings were highlighted in a recent Investors Business Daily article entitled ''Cut to Grow.'' What both the report said and what the article said was that there is a price tag to Government spending. If you look at this chart, that price tag is that you can only go so far before Government spending becomes a problem. Keynes was right up to a point that Government spending creates economic activity, up until about this 17.6 percent that the chairman alluded to, and then beyond that it is actually detrimental. Beyond that it is actually a drag on the economy.

Mr. Chairman, here we are at about 22 percent of the size of our economy right now with Government spending, and what that means is that it is actually hurting us. For every $1 of additional Government spending beyond that 17.6 percent, it slows us down by about 38 percent, or, if you were to go out and find $100 of Government cuts, you would come up with about $138 of benefit to the total economy.

So I would say that this debate in large part is about who is best at spending your money. If you think it is bureaucrats, then you probably do not want to support this budget resolution. But if you think you are best at spending your own money, this graph and this study support that idea. Therefore, I would urge us all to support this budget resolution.

Mr. Chairman, I include the article referred to for the RECORD.

PERSPECTIVE—CUT TO GROW

Many supply-siders focus on cutting taxes as the best way to lessen the load of government and raise economic growth. But a new study suggests cutting federal spending can also do the trick.

The best size of government is about 17.6% of gross domestic product, says a recent study from Congress' Joint Economic Committee.

When government is very small it can do a lot to raise economic growth, say Ohio University economists Lowell Gallaway and Richard Vedder, authors of the study.

These include providing a strong defense, fighting crime, creating courts where people can resolve disputes and building a basic infrastructure, such as roads and highways.

But more government spending faces diminishing returns. That is, each additional dollar spent brings fewer benefits than the last one.

So the bigger government gets, the less likely it is that the benefits of more spending outweigh its costs.

Eventually, the study says, spending slows economic growth as government focuses on programs that dampen output rather than help it, such as regulating businesses and redistributing incomes.

For example, in 1948 less than 10% of spending went to social programs. For the twelve years after that, 25% of added spending went to these programs. That moved up

to one-third in the 1960s, and half in the 1970s.

From 1990 to 1995, the government added more money to social programs than it added to the overall budget.

As a result, from 1947 through 1951, government spent about 15% of GDP, while GDP grew at a yearly rate of 4.2%. Through 1974, government spent 19% of GDP, and the economy grew at a 3.3% rate. Since then, government has spent 22%; GDP has grown at a 2.5% rate.

The government has exceeded the 17.6% spending level every year since 1965, ignoring gains to the economy from cutting spending, says the study. This excess spending has curbed the economy by an average of about 2% year, leading a cumulative loss of about $2.3 trillion in output.

That leaves a good deal of room for today's lawmakers to raise economic growth by cutting spending.

This year the government spent about 21.4% of GDP, according to the Treasury Department. The GOP budget plan would bring spending down to 18.5% of GDP by 2002, says the Congressional Budget Office.

For every $1 of spending cuts, the private-sector economy will expand by $1.38, Gallaway and Vedder say.

If sustained for seven years, that $1 budget cut would add $2.45 to total output, they say.

Supply-siders have long urged Congress to change the way it forecasts how much revenue the government would forego if it cuts tax rates. By raising economic growth, tax cuts need not lose as much as Congress thinks, and may actually raise revenue.

This study suggests that a similar effect may also work with spending cuts, meaning that cutting spending by $1 may close the budget gap by more than $1.

This effect should hold until the government whittles the budget down to 17.6% of GDP, and perhaps further.

Gallaway and Vidder got the 17.6% figure by assuming that government spending shouldn't be treated as a cost of production. If it were treated as a cost of production, then much less spending should be justified.

Then, the best spending level for government would be between 10% and 11% of GDP, they say. But treating spending simply as a production cost may overlook other reasons for it.

Also, the numbers may not tell the whole story.

For example, what if lawmakers trimmed government back to 17.6%, but did so by getting rid of spending that Gallaway and Vedder say is good, leaving things like welfare and regulating agencies?

That's unlikely, but it suggests a different route to the same theme of less government.

Instead of focusing on numbers, perhaps we should focus on the kinds of spending government does, no matter the amount. For example, during wartime the best level of government spending may rise as it costs more to defend ourselves.

By contrast, in a peaceful world, 17.6% may be much too high. Staying at that level might require welfare programs or wasteful defense spending.

Mr. HINCHEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Georgia [Ms. MCKINNEY].

□ 1915

Ms. MCKINNEY. Mr. Chairman, here we go again. Instead of offering a budget that protects middle-class families in this changing economy, the Republican Party has once again lived up to its reputation as defender of Wall Street's barons.

Why do we need to cut Medicare, only to give $124 billion in tax breaks. Moreover, Mr. Chairman, the Republican budget does virtually nothing to go after corporate welfare. In fact, the conservative Cato Institute issued this news release today which says, ''Eliminating corporate welfare would cut the deficit in half—business subsidies cost $75 billion per year, Cato study says.''

Why must our seniors, schools, environment, and the poor be first in line to face cuts when we give away at least $75 billion in corporate welfare every year?

Mr. Chairman, I urge my colleagues to defeat this budget which is nothing more than the same old, same old.

In addition, Mr. Chairman, the Republicans have innovated a new form of governance. I call it kitchen sink legislation. They throw in everything—including the kitchen sink—and wait to see what survives the conference committee. This is no way to govern and we need to defeat this Republican budget.

Mr. Chairman, I include the following for the RECORD:

[From the Cato Institute News Release, May 15, 1996]

ELIMINATING CORPORATE WELFARE WOULD CUT DEFICIT IN HALF—BUSINESS SUBSIDIES COST $75 BILLION PER YEAR, CATO STUDY SAYS

''In 1995 the corporate safety net was left largely intact,'' says Stephen Moore, director of fiscal policy studies at the Cato Institute. ''If members of Congress balk at cutting aid to dependent corporations again in 1996, they will look like fiscal frauds and fools.''

In a new Cato Institute study, ''How Corporate Welfare Won: Clinton and Congress Retreat from Cutting Business Subsidies,'' Moore and Cato fiscal policy analyst Dean Stansel note that the federal government currently spends $75 billion per year on corporate welfare—the use of government authority to confer targeted benefits on specific firms or industries. They identify the 35 ''least defensible'' business subsidies and show that Congress moved to cut only $2.8 billion, or 15 percent, from the 1995 level.

The Clinton administration has been hostile to even the modest corporate welfare cutbacks proposed by Congress, Moore and Stansel argue. ''If Congress's performance was a disappointment, the Clinton administration's was dismal. In fact, we find that for the 35 corporate welfare programs identified in this study the administration's 1996 budget actually requested a slight increase in spending.''

Moore and Stansel recommend eliminating or sharply scaling back programs including the Export Enhancement Program, Foreign Agriculture Service, Market Promotion Program, Advanced Technology Program, National Oceanic and Atmospheric Administration, Army Corps of Engineers, Bureau of Mines, Export-Import Bank and Overseas Private Investment Corporation.

''If all federal assistance to business were purged from the budget, the budget deficit could be cut in half,'' Moore and Stansel write. ''Both the social welfare and corporate welfare states needed to be reformed with equal urgency.''

Policy analysis No. 254—contact: Stephen Moore, director of fiscal policy studies, 202–789–5252 Dean Stansel, first policy analyst, 202–789–5250; Dave Quast, director of public affairs, 202–789–5266; and Peggy Ellis, director of government affairs, 202–789–5284.

Mr. SAXTON. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. INGLIS].

Mr. INGLIS of South Carolina. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I have had the opportunity now to sit here and listen to some of the comments of our colleagues between the time of the Committee on the Budget's allocated time and now the Joint Economic Committee's allocated time, and it has been very instructive. It has been instructive because particularly these very valuable studies of the Joint Economic Committee point out that this Government is a drag on our economy. It is too big and needs to be reduced in size and scope.

As the gentleman from South Carolina just said, for $100 in cuts, you get $138 in expansion of the economy. That is a god bargain, so we should listen to folks on the Joint Economic Committee and have the courage to make these changes.

The second observation I would make is really I think it is very interesting to hear some of the comments from this side of the aisle about this budget. I had hoped that maybe this year we were going to be a little bit some candid in our debate, a little bit more forthcoming; that maybe this time we would not subject seniors in America to MediScare, that we would not subject poor people in this country to Medicaid scare. But it is pretty apparent we are going to go through it one more time, round two. In fact, the gentleman on the floor a little while ago said they are going to ''Take away Medicare.'' Take away Medicare. The gentlewoman who just spoke said there were going to be cuts to Medicare.

Well, I defy anybody in this body to describe where there are cuts to Medicare. There is a reduction in the rate of growth, and per beneficiary the spending goes from this year, 1996, $5,200, to $7,000 in 2002.

The gentleman from Washington State said we are going to take away Medicare. I wonder if that sounds to any of my colleagues like it is taking away Medicare? We are going from $5,200 per year per beneficiary to $7,000 per year in 2002. $5,200 to $7,000. That is not taking away Medicare. That is not a cut to Medicare. That is an increase in Medicare spending.

I wonder how it is that our colleagues, particularly on the other side of the aisle, have the ability to say these are cuts? I suppose they are encouraged by the polls that indicate that MediScare works. You can scare seniors in America. They get worried and they decide that they will support you and your political campaign, even though you are imperiling the future of Medicare and of the whole country.

I hope as the debate goes on that just maybe, somehow, there will be some additional candor released here in

Washington, and we will be able to have an honest debate.

Mr. HINCHEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, we have come here again for the budget for 1997, and I thought we would have had an opportunity through the series of continuing resolutions that we attempted to pass in this last year and the reasonable disagreement that Democrats have had with my Republican friends, that we might have had a more bipartisan effort on this new budget.

We all recognize that it was the Reagan years when we began to use a new term in budget deficit, and that is a trillion dollars, when under President Reagan there was an attempt to cut taxes, but to continue to spend for programs that benefited many of those who did not need.

We now have a budget that portends to give money back to working Americans, but yet it damages and undermines the needs of children.

The Republican plan folds 20 separate child protection programs into two block grants, at a time when the GAO and others report current resources are failing to keep pace with the needs of a national child protection system in crisis; we cut funds that provide for reporting of abuse and neglect; and we do not give enough money to protect abused children and to protect them to make sure they are safe and in loving and permanent adoptive homes.

The plan potentially guts accountability for State child protection systems, over 20 of which are operating under court mandates. The Republican budget assumes more strict definition of disability for children, and the creation of a two-tiered system of benefits for children. Eligible children who require personal care assistance and without such assistance would require specialized care outside the home receive 100 percent of the Federal SSI benefit. However, children with disabilities who do not meet this personal care assistance test get 75 percent. This affects children with disabilities such as cerebral palsy, Down's syndrome, cystic fibrosis and AIDS. Then what we do is we do not protect the future for our children.

Through this budget we cut the Commerce Department. Then we move on to cut $330 billion out of the research and development budget for our country. It cuts the Advanced Technology Program, which is a program that has sought an opportunity for form a partnership between our small businesses and the Government.

This budget is proposed by Republicans to suggest that we give a $500 per child tax credit to low-income families. What they do not say to the American people is that the children's tax credit will not benefit 34 percent of the Nation's children.

This budget proposed by Republicans is deja vu, but it is the same old song. It takes away the future of our children. It ensures that they will not have Medicaid by making this a modified block grant, and therefore ensuring that our children will not have good health.

Mr. Chairman, I ask that we support the Democrat alternative, for this budget is not one that helps all Americans.

Mr. Chairman, the Republican leadership, just in time for Presidential election year politics is talking about a balanced budget again. The is déjà vu for the American voter who well remembers the campaign promises of Ronald Reagan who predicted that he could balance the federal budget by cutting taxes and increasing spending. Candidate George Bush called that budgetary slight of hand Voodoo Economics.

The results of two Reagan terms was a budget deficit which for the first time in any country's history used the term trillion to quantify the extent of the deficit.

In my Houston, TX district the minimum wage provides a less than minimum standard of living. For families it is not a matter of competing priorities but a matter of survival skills. These families are lead by mothers, and/or fathers who will in many cases no matter what the circumstances are will seek out a job with pay that few of us could imagine providing the sole means of support to our own families.

It is time for working families to get the raise they deserve. A few things to consider in the argument to raise the minimum wage. When adjusted for inflation, the value of the minimum wage is now 29 percent lower than it was in 1979. Raising the minimum wage from $4.25 to $5.15 an hour would lift an estimated 300,000 people out of poverty, including 100,000 children. Women make up 59 percent of minimum wage earners and nearly three-quarters of them are adults.

Taken individually each of the aforementioned facts is enough to make this a top legislative priority for the 104th Congress. My hope is that as this Congress works through its second session that this and other issues of vital importance to women and children are brought before the House for serious consideration.

We speak so often in this House about family values and protecting children. At the same time however, my colleagues on the other side of the aisle, have presented a budget package that will effectively eliminate the Federal guarantee of assistance for poor children in this country for the first time in 60 years.

The majority's plan is antifamily and antichild. It calls for unprecedented cuts in programs serving children and would remove the basic protections for hungry, abused, disabled and poor children while using the savings to offset tax breaks for wealthy individuals.

The Republican plan folds 20 separate child protection programs into 2 block grants at a time when GAO and others report current resources are failing to keep pace with the needs of a national child protection system in crisis. Under this plan, funds could be inadequate to respond to rapidly increasing reports of abuse and neglect, and insufficient to protect abused children and find them safe, loving and permanent adoptive homes. The plan potentially guts accountability for State child protection systems, over 20 of which are operating under court mandates for failing to provide adequate service to abused and neglected children.

The Republican budget assumes a more strict definition of disability for children and the creation of a two-tiered system of benefits for children. Eligible children who require personal care assistance and who, without such assistance, would require specialized care outside the home receive 100 percent of the Federal SSI benefit. However, children with disabilities who do not meet this personal care assistance test receive 75 percent of the SSI benefit amount. This system could result in a large majority of disabled children having their benefits reduced—children with disabilities such as cerebral palsy, Down syndrome, muscular dystrophy, cystic fibrosis, and AIDS.

The Republican plan would also deny most Federal, State, and local benefits—including school lunch—to illegal aliens and would deny SSI and food stamps to legal aliens until they become citizens. That plainly is an unfunded mandate on the States.

The Republic budget fails to provide adequate resources for work programs and child care which are critical to effectuate a transition from welfare to work. The Republican plan significantly increases the need for child care while reducing the resources for child care services as well as the funds available to states to improve the quality of care.

This strategy of welfare-to-work is doomed to fail. Mandatory welfare-to-work programs can get parents off welfare and into jobs, but only if the program is well designed and is given the resources to be successful. The GOP plan is punitive and wrong-headed. It will not put people to work, it will put them on the street. Any restructuring of the welfare system must move people away from dependency toward self-sufficiency. Facilitating the transition off welfare requires job training, guaranteed child care and health insurance at an affordable price.

We cannot expect to reduce our welfare rolls if we do not provide the women of this Nation the opportunity to better themselves and their families through job training and education, if we do not provide them with good quality child care and most importantly if we do not provide them with a job.

Together, welfare programs make up the safety net that poor children and their families rely on in times of need. We must not allow the safety net to be shredded. We must keep our promises to the children of this Nation. We must ensure that in times of need they receive the health care, food and general services they need to survive.

Finally, the Republican budget resolution proposes to cut the earned income tax credit [EITC] by $20 billion over the next 7 years. This cut includes eliminating the EITC for childless workers as well as families with children who have modest incomes. In fact, over 6 million families with children could receive a reduction in their EITC.

This program was designed to assist the working poor of America. The Republicans argue that in exchange for losing the earned income tax credit, many low-income families would receive the $500 per child tax credit. The fact of the matter, however, is that the children's tax credit will not benefit 34 percent of the Nation's children because they live in families that are ineligible because their income is too low.

Medicare, Medicaid, and welfare are on the top of the list for cuts right now, but I think that we can find ways to be fair and just when we make budgetary reduction decisions without shutting the Federal government down.

I would hope that this next attempt to seriously deal with this Nation's budget deficit will include compassion for the poor, our children and the elderly.

We should not play election year politics with this country's budget.

Mr. SAXTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I believe that I am at least for now our last speaker, so I just wanted to kind of recap regarding the statements that my colleagues on the Republican side of the Joint Economic Committee have made here this evening and why they are important.

Before I do that, Let me just pick upon something that the last speaker mentioned, and that was the performance or relationship between the performance of our taxing and spending during the decade of the 1980's.

Yes, it is true that there was a tax rate cut which took place in the early eighties. I believe the gentlewoman said or inferred it was because of that tax rate cut that the deficit occurred.

Well, I would just like to remind everyone, or if people do not know this to tell them this for the first time maybe, we started the decade of the eighties, before the tax cuts, with about $500 billion in revenue, half a trillion dollars in revenue, money for us to spend, decide on the priorities, $500 billion.

By 1990 that had grown, in spite of the tax cuts, I should not say in spite of, because of the tax cuts. 1990, that money grew and became twice as much, $1 trillion. that is right, from 1980. In the early eighties when we had the tax cuts, the tax cuts provided an economic stimulus, and because we had more people working, more people packing their lunch in the morning, more people going to work and coming home on Friday afternoon with paychecks, larger paychecks, I might add, 1.7 percent each year, because they had more paychecks and higher income, they paid more taxes, and our revenue doubled during the decade of the eighties.

It was not, it has been proven not to be, true that someone can point their fingers at the Reagan tax cuts and say that it why we have a deficit. The fact of the matter is that we more than doubled spending. It is Congress' function. We are in the middle of the function right now tonight of determining how much money to spend for fiscal year 1997. We will make that determination just like we did every year during the eighties, and every year during the eighties we increased spending by or 7 or 8 percent. It was not the tax cuts that did that; it was done right here in this very process that we are engaged in tonight.

Spending is the problem, folks. Spending is the problem for the folks that the gentleman from Illinois [Mr. MANZULLO] talked about also. A man goes to work, comes home, in 1992 making a median income of $31,897. It dropped down to $31,186 in 1993, and all the way down to $30,854 in 1994.

Once again, we see the effect of tax policy here, because we had a large tax increases, two large tax increases, bipartisan tax increases, one advocated by President Bush and the Democrats in this House in 1990, and the second by President Clinton and the Democrats in this House in 1993.

I just hold this up for emphasis. This is what happens when we increase taxes on the American families. It slows down the economy, less income for workers, or at least stagnant income for workers, and as a result of that, I think we can learn from history.

We were not the first people to say this. The first person to say this, and believe in this theory, was a member of your party. That was John Kennedy. He said in the State of the Union Address in 1963, ''We cannot for long expect to lead the cause of peace and freedom around the world if we cease to set the economic pace at home.''

He proposed massive tax cuts. Revenue grew and the economy grew, and it was the same story. So we can go back and make this a bipartisan argument.

Let me just conclude with this one chart, to reemphasize the point. Starting back in 1973, we anticipated what the American family, or have anticipated since, what the American family should have earned if we had not increased the size of government and the cost of government beyond the optimum size and the optimum cost.

If we had kept the size of government at 17.5 percent of GDP, this red line exemplifies what should have happened in terms of median income. Steady growth. Instead, we increased the cost of government to 18 and then 19 and then 20, and now 22 percent. This dotted line shows what actually happened to median family income, a large deficit of another kind that is even more meaningful to many American families than the deficit we talk about all the time.

This gap represents over the last 10 years to the average American family a loss of $106,000 in wages. So we are trying with this budget to correct a situation which we have allowed to develop here over the last several decades, Republicans and Democrats working together on the wrong path, on many occasions, and we are trying to correct that situation by slowing the rate of growth of government, because if we do not slow the rate of government and begin to consume 22.5 percent and 22.6 percent of GDP and 23 percent of GDP, this situation with wages and the long-term growth in our economy can only take one path, a negative one.

So, the gentleman from Ohio [Mr. KASICH] and his committee and his staff in my opinion have done a great service to the country in bringing this budget to the floor this evening. So I ask Members on both sides of the aisle to consider not just how much we will spend, but the priorities of what we are going to spend, and please, please, consider the effect on the pocketbook of the average American, middle class, upper class, lower class, all classes of American workers.

Mr. Chairman, I reserve the balance of my time.

Mr. HINCHEY. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. PALLONE].

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Mr. PALLONE. Mr. Chairman, I am glad that I followed my colleague from New Jersey, who I have the greatest respect for. But I think that the point that I would like to make this evening is that it is certainly true that our goal with this budget and with every budget has to be to achieve a balanced budget over the next 6 or so years, and that in the process of doing that certain types of tax breaks, if you will, if they help the average American, can be accomplished.

The President's budget does that. The President's budget achieves a balanced budget, if you will, by the year 2002. There is a family tax credit and there are education tax benefits, if you will, to pay for tuition for higher education.

So I would maintain that the difference between the President's budget and the budget that we are going to be voting on tomorrow, that has been presented by the Republican leadership, is not over which achieves a balanced budget, because they both do; or over which accomplishes giving certain tax credits or benefits for families or for education, because I beleive actually in that respect the President's accomplishes more; but rather over the priorities in spending. That is where I think the difference really lies between these two proposals, that of the President and that of the Republican leadership.

The priorities are the same priorities that Democrats articulated last year during the budget battle, and our point was then and our point again now is that we can protect senior citizens' health care, we can protect Medicare, we can protect Medicaid, and we can also protect our environment and we can protect education programs at the same time that we balance the budget. There, I think, is the major difference between what the Republican leadership has proposed and discussed tonight and what the President has proposed.

Essentially, if we look at this Republican budget, it is more of the same on the issues of Medicare, Medicaid, education, and the environment. I thas a negative impact on each of those areas for the average American.

I talked earlier this evening about the Medicare Program, and I believe strongly that the $167 billion in Medicare cuts over 6 years will definitely have a negative impact of the Medicare Program. It will cause many hospitals to close. In our own State of New Jersey, both myself and the gentleman

from New Jersey [Mr. SAXTON] have hospitals that are more than 60 percent dependent on Medicare, and I believe that many of those hospitals are going to face the real possibility of closure bacause of the level of Medicare cuts in this Republican budget.

But I would also like to talk about Medicaid. Medicaid is the program that exists right now. It is a Federal and State joint program that pays for poor people, or people below a certain income, and primarily pays for mothers with dependent children, and children, as well as for senior citizens who are in nursing homes.

What the Republicans are proposing is a $72 billion cut in Medicaid funding but block granting the program, just as they did in 1995, so they are essentially sending less money in real terms back to the States and leaving it up to the States to decide who is going to be covered and what kind of coverage there will be.

So what is going to happen is that many States will simply not provide the same level of funding. They will decide not to cover certain senior citizens, perhaps certain nursing home coverage; or they will say that certain children at a certain age, for example are not covered by Medicaid; or certain families, because they do not fall below a certain level of income, will not be covered by Medicaid.

We will see a larger and larger number of people who do not have health insurance, or a crisis perhaps in the nursing home situation, where many senior citizens will either not have access to nursing home care that they need, or they will not have the quality of care that they have now because there will not be a certain amount of supervision or nurses checking on the situation in nursing homes, for example.

So we are seeing a ratcheting down, if you will, of the Medicare program and the Medicaid program, and that is the same thing that we saw last year; that is hurting average Americans, particularly the senior citizens and those who depend on Medicaid.

Now, what about on the education front? Well, on the education front, it is pretty much the same thing again. We see the elimination of the direct student loan program. In my home State of New Jersey, Rutgers has depended on this a great deal. It has expanded educational opportunities, provided more money for loans for students in various universities and colleges around the country.

We see an end to new funding for Perkins loans, another form of funding to pay for higher education for many students. We see the elimination of the AmeriCorps Program; and the Republicans have been very critical of the national service program.

So whether it is education, whether it is Medicare, Medicaid or even the environment, which once again has significant cuts, that is the difference here between those two proposals.

Mr. SAXTON. Mr. Chairman, I yield myself 1 minute.

The continued claims from the other side that there are cuts in Medicare and Medicaid are no more true this year than they were last year. My friend from New Jersey, I believe, knows that I spent untold hours in hospitals during the debate on Medicare last year. There was no thought among the hospital administrators at the conclusion of that period of time that any hospitals were going to close anywhere in New Jersey, and seniors would expect the same level of benefits that they had received before.

It is true that the rate of growth in the program would have been reduced somewhat, but there was not a single penny of cuts in that budget, nor is there in this.

Mr. HINCHEY. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I thank the gentleman from New York for yielding me the time.

Mr. Chairman, there has been much discussion about the new Republican budget and about how moderate it is, but in fact this budget is in most ways as harsh as the budget that was proposed by the Republicans last year, and which the American public said to the President of the United States, 60 percent of them, veto this budget because it does not treat seniors well. It hurts seniors, it hurts education, it hurts the environment and it hurts those who are in nursing homes.

The plain truth is that under the Republican Medicare plan, this time around, deja vu all over again, seniors end up paying more and getting less. In the end, the worst fear of all is that seniors are going to be left with a second-rate health care system.

Rural hospitals are in danger of closing. Hospitals in my district came to see me in the last budget debate about their concern and their inability to be able to provide services.

The Republican proposal cuts Medicare by $168 billion. My Republican colleagues say they are cutting Medicare to ensure its solvency, but in fact the President's budget protects Medicare solvency for the same number of years, but does so without making these same deep cuts.

Do not believe the argument about slowing the rate of growth. If we have more seniors in the program and we have inflation costs, and we do not meet those needs and we do provide an increase, we have left these people shortchanged and some people will not get services.

The Republican cuts in Medicare are unnecessary. So why are we proceeding with them? Could it be that they are cutting Medicare more than they need so that they can pay for some other things, like tax breaks for the wealthiest Americans? No coincidence, again, that their tax package is $175 billion.

This budget unravels 30 years of progress in protecting our seniors. That should not surprise us. We should not pass this budget.

I will finish with this quote, where we get a sense of what the Republican leadership is about. The Speaker of the House said, and I quote. ''We don't get rid of it in round one because we don't think it is politically smart and we don't think that's the right way to go through a transition. But we believe it's going to wither on the vine because we think people are voluntarily going to leave it.''

They would like to see it wither on the vine. Medicare should wither on the vine. That is not the value, that is not the priority, that is not a safe, secure, dignified retirement for seniors in this country who have earned it.

Mr. HINCHEY. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Chairman, we want to balance the budget. There is a Democratic plan to balance the budget. The question is this: Are we going to ask for shared sacrifice? Who is going to pay the price to balance the budget?

The budget actually increases the deficit in the first year by $17 billion. We are going to have to borrow $17 billion to pay for tax cuts in the first year of this budget.

In addition to that, we have corporate welfare cuts that would be difficult politically to institute because the special interests are supporting it in the Halls of Congress. We could do a better job of cutting corporate welfare. This budget does not do that.

This budget looks at education and again cuts education, again cuts the growth in the Medicare program. We have to make difficult decisions, Mr. Chairman. Let us make them fairly. Let us ask all Americans to share that burden.

We just passed a defense authorization budget that increases the defense budget above what the Pentagon asked for by $13 billion. Is that shared sacrifice? We should vote for a budget that is fair. This budget is not fair.

Mr. HINCHEY. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Florida, Ms. CORRINE BROWN.

Ms. BROWN of Florida. Mr. Chairman, I rise in opposition to this Republican budget which, once again, balances the budget of this country on the backs of our poor, our elderly, our veterans and our children.

This budget represents the philosophy that those who have the money make the rules. It rewards those who have, and punishes those who have not.

Instead of evenly distributing the burden of responsibility in this fiscally challenging time, the Republicans have decided to rob the poor and working people to pay the rich. In other words, more reverse Robin-Hood.

Mr. Chairman, this budget denies assistance to children if they're born into a family already on welfare. It cuts $20 billion from the earned income tax credit—which currently helps the poorest in this country who are working for a living.

It cuts Medicaid by $72 billion, so that disabled people, senior citizens, children and pregnant women will suffer unjustly. In my State alone there are more than 3 million senior citizens. They make up more than 20 percent of the population. This budget is a slap in their faces.

Another inefficient move by the Republicans is cutting job training and education programs, which will have an adverse effect on this country.

It ensures that poor people will have an even harder time getting student loans, financial aid and work study. And it guarantees that people who need the job skills won't get them. This isn't sound fiscal policy.

This isn't just a bad budget, it's a mean-spirited budget. I urge my colleagues to accept the responsibility of representing the people of this country in a fair and decent manner. Oppose this budget.

In closing, I would like to say that ''To whom God has given much, much is expected.''

Mr. HINCHEY. Mr. Chairman, how much time is remaining?

The CHAIRMAN. The gentleman from New Jersey [Mr. SAXTON] has 1 minute remaining, and the gentleman from New York [Mr. HINCHEY] has 2 minutes remaining, and the gentleman from New Jersey has the right to close.

Mr. HINCHEY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, over the course of this debate we have tried to demonstrate that there are substantial differences in priorities between the Democratic party in this House and the Republican party. Nowhere are those priorities more clearly defined than in the context of budgeting, and this budget continues that clear definition.

We want to balance the budget, too, and we are in the process of doing precisely that. When I came to this Congress, coincidently when President Clinton was elected, the annual budget deficit was approximately $290 billion. If we had continued the economic policies of the Bush Administration, by the year 2002 the budget deficit would be pushing $600 billion. As a result, however, of the budget resolution of 1993, the deficit has been coming down substantially.

As a matter of fact, today the budget deficit is not $290 billion, as it was in January of 1993, it is approximately $140 billion, less than half of what it was approximately 3 years ago, and it continues to decline. We have reduced the deficit without cutting Medicare, without cutting Medicaid, without cutting education, without cutting protection for the environment, without cutting veterans benefits.

Although our friends and colleagues on the other side of the aisle protest when we claim that they are cutting it, the fact of the matter is if we follow their priorities, fewer people will get health care in this country next year and the year after that and the year after that.

□ 1945

Most of them will be elderly people because mostly elderly people benefit from the programs of Medicare and Medicaid. If we follow their priorities, our educational programs will be seriously deficient. From the elementary and secondary level, in fact beginning at Head Start, right on through Pell grants, there will be less educational opportunity in this country. Middle-class people will be unable to send their children to college. We will have a country that is not benefiting from the benefits of their education.

So these are the differences. They are basic, fundamental differences. Our budget is better. Their budget is worse. We need to defeat theirs and pass ours.

Mr. SAXTON. Mr. Chairman, I yield myself the balance of my time.

Let me just say to the folks here from the other side of the aisle, our goals are twofold. The goals of this budget are twofold. One is to set the right priorities, and the second is to get our economy moving again. I have tried to talk over the last hour about the economic implications of this budget as opposed to yours. I believe all Americans will be better off if we can get the economy going again and get median income on the way up again. Where I take some umbrage with my friends from the other side of the aisle is their incorrect use of the word ''cut.'' Anybody can see, this chart represents what our proposal is with Medicare. Over the last 7 years, we have spent $920 billion on Medicare programs. Over the next 7 years, we propose to spend $1.479 billion. If you call that a cut, you have been in Washington too long. This is an increase, not a decrease. It is a substantial increase, not a decrease. So I say to my friends, let us play fair. Let us tell it like it is.

THE PRICE OF BIG GOVERNMENT

Mr. QUINN. Mr. Chairman, recently the Joint Economic Committee released a major study on the impact of excessive Government spending on total worker pay and benefits. This study, the impact of the welfare state on workers, shows how excessive Federal spending has depressed the growth of productivity, wages, and benefits over the last two decades.

According to this JEC study, when Federal spending as a share of GDP exceeds 17.4 percent, additional Federal spending becomes literally counterproductive. These negative results are reflected in lower productivity and compensation growth. As a result of excessive Federal spending over the last two decades, the typical worker has lost a sum total of $106,800, enough money to purchase a median price new home in 1993.

At current levels, each additional $1 of Federal spending lowers the sum total of workers compensation by 26 cents. In other words, an extra $100 billion of Federal spending would lower total compensation available to American workers by $26 billion.

This study also debunks the myth advanced by Labor Secretary Robert Reich that seeks to blame the income stagnation under the Clinton administration on a recovery in business profits. This study refutes the notion that business profits cause income stagnation. And instead demonstrates that healthy business profits tend to generate compensation gains for American workers.

This study also shows that when appropriate inflation measures are used, hourly wages and benefits received by the typical worker increased about 26 percent between 1973 and 1994, after adjustment for inflation. This study demonstrates that there is a very close relationship between productivity and compensation growth during this period.

As we know, the real problem is that real median family income is stagnating under the Clinton administration. Other income measures of earnings are also flat or declining. We must do something to protect American families from the Clinton crunch. The tax relief provided in the Republican budget is a good first step.

Mr. HAMILTON. Mr. Chairman, one of the key questions facing policymakers today is what can be done to help improve the standard of living for the average American. I hear from people all the time who tell me they are working harder and longer than ever, but they feel squeezed and are just barely getting by. I believe we must make a determined effort in this country for a higher rate of economic growth. That must become one of our Nation's top priorities. Higher growth will come from more saving and investment and from greater productivity, and it will do much to improve the outlook for working Americans.

State of economy: All of us know that the overally economy is doing reasonably well. Growth and inflation are both around 2 percent. Many jobs are being created and the unemployment rate is low. The deficit is going down. Stock prices are at an all-time high. But at the same time, there is tremendous uneasiness about the economy. Layoffs and downsizing are continuing as the inevitable result of global competition and technological change. There is job insecurity, enormous income inequality, and significant pressure on families.

I believe President Kennedy was right when he talked about a rising tide lifting all boats. We must have stronger economic growth.

Economic growth: Economic growth is the rate at which the overall economy grows from each year to year. In 1994 our Nation's total output of goods and services—gross domestic product—was $7.1 trillion and in 1995 GDP was $7.25 trillion, for a growth rate last year of 2 percent.

The U.S. growth rate has slowed since the decades after World War II. Economic growth averaged a robust 3.9 percent per year in the 1950's and 4.3 percent in the 1960's, but it has dropped to 3.2 percent in the 1970's, 2.7 percent in the 1980's, and, with the 1990–91 recession, 1.8 percent so far in the 1990's. We need to do better. Many economists beleive that we should be striving for growth of around 3.5 percent per year over the long term. They believe that the structure of the economy has changed in recent years to allow that kind of growth without reigniting inflation.

Growth in the material standard of living is obviously not the sole measure of success as a society. But strong, balanced, and sustained economic growth helps in many ways. Jobs multiply and wages rise during periods of solid growth. Prior to the 1970's when we had

strong economic growth, wage growth was also solid. But as the economy has slowed, wage growth has flattened out. Strong economic growth also makes it easier to balance the budget, as the growing economy boosts revenues and reduced social safety net costs, and it makes it easier for Americans to tackle a variety of domestic problems. Strong economic growth alone cannot solve the nation's problems, but without it they are likely to become increasingly difficult.

We need, in short, an economy that will provide employment for everyone willing and able to work, and an economy that will provide opportunity for a consistently higher standard of living for those employed. The only way I know to get that is with strong private sector growth. That growth will come from higher levels of investment and superior public services.

Pro-growth agenda: I believe there are several parts to a pro-growth agenda. First, we must balance the federal budget. Large Federal borrowing drains the pool of national savings available for productive private sector investment and it drives up interest rates. Progress has been made on the deficit, as it has been cut in half over the last 4 years. We need to build on that progress, put aside our partisan differences, and balance the budget.

Second, we need to reform the federal tax system so economic growth becomes a much more central objective. That means it has to do a much better job of encouraging saving and investment. How it should be restructured to achieve that is a matter of debate. We may need a variation of the flat tax, a lower tax on capital, or a system of taxing consumption instead of investment, but we must put at the top of our national agenda a search for a tax system that enhances growth.

Third, we must expand our trade opportunities and open foreign markets to U.S. products. Jobs in exporting industries tend to be higher-paying, so our companies must have fair access to the rapidly growing markets overseas. We need to continually review and adjust U.S. trade policy to make sure it is working in our national interest and is helping to expand our economy and good-paying jobs.

Fourth, we need to curb excessive and costly Government regulations. Many Federal regulations provide important health and safety protections. But overall we need to make sure their benefits exceed their cost and they are carried out in the least burdensome way. Regulations should recognize that a vibrant private sector is the best engine for economic growth and jobs.

Fifth, I also think we need higher levels of public investment in infrastructure. Federal, State, and local governments need to invest in more and better roads, bridges, highways, water systems, sewer systems, harbors, ports, airports and all the rest that helps make the private sector more productive. We also need to promote investment in research and technology, which boosts economic growth.

Finally, we need greater attention to upgrading the education and skills training of our workers. Improving educational performance is an absolute priority in today's world so all Americans—not just those at the top—can prosper as the economy grows. Education is, of course, primarily a State responsibility, but it is a national problem. Access to higher education and more skills training is a must.

I do not suggest that such changes will come about easily. We must be prepared to deal with the human problems that emerge. We should do all we can, for example, to create a system of portable pensions and portable health care to cushion the transition for people who have to move from one job to another. We must find ways of providing profit sharing and stock ownership plans for employees, not just for the top corporate management, so everyone has a greater stake in the success of our companies.

Conclusion: In sum, our objective is simple: higher growth in the American economy. That basic goal needs to become the much more central focus of what the Federal Government does on a variety of fronts—whether it be our budget or tax policy or our trade, regulatory, and public investment policy. In the end I think what is important for working people is for this economic system of ours to grow and to create more good-paying jobs. We don't know all the answers about getting higher growth, but we know some of them, and we should get about the business of implementing them.

Mr. NADLER. Mr. Chairman, I rise in opposition to this budget resolution. If a budget is a statement of priorities, this document demonstrates beyond a reasonable doubt that the Republican majority still doesn't care about average, working Americans. It is mean spirited and short sighted.

Although the Republican majority proposes to increase military spending—spending nearly $13 billion more than the Generals in the Pentagon say we need—they continue to attack programs that help the poor and the middle class, that make life better for the majority of Americans.

They want to cut $215 million from the Health Resources and Services Administration, which funds Maternal and Child Health Block Grants, Ryan White AIDS programs, community health centers, family planning, and targeting programs for health professions.

They cut $398 million from the Department of Health and Human Services.

They freeze the National Institutes of Health at last year's level—a cut of 15.9 percent in real dollars by the year 2002.

They freeze the Special Supplemental Nutrition Program for Women, Infants and Children.

They slash housing programs by $20 billion over 6 years.

They cut libraries by 20 percent, Aid to Higher Education Institutional Development by $46 million in 1997, and Job Corps by $88 million.

While they cry crocodile tears over the working poor, they cut the Earned Income Tax Credit which helps people who earn the lowest wages and work hard to raise families get by.

They kill the NEA and the NEH.

They eliminate operating subsidies for mass transit by 2002, even though it is the cleanest, most environmentally sound transportation alternative, but they are willing to destroy the Arctic National Wildlife Refuge to drill for more oil.

We need a budget that helps low- and middle-income Americans, educates our kids, makes our infrastructure more efficient, enforces the law and preserves our environment and our health. I urge my colleagues to reject the Republican budget resolution.

Mr. BUYER. Mr. Chairman, the Federal debt is over $5 trillion. Interest alone on the Federal debt this year will cost $2,340 for every household in Indiana's Fifth Congressional District. The Federal Government will spend more than $4.3 billion each day this year; and of that amount, $446 million per day is deficit spending. Our Nation's Federal debt and yearly deficit continues to be one of America's darkest clouds. Even if we do balance the budget in 6 years, our Nation's debt will increase to over $7 trillion. The debt stymies personal economic growth, business development, job creation, and puts in doubt whether we will hand our children an opportunity for a better life that we have had.

The national debt is still manageable. We can and we must balance the budget by fixing ineffective government programs and slowing the growth of government spending. It is a commonsense approach to balancing our budget. My hope is to balance our Federal budget using a thoughtful and caring process of time, as we move to streamline Federal programs and shift functions to the State and local level. It is unfortunate the President continues to embrace a big Federal Government in the hope it can be all things to all people.

Just weeks after President Clinton told America during the State of the Union Address that the day of big government is over, he sent Congress a budget that is more of the same. Greater than 64 percent of his deficit reduction comes after he would leave office if elected to a second term, effectively ''passing the buck'' once again. In fact, his budget would raise the deficit from $158 billion this year to $164 billion next year. The President's budget does not reform welfare as we know it, it does not preserve and protect Medicare which is going broke at a faster rate than the President previously stated, nor does it eliminate one Federal agency.

I believe this is the wrong direction during a time when over 40 percent of all the money taxpayers earn goes to paying taxes. That's right—for every dollar the average Hoosier makes, 40 cents goes to pay local, State and Federal taxes. Taxpayers know how to better spend their money than the government does. The President's budget increases taxes on capital gains that will result in Hoosiers paying more in taxes once again. At a time when Republicans are trying to decrease the capital gains tax, the President's budget increases taxes on capital gains to a tune of $4.1 billion.

There is nothing in the President's budget that would encourage venture capitalists to put up money to provide new or existing companies with means to create and ensure Americans jobs. Wages are stagnated and more and more people believe the country is headed in the wrong direction.

In contrast, the Republican Congress has a very different agenda. We have passed a number of measures to eliminate Washington's reckless nature when it comes to spending taxpayers hard-earned dollars. In the past year and a half we have passed:

The Balanced Budget Downpayment Act II. This legislation saves the American taxpayer over $23 billion in 1996 alone. Signed by the President.

The line-item veto. This legislation will allow the next President the ability to cut wasteful spending. Signed by the President.

Tax Fairness and Deficit Reduction Act. Provides working Americans, senior citizens, farmers, and small businesses with $245 billion in tax relief. This bill was incorporated in the Balanced Budget Act. It was vetoed by the President.

Senior Citizens Right to Work Act. Allows senior citizens who need or want to work to

earn income up to $30,000 without penalty to their Social Security benefits. Signed by the President.

Balanced Budget Act. It balanced the Federal budget by the year 2002 by eliminating over 163 wasteful Government programs while reducing the growth of many programs. Vetoed by President Clinton.

Unfunded Mandate Reform Act. Restricts the ability of the Congress to pass laws which impose additional costs to State and local governments, unless Congress provides funding to cover such expenses. Signed by President Clinton.

The Personal Responsibility Act. This legislation would have brought true reform to our failed welfare system. It focuses on strong work requirements, the preservation and importance of the family, the reduction of illegitimacy, and the elimination of certain benefits to noncitizens. The President vetoed this legislation.

The Republican budget resolution continues our efforts to end the fiscal madness. It shifts the power, money, and influence out of Washington and back into the hands of Hoosiers. It provides at least $176 billion in tax relief—including a middle-class tax credit, a reduction in the capital gains tax rate and other incentives for saving and investing for economic growth and job creation.

The budget resolution incorporates repeal of the 1993 Clinton gas tax, an adoption tax credit, enhanced health insurance deduction for the self-employed, medical savings account, and long-term care incentives.

The budget resolution reforms the failed welfare and Medicaid systems, promoting work and self-reliance. It assumes a 27-percent increase in funding for welfare and a 46-percent increase for Medicaid. In addition, it calls for increasing Medicare spending from $179 billion in 1996 to $304 billion in 2002—a 70-percent increase in Medicare spending. Under this plan, Medicare spending per beneficiary would increase from an average of $5,200 in 1996 to $7,000 in 2002.

The plan cuts bureaucracy by terminating the Departments of Commerce and Energy and the elimination of 130 Federal programs. It recommends the elimination of special interest corporate subsidies and tax loopholes, including the advanced technology program. National defense spending would increase $12.1 billion. It provides $4.1 billion in 1997 for the Violent Crime Reduction Trust Fund, and $5.1 billion more over 6 years in discretionary spending for veterans than the President's budget.

In education and the environment, the Republican budget resolution again calls for the elimination of Goals 2000, continued growth in student loan volume from $26.6 billion in 1996 to $37.4 billion 2002, elimination of the Government-run direct lending program, and level funding for title I programs. At the same time it calls for continued funding of Head Start, Pell grants, Aid to Disadvantaged Children, and the Drug-Free Schools Program at current levels and increases funding for total student loans. The budget resolution calls for funding to improve the quality of the Nation's parks and reform and increased funding for the Superfund Program.

Balancing the Federal budget is vitally important to our Nation's ability to be a world leader. It also has very real effects on the personal pocketbooks of Indiana families. Balancing the Federal budget means a reduction in interest rates by approximately 2 percent. As a result:

A family with an average mortgage of $75,000 will save $37,000 in interest rates over the life of the loan—an annual savings of $1,200.

A student with an average loan of $11,000—over 10 years—will save $2,160 over the life of the loan—an annual savings of $216.

A family buying a $15,000 car will save $900 in interest over the life of the car loan—an annual savings of $225.

For the first time in over 40 years, the discussion has turned from not ''if'' we will balance the Federal budget but to ''when'' we will balance the budget. This is a significant achievement. The debate has been shifted and we must now pass a balanced budget that places our goals into law.

Our current balanced budget debate involves two very different visions for America's future. The President defends the status quo of bigger government, deficit spending, and more government intrusion into our daily lives. I see a different future. Government over-regulates, has grown too big, spends too much, and taxes you too high. We must work together to achieve a balanced budget for a more prosperous future.

Mr. GOODLING. Mr. Chairman, I rise in support of the fiscal year 1997 budget resolution. This budget continues to build on the Republican promise to the American people to reign in our national deficit and to move power and influence from Washington, DC back into local communities. This is a responsible budget—one that every year while maintaining our commitment to our Nation's most precious resource: our children.

Balancing our national budget is one of the best things we can do for our children's future. It is the primary responsibility of Members of this House—and a responsibility that Republicans have proudly accepted—to ensure that we do not leave our children a legacy of massive debt.

The budget resolution before us today also returns the responsibility for a child's education back where it belongs—in the hands of parents and local communities. As chairman of the Economic and Educational Opportunities Committee, I know firsthand the size and burden of the Federal education bureaucracy. Over the past several months, my committee has identified 760 Federal education programs spread throughout 39 Federal agencies. I am pleased that the budget before us today encourages each of us to take a long, hard look at our education programs and to move the basic responsibility for our chlldren's education back to parents and local communities.

I strongly support providing assistance to our young people to help make the dream of a college education a reality. However, I am concerned that the Department of Education, which administers the Federal student aid programs, is showing clear warning signs of mismanagement. Their recent problems in processing financial aid applications raise serious concerns about their ability to oversee the Federal Direct Loan Program. One-and-a-half million students were involved in this delay.

The fiasco should serve as a wake-up call. Can we trust this Department to issue, track, and collect loans of millions of college students, who borrow billions in taxpayer funds, when they can't effectively manage the simple input of financial data into a computer? President Clinton thinks they can, and plans to completely replace the private-sector lending programs with his Direct Loan Program. Republicans think the end of big government should start here—President Clinton's Direct Student Loan Program should end.

In conclusion, I believe this is a responsible budget which protects our children's futures and returns power to the American people. I urge my colleagues to support the budget resolution.

Mr. ALLARD. Mr. Chairman, I want to commend Chairman KASICH for his leadership on this budget. Once again, the Budget Committee is leading the way in downsizing the Federal Government.

This budget shifts power, money, and influence out of Washington and back to the people. It keeps us on the path to balance and ensures that Congress will continue to make the tough choices necessary for deficit reduction.

This budget will eliminate deficits entirely by 2002. We can then begin the very difficult task of reducing the $6 trillion debt that we will have built up by that time. Let us not forget, even when we end deficits we still have a huge bill to pay from past congressional excess.

A balanced budget is about much more than numbers. It means higher wages and more jobs. This results from the lower interest rates and the greater saving and investment that become possible when Congress exercises the necessary discipline.

This Congress has been responsible for a reduction of $40 billion in discretionary spending in 1995–96. We have already begun to see the fruits of that labor with lower interest rates. This means everything from lower mortgages to more affordable college loans for millions of American families.

One thing that I have learned in the past year and a half is that achieving a balanced budget is going to be a long hard battle. We are going to fight that battle, and we are going to win that battle. But the tremendous struggle to get to this point proves why we need a balanced budget amendment to the Constitution.

Mr. Chairman, this is a budget for our children. It is time we start thinking about them and put an end to deficits. There is no free lunch; if we do not pay the bills today, our children will pay them tomorrow.

I urge my colleagues to join me in strong support of this budget.

As I stated in the Budget Committee, I have two recommendations for improvement as this budget works its way through the process. First, our welfare reform savings are too modest. While we reduce the growth of welfare programs, these programs continue to grow and they continue to be subject to excess Federal control.

I recommend that we freeze welfare spending and then block grant all funding to the States. This would save the taxpayers far more through 2002. It would also permit the States total freedom to reform welfare. The States could require work, job training, and education, they could limit the time on welfare, and they could include a cap or other reforms designed to end welfare and move ablebodied recipients from dependency to work.

The States are where the true reforms are occurring with welfare. Unfortunately, States

that now propose dramatic welfare reform must come to the Federal Government and beg for waivers. This is wrong; States should be free to design their own reforms.

The second recommendation I make is that we use a portion of these additional welfare savings to make the proposed reduction in the Federal gas tax permanent. State and Federal gas taxes now total over 40 cents a gallon. This is a tremendous burden on the middle class and working poor; it also hits particularly hard in the high mileage States out west. Repealing the 1993 increase would save taxpayers in my State of Colorado $70 million a year. Working families deserve welfare reform and they deserve tax relief.

Mr. UNDERWOOD. Mr. Chairman, the majority's budget proposal reads like a hit list of education programs from Goals 2000 to student loans to education improvement grants. If a budget proposal reflects a party's priorities, then education is the least of the concerns of the majority party. I am dismayed because my personal priority has always been education—my life's work has been in education. It is incumbent upon those of us who do understand the importance of the investment in our schools and colleges to call attention to the damage that this budget proposal will wreak on school systems.

Some of these budget cuts are downright mean-spirited and are not based on the effectiveness of a program—the bilingual education programs are targeted for elimination as a consequence of an ongoing attack on immigrants and minorities.

I remember the good old days when the majority even had a President boasting that he wanted to be the ''education President''. I urge my colleagues to oppose the cuts to education—if it is asking too much for us to be the ''education Congress'', let us at least avoid our going down in history as the ''slash and burn Congress''.

Ms. SLAUGHTER. Mr. Chairman, I rise today to express my concerns about the Republican efforts to radically alter the Medicare program. While the Republican budget resolution is short on details, I am assuming that they will follow the model that they proposed last year in order to meet their $168 billion reduction in Medicare spending over the next six years.

Republicans are proposing changing Medicare from a defined benefit to a defined contrition program. It does not propose controlling costs, but simply shifts those costs form the Federal Government to senior citizens and providers. It will end the prohibition against balance billing and allow doctors and hospitals to bill senior citizens for extra or added charges. It would even allow HMOs to charge seniors extra for the basic Medicare package. My Republican colleagues need to remember that 18 percent of seniors—which is about 7 million people—are living on less than $7,000 a year. Can they afford these new hidden, extra charges?

I attempted to discuss these concerns with the Budget Committee, I was told not to worry—these terrible things simply will not happen. But, with little or no details, it is hard to understand how they plan on achieving $168 billion in savings without shifting costs or forcing seniors into restrictive managed care plans. We should not move to these radical changes without detailed and thorough hearings, which have not been planned. There are too many questions and the implications are far too serious to implement a $168 billion change. Medicare has worked and has provided access to affordable, quality health care for millions of senior citizens. Do we have to jeopardize this success in the name of tax cuts for the wealthy?

The CHAIRMAN. Pursuant to the order of the House of Tuesday, May 14, 1996, the committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. NEY) having assumed the chair, Mr. CAMP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal years 1998, 1999, 2000, 2001, and 2002, had come to no resolution thereon.

GENERAL LEAVE

Mr. HINCHEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 178.

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

There was no objection.

COMMUNICATION FROM THE CHIEF ADMINISTRATIVE OFFICER OF THE HOUSE

The Speaker pro tempore laid before the House the following communication from the Chief Administrative Officer of the House of Representatives.

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, May 10, 1996.

Hon. NEWT GINGRICH,
Speaker, U.S. House of Representatives, Washington, DC.

Re District of Columbia versus Yvette Yolanda Jones.

DEAR MR. SPEAKER: This to formally notify you pursuant to Rule L (50) of the Rules of the House that an Office of Finance has been served with a subpoena issued by the Superior Court of the District of Columbia.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

SCOTT M. FAULKNER,
Chief Administrative Officer.

HOUR OF MEETING TOMORROW

Mr. RAMSTAD. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 9:15 a.m. tomorrow, May 16, 1996.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

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 addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

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

[Mr. WISE addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

THE CAREERS ACT, CONCERNS VERSUS REALITY

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

Mr. GOODLING. Mr. Speaker, I am amazed at what length special groups and organizations will go to in order to stir up controversy, manufactured controversy so they can get contributions to keep their organizations going.

We are working for years on a bill called the careers bill. It started when the General Accounting Office indicated that there are 163 Federal job training programs spread over every agency downtown possible, most of which are totally ineffective. Many are duplicative, and so we set out to see what it was we could do, first of all, to consolidate these programs to eliminate those that overlap and are redundant and return the power and the authority back to the State and particularly back to the local communities so that they could plan job training programs that would actually prepare people for jobs that will exist in that particular area.

Well, as I indicated, it is amazing at what lengths some of these organizations would go to keep filling their coffers so that they can stay in business. Of course, the only way they can stay in business is to create controversy. Whether it is there or not, they create it.

Mr. Speaker, now let me mention some concerns and then some facts. First concern: Does the careers bill merge the Departments of Education and Labor? The fact: No, nothing in careers merges these Departments.

Second concern: Does careers reference Goals 2000? Fact: No, there is no reference to Goals 2000 in the bill.

The other day I almost had an accident on the Beltway because again these same groups will use any statements they want to make to prove

whatever it is they are trying to prove, no matter how false it may be. So this person on the radio was saying that these sixth-grade girls were receiving examinations, physicals in school, and they were very thorough physicals. He was very upset, and it was because of Goals 2000 and outcome-based education that they were receiving these physicals.

Now, how ridiculous can anybody be. Physicals, when I was a principal of school, superintendent of school and a teacher, were required by our State, that certain grades had physicals. As a principal, the first doctor that I lost came in to me one day and said, I am not about to continue this. He said, I am not going to sign if I do not examine them, and I am not going to examine them and then have these innuendoes and so on spread all over the community. My business is too important to me.

So I had to hire another doctor who did it the way they used to do when we went through our physical in the Army, stood us at the other end of the room and said, oh, you are okay, move on. But he got paid for that.

No, nothing in this bill references Goals 2000. In fact, nowhere does the legislation require that any individual enter into a specific career track or enter into employment. In fact, special language was included to specifically guard against such abuses.

Let me read a few specific protections. ''Nothing in this act shall mandate that any individual, particularly youth served under title II of this act be required to choose a specific career path or major or to meet federally funded or endorse industry-recognized skill standards or obtain federally funded endorsed skills certificates.

Second, none of the funds made available under this title shall be used to compel any youth to pursue a specific career or to obtain a federally funded or endorsed skills certificate. Youth participating in the program under this title shall be eligible to change their course of study and training.

The problem we are faced with is that people out there who somehow believe that everybody should be a college graduate. That is a great idea. What are they going to do? We now have hundreds of thousands of college graduates who either have no job or they are working at something far beneath their education. On the other hand, we have hundreds of thousands of technical jobs out there with no one to fill them in.

These same people believe that somehow or other in high schools there is an academic program or a vocational program. They forget that a large percentage are in a general program, and I got news for you; a general program in this day and age is just that. A general program is a dead-end street by all means for these people Will the CAREERS bill result in the collection of private information on individuals, especially children? No; the bill does not allow for the collection of private information on individuals, and these are some of the protections.

Specific language restating title 13 of the Census Act relating to confidentiality of information. Specific language that states nothing in the act shall violate the Family Education Rights and Privacy Act under section 249 of the General Education Provisions Act. Specific language that all labor market data is aggregated from existing sources like the census, unemployment rates, and so on.

States would not be allowed to use funds to collect data about school-age youth. Those are just a few of the corrections that should be made. In future sessions I will make all the others because again, it is sheer nonsense that is being spread out there in relationship to the CAREERS bill.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

WHITEWATER INDEPENDENT COUNSEL

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

Mr. MEEHAN. Mr. Speaker, I come to the House floor tonight to discuss the independence of Whitewater Independent Counsel Ken Starr.

Six weeks ago, I wrote Mr. Starr a letter. I asked him to immediately take the necessary steps to assure the credibility of his position by eliminating even the appearance of conflicts of interest in his Whitewater investigation. Since that time, Mr. Starr has done nothing to rectify the situation. In face, he has not even responded.

At first, Mr. Speaker, I was surprised that Mr. Starr, who is such a highly successful attorney that he can pick and choose his clients, would decide to represent a tobacco company—a political foe of the President. However, as I began to take a closer look at Mr. Starr's career decisions, his representation of Brown & Williamson fits perfectly into a portfolio of controversial clients.

The archconservative Bradley Foundation, is another ideological client of the Independent Counsel. The Bradley Foundation hired Mr. Starr as a consultant and when Mr. Starr argued a school voucher case before the Wisconsin Supreme Court, the Bradley Foundation provided a $150,000 grant to pay State's legal fees. By defending the Wisconsin school voucher system, Mr. Starr argued directly against the Clinton administration's stance on an issue that could very well play a role in the 1996 Presidential election.

Mr. Speaker, the Bradley Foundation is one of this Nation's most conservative and partisan organizations. Each year the Bradley Foundation doles out $20 million to groups like the American Spectator, the Landmark Legal Foundation, the Free Congress Foundation, and others who attack the President and First Lady in a highly political and often personal fashion.

We can conclude then, Mr. Speaker, that Independent Counsel Ken Starr's personal wealth—he made well over $1 million dollars last year—is quite dependent on a political clientele.

Let's now look at Mr. Starr's firm, Kirkland & Ellis, and its dealings with the Resolution Trust Corporation—the key Federal agency in the Whitewater investigation.

In May 1993, nearly a year before Starr's appointment as Independent Counsel, the RTC accused Kirkland & Ellis of professional misconduct in the negligent representation of the First America Savings Bank, a failed savings and loan association. After Mr. Starr was appointed Independent Counsel, Kirkland & Ellis paid the RTC $325,000 to settle the claim.

Starr, who, as senior partner serves on Kirkland & Ellis' management committee, claims he was unaware of his firm's negotiations with the RTC. Mr. Speaker, I sincerely hope Mr. Starr was blissfully unaware of this case. Because, during this same period, Mr. Starr as Independent Counsel in the Whitewater Investigation, was questioning some of the same RTC officials who were involved with the decision to sue his law firm. Again, a reasonable person would see the appearance, if not the existence, of a serious conflict of interest.

Mr. Starr's appearance problems neither begin nor end with Brown & Williamson or the RTC.

Furthermore, Mr. Speaker, the Justice Department has launched a number of grand jury investigations into possible criminal violations on the part of tobacco companies and their executives. According to the New York Times at least five grand juries have been convened. Department of Justice's probe of the tobacco industry represents the Department's largest investigation of the manufacturer of a consumer product under the Clinton administration.

However, while parents and health advocates overwhelmingly support the President's actions on curbing youth tobacco use, cigarette manufacturers, like Brown & Williamson, have retaliated with a massive political donation campaign to thwart the FDA's common sense regulations. Political donations by tobacco interests set new records last year. They gave $4 million in PAC and soft money to the two major political parties and various congressional candidates. Tellingly, Mr. Speaker, more than $3 million went to Republicans.

The Food and Drug Administration has proposed new regulations on tobacco advertising and marketing to children. President Clinton's leadership on the FDA's regulations has been

historic. Never before has an American President so boldly stood up to Big Tobacco and not backed down.

Mr. Speaker, to say that tobacco companies, like Brown & Williamson, have a contentious relationship with the Clinton administration would be a gross understatement. Never before has the tobacco industry faced so many challenges in its dealings with the Federal Government. Let me just add, as an aside, that problems for the tobacco industry are victories for America's children.

The Castano suit is the largest class action suit in history. It has been filed on behalf of all addicted smokers in the United States against the tobacco industry. If successful, the Castano suit will cost Big Tobacco millions and millions of dollars.

I could not believe that the politically savvy Mr. Starr—a former Solicitor General in the Bush administration—would be so naive as to not see a serious problem in his dual role as lead attorney for Brown & Williamson and the Whitewater investigator.

I was unnerved, to say the least, Mr. Speaker, when I turned on my television set several weeks ago and saw Mr. Starr—not in Little Rock, AR, working on Whitewater—but in New Orleans. He was there acting as the Counsel of Record, in other words, the lead attorney, for the entire tobacco industry in the Castano class action suit.

For several years now, I have worked to hold Brown & Williamson, along with the rest of the tobacco industry, accountable for manipulating the level of nicotine in cigarettes, for targeting America's children in advertising, and for misleading the Congress, Federal agencies, and the American people when it comes to the dangers of tobacco products.

Unfortunately, here is what they are getting:

Mr. Starr, while purporting to oversee and lead the Whitewater Investigation, remains actively involved in an enormous private practice, over $1 million per year. Moreover, much of his private practice is dominated by ideological foes of the President.

For example, Mr. Starr is employed by Brown & Williamson—one of this Nation's largest tobacco companies. In fact, my interest in Mr. Starr's conflicts of interest stems from his work for Brown & Williamson.

Mr. Speaker, when the sitting President of the United States is under investigation, the public demands a fair and impartial investigator. I do not believe that is too much to ask. Currently, though, we have an Independent Counsel who seems to be the servant of several masters.

Mr. Speaker, the American people deserve better than this, the Congress deserves better than this, and the President deserves better than this.

Mr. Starr fails to recognize the political context of this Whitewater investigation. If he is to serve effectively as the Independent Counsel, it is imperative that he resolve problems his large, lucrative private practice creates. His unwillingness to address these questions will ultimately taint any resolution in this case.

Mr. Speaker, when a sitting President is the subject of any kind of investigation, the public demands a fair and impartial investigator. I do not believe that is too much to ask. Currently though we have an independent counsel who seems to serve several masters.

Mr. Speaker, the American people deserve better. The President deserves better. This Congress deserves better.

☐ 2000

Mr. Speaker, Mr. Starr needs to clear up this conflict of interest. You cannot serve two masters. He made a million dollars last year in private clients. Somebody who can conduct a politically charged investigation that involves potentially the President ought to be really independent. It is time, Mr. Starr. Answer these questions.

NATIONAL PEACE OFFICERS MEMORIAL DAY

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

Mr. RAMSTAD. Mr. Speaker, I rise today on National Peace Officers Memorial day to pay tribute to the 14,064 peace officers who have given their lives to protect our communities. The names of these 14,064 brave men and women are permanently etched on the walls of the National Law Enforcement Officers Memorial, located just a few blocks from here.

This year, Mr. Speaker, 161 new names were added in a candlelight vigil representing police offices who were killed during 1995, and anyone who attended the ceremony today saw the families of these 161 police officers had to be profoundly moved, just as they were by the President's heartfelt remarks and by the beautiful singing of Mariah Carey.

Mr. Speaker, my home State of Minnesota has suffered the loss of three police officers who have died on duty since July of 1995:

Paul Moen, a Minneapolis police officer died during a struggle; Brian Klinefelter, a St. Joseph, Minnesota police officer was killed just 3 months ago by a liquor store robber; and less than 2 weeks ago we lost Rice County Deputy John Liebenstein when his car was rammed by the teenaged driver of a stolen car.

Tragedies like these, Mr. Speaker, remind me of cop friends I have lost over the years: Sergeant J.W. Anderson of the Wayzata Police Department; Officer Jerry Haaf of the Minneapolis Police Department. Just yesterday I met with St. Paul police officers Mike and Frank O'Brien, whose brother, John, was killed in the line of duty 15 years ago.

In spite of these and many other tragic killings repeated far too often in far too many communities, we must never lose hope in the war against crime, and with the selfless dedication of law enforcement professionals like John O'Brien, like Sergeant J.W. Anderson, like Jerry Haaf, like Paul Moen, like Brian Klinefelter, like John Liebenstein, we will prevail in the war against crime, selfless, dedicated law enforcement professionals like these brave men and women honored today at the steps of the Capitol.

Mr. Speaker, there truly is no greater love than the love shown by those who lay down their lives for their friends and their fellow citizens. We must never forget the ultimate sacrifice of police officers who have laid down their lives for people they do not even know. Every single visitor to our Nation's capital should pay a visit to the Law enforcement Officers Memorial located at the Judiciary Square Metro stop. The names carved in the wall of the memorial are a powerful, powerful testament to the thousands of officers who have sacrificed their lives and the hundreds of thousands more who risk their lives every day protecting our communities.

Mr. Speaker, we honor the dead by respecting the living, and today we honor law enforcement officials and their families for their sacrifices. Every single time a police officer puts that uniform on, he or she puts their life on the line.

I also hope, Mr. Speaker, we will continue to honor the memory of our fallen heroes through our actions in this Chamber, promoting policies which prevent crime and violence and supporting our brave men and women in law enforcement.

The SPEAKER pro tempore (Mr. NEY). Under a previous order of the House, the gentlewoman from Hawaii [Mrs. MINK] is recognized for 5 minutes.

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

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

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

DEBATE ON THE 1997 BUDGET PROPOSAL

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

Mrs. CLAYTON. Mr. Speaker, this morning a hearing was held before the House Small Business Committee. The topic of the hearing was the current debate over increasing the minimum wage.

During the hearing, I was struck by the testimony of Ms. Audrey Haynes, Executive Director of the Business and Professional Women/USA, an organization that represents some 70,000 working women with more than 2,000 local groups, one-third of whom are small business owners, at least one in every congressional district.

Ms. Haynes pointed out that at $8,500 a year, the ''minimum wage worker'' is more appropriately referred to as the ''miracle worker''.

The typical ''miracle worker'' is a single parent, with Children.

At the ''miracle wage'' of $4.25 per hour, each week, she brings home $182 after taxes.

She uses her ''miracle wage'' for child care at $50 a week; for minimal food at $65 a week; for essentials such as clothing, personal and health care products and doctor bills at $50 a week; for rent in basic housing at $85 a week; and for public transportation at $20 a week. She spends nothing on recreation or personal pleasure. And, at the end of the week, she still has a growing deficit of $88 each week.

With a modest increase in the minimum wage of ninety cents, and with the earned income tax credit, which is in some doubt because it too is under attack, the ''miracle worker'' can cut her deficit in half.

Mr. Speaker, I am at a loss as to how some of my colleagues can push for deficit reduction and a balanced budget, while refusing to pass a minimum wage increase that would be used by twelve million working Americans for that very same purpose.

The Small Business Administration's Office of Advocacy has assured us that the impact of a minimum wage increase would not be dramatic.

Fewer than ten percent of the Nation's small businesses would be affected.

That is because, contrary to popular belief, most minimum wage workers are employed by big business, not small business. Only 2.5 million minimum wage workers are employed by businesses with fewer than ten employees.

In addition, most small business owners already pay above the minimum wage. That is the only way to attract and keep good workers.

Moreover, businesses with receipts of less than $500,000 are exempt from minimum wage laws, unless involved in interstate commerce.

Mr. Speaker, a miracle is a mystery, a wonder, an enigma, a conundrum, a puzzle. How do these miracle workers survive at the wages they are paid? Perhaps the answer is that many do not.

Perhaps that is why drug-driven violence, teen pregnancy, homelessness and hopelessness so permeate our communities.

Ms. Haynes shared with us that twenty years ago her mother was a minimum wage worker, and today, in Columbia, KY, she still earns just above the minimum wage.

The minimum wage for many is not a training wage. It is not a temporary wage. It is not a teenage wage; it is a miracle wage.

I ask my colleagues to imagine feeding yourself and two children on $65 a week. Imagine clothing yourself, paying for personal and health care products and doctor bills on $50 a week.

You do not go to the dentist on that budget.

Perhaps if you can for one moment imagine the life of a miracle wage worker, the mystery may clear up and reality may set in.

Pass the minimum wage increase.

It does not take a miracle.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. RIGGS) is recognized for 5 minutes.

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

COULD PRESIDENT CLINTON HAVE WON IN 1992 IF HE RAN ON WHAT HE DELIVERED?

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Georgia [Mr. LINDER] is recognized for 25 minutes as the designee of the majority leader.

Mr. LINDER. Mr. Speaker, on the Sunday after BOB DOLE's famous ''enough is enough'' speech on the floor of the Senate in December, a commentator said, ''At least there is one adult among them.''

The media enjoyed portraying the conflict on the budget as adolescent behavior when even they must know that we are engaged in the most profound political debate since 1932. It can be defined in a few words: ''Who decides—Washington or you?''

Do we continue 64 years of increasing the role of the Federal Government in making decisions on your behalf, or do we return to freedom and opportunity which made this the wealthiest, most generous nation in the history of the planet? Do we trust the bureaucrats and politicians, or do we trust you?

The Clinton victory in 1992 was the culmination of the liberal dream. It is true that he ran as a ''New Democrat''. It is also true that he moved sharply to the left even before he was sworn in. A promise of a middle-class tax cut became the largest tax increase in history. Ending welfare as we know it turned out to be a Government job if no other job could be found. And health care reform ended up being the largest attempted takeover of the private economy in the history of the nation. And, of course, he led off with gays in the military. It is easy to see why that was not mentioned in the campaign. Does anyone believe that Clinton would have won in 1992 if he had campaigned on what he delivered?

The Clinton philosophy was outlined best in a 1958 book entitled, ''The Affluent Society,'' by John Kenneth Galbraith. It essentially said that Americans do not make too little money, they make too much, but they make bad choices with their dollars. It is the obligation of an educated government to tax those dollars from them and make better choices on their behalf.

If you look at the five major initiatives of the first two Clinton years—the budget, crime, welfare, education, and health care—all called for increasing taxes and increasing the numbers of decisions that would be made in Washington.

It is important to point out here that the Clintons are sincere. They truly do want to shape a future for our children and grandchildren that is warm and safe and secure and fair. If you're curious about what that future would look like, read anything that has come out of the Children's Defense Fund over the last 20 years.

Conservatives do not seek to shape the future because we do not know how. I could not satisfy 20 percent of the people in any given crowd. Each American looks to the future with different hopes and dreams and talents. I do know this, I could build a future that my daughter would love and my son would hate. So we want to leave your dollars in your pockets and you and 260 million other Americans, deciding on your own behalf hundreds of times a week, will shape the future. You will decide, not Washington. I do not have any idea what that future will look like but I will be right in there with you making my personal choices.

Now you see how deep and fundamental are the differences. Who decides?

This difference became crystal clear in the negotiations with the President over the budget. Frankly, we were not that far apart on the numbers. We want to increase spending 3 percent; the President wants to increase spending 4 percent. We want to assume a revenue increase of 5 percent; the President wants to assume a revenue increase of 5½ percent. We want to increase Medicare 62 percent over 7 years. The President wants to increase it 64 percent. Those are the differences on which the President has built his case that Republicans are proposing ''extreme'' cuts.

That is not where the discussions broke down. They broke down because Senator DOLE and Speaker GINGRICH were not willing to compromise on our values. We believe that giving seniors more choices in Medicare will cause them to shop their health care for the best deal and that competition will bring down costs.

Let me give you one example. One of the many meetings on transforming Medicare included Healthcare benefits managers. The John Deere Co. has formed its own health care company to control its costs. I asked the president of John Deere health care what it would cost the Federal Government if John Deere kept its retirees in their own health care system. He said $4,000

per year and he would make a profit off them. We are paying $5,200 this year per person. His offer amounted to a 25 percent savings.

Why can we not get President Clinton to agree? because the liberals will not let him loosen the Federal grip on your choices. They feel that you make selfish decisions and that bureaucrats make fair decisions. Again, who decides?

We also insisted that after spending $5.5 trillion in the war on poverty over the last 30 years, we lost the war. We want to return those Medicaid and welfare dollars to the State and local communities to aid the less fortunate.

Again, the liberals cannot let loose of the Federal grip on those decisions. If they return decisions to individuals and communities the glue that holds the coalitions that comprise the Democrat Party dissolves. That glue is the power to decide for you.

The level of invective aimed at efforts to reform the welfare state is nothing short of astonishing. Governor Engler was accused in the press of causing people to commit suicide. We have been accused of starving children. And you will hear much more.

In Thomas Sowell's new book ''The vision of the Anointed,'' You know who the anointed are, the sensitive, the caring, the compassionate, the thoughtful, Sowell notes how the critics of the ''anointed'', from Malthus to Burke to Hayek, always spoke generously of the motives of the left even while questioning their policies.

Milton Friedman criticized the Great Society, but he always says it was born of noble intentions.

However, the responses from the ''Anointed'' to their critics were always personal. The critics's motives were questioned. They were called mean-spirited, hard-hearted, and cruel.

When Thomas Malthus criticized the vision of Godwin and Condorcet he said, ''I do not question their candor or their integrity. I question their politics.''

Godwin's response? A personal attack on Malthus, whom he called ''the malignant man''.

John Lewis has equated GINGRICH to Hitler and the Republicans in the House to Nazis. That was a new low for those who substitute name-calling for debate.

Noting has changed in over 200 years. While attacking us on personal grounds it is increasingly clear that liberals have less interest in program beneficiaries than in the power to decide. That is what the anger is about: losing power. And they will stop at nothing to regain that power, including lying.

G.K. Chesterton said, ''I believe in Liberalism today as much as I ever did. But, oh, there was a happy time when I believed in liberals.''

Oh, there was a happy time. It was the time between 1948 and 1968 when poverty dropped from 32 percent to 13 percent and black poverty from 90 percent to 32 percent. We witnessed the largest migration of blacks into management in the history of the country. In 1960 black illiteracy was 16 percent, and the black family was the most conservative, spiritual and family oriented segment of our society.

Then the poverty programs kicked in. $5.5 trillion later the poverty rate is 14 percent in general, and among blacks 33 percent. Illiteracy among blacks is rising rapidly. Nearly 70 percent of black babies are born out of wedlock, and the black family is under serious assault.

This is not to say that blacks are the problem. They are not. But in 1965, for the reasons we all know, a larger percentage of them were poor, and the Government helped them the most.

I grew up in a small town in northern Minnesota near two Chippewa Indian reservations. The Indian children went to school with us. Every fifth-grade class had an Indian child at the top of the class. They did not graduate: teen age pregnancies, crime, alcohol, violence, no father, in the homes.

For over a hundred years America rounded the Indians up onto reservations and bureaucrats told them where to go to school, which dentist and doctor to see, where to buy school clothes, and we paid the bill. The influence of the breadwinner was replaced by a bureaucrat with a Government check, and the breadwinner left.

I am the only white man that ever played baseball with the Inger Indians. I was the catcher, and we had a pitcher on the team who had a curve ball that looked like it was coming at you from third base. He was offered a minor league contract that summer, but he didn't know if he should take it. I said, ''Look, you're 26 years old and you've never had a job. Take the contract.''

Six weeks later he was back home. I asked him what happened. He said,

> I just couldn't make it. I didn't know how to get an apartment so the owner had to help me. I kept forgetting where to change buses. I didn't know if I should get a black and white or color TV. I just couldn't make all those decisions.

At age 17 I was struck that Government paternalism steals from people the ability to make decisions about their own lives. They are all dead now. Richie Robinson, Esica Ogema, Tom Bowstring, Frank Rabbit, Johnny Wakanabo, Tom Goggleye. Dead too young. Not because Government did too little. Because Government did too much.

Having done so well with the American Indian, we have replicated the reservation in every major city in America with the very same results: Teenage pregnancies, crime, drugs, violence, no fathers in those homes. Not because Government did too little. Because Government did too much.

In spite of the total collapse of communism and socialism round the world, Liberals continue to believe that they are smarter than the people and that governments make better decisions.

They do not know, as we know, that the human being dreams, not for one more Government program but for freedom. The Soviets learned that in just 73 years.

Ilya Ehrenberg, a Russian poet, wrote, ''If all the world were covered with asphalt, one day in that asphalt, a crack would appear, and in that crack grass would grow.'' That is the dream of the human spirit. That is the dream of freedom.

All of this is to say the following: Liberal efforts to replace your decisions with their decisions have been a colossal failure. It has been a failure for the taxpayer, but much more so for the generations of children destroyed in the process. Why is it so difficult in American politics to commit a truth?

We want to end the suffering of the poor in the care and feeding of the Federal Government. We want to rekindle the dream, to free the spirit, to let it soar.

This election is going to be the meanest election in your lifetimes. Because there is so much at stake. The Liberals know that another loss could send their party the way of the Whig Party. Like the current Democrat Party, the Whig Party was a disparate collection of groups who had only one thing in common. They hated Andy Jackson. When his presence disappeared, so did they.

The four building blocks of the Democratic Party are labor, blacks, feminists, and gays. What in the world do labor and gays have in common? They all have a thirst for the power to make your decisions for you. All four groups want power because they believe that they can gain economic advantage in Washington that they cannot gain in the neighborhood. Again the question: ''Who decides? Washington or you?''

The commitment by labor unions to spend $35 million in negative television commercials is their last gasp. In addition to that, they will spend another $300 million paying the salaries of full-time campaigners in Democrat campaigns. None of that will be reported to the public the way that candidates report the money they raise and spend to the Federal Election Commission. Remember that the next time some ''reformer'' tells you that candidates spend too much money campaigning.

But, there is hope. Do you remember Ronald Reagan?

It is important to remember how dark the nightfall was when he began running for President. On the eve of his first run for the Presidency in 1975 he spoke at the 20th anniversary of National Review. In a somber moment he quoted something written two decades earlier by Whittaker Chambers.

Chambers wrote:

> It is idle to speak of saving Western civilization, because Western civilization is already a wreck from within. That is why we can hope to little more than snatch a fingernail off a saint on the rack or a handful of ashes from the faggots and bury them secretly in a flour pot until that day ages hence when a few men would dare to believe that there once was something else. That

something else is thinkable and there were those at the great nightfall who took loving care to preserve the tokens of hope and truth.

Five years later Reagan was President promising to rekindle the American dream.

It has been said that the American dream was to own your own home. That is not the American dream. The American dream is to get your kids out of your home. And when Ronald Reagan took office, many Americans wondered if they ever could.

We had interest rates at 21 percent, inflation at 14 percent, and 11 percent unemployment.

We were also losing the cold war. Between 1970 and 1980 the Soviet Union had increased its influence in Cuba, Vietnam, Cambodia, Laos, Nicaragua, Grenada, Mozambique, Angola, Ethiopia, Afghanistan, South Yemen, Libya, Iraq, and Syria.

On top of that one-third of our planes unable to fly for lack of spare parts, one-third of our ships in dry dock, soldiers practicing with pretend bullets, and much of our enlisted corps on food stamps.

In his first inaugural address Reagan addressed our difficulties at home and abroad. Then he appealed to the best in us. He said, ''We can do this, because, after all, we are Americans.'' The decade of the eighties was the American decade in the American century. I know that the Clinton's, during the 1992 campaign, called it the decade of greed. Maybe they thought every American was trading in cattle futures. Most Americans were not. They were starting businesses, going to church, coaching little league, teaching school, paying taxes, and giving to charity.

In less than a decade, Americans, not government, created 4 million businesses and 20 million new jobs. They doubled the size of the economy and doubled revenues to the treasury. They doubled the money they gave to charities—to strangers—because they were generous.

And if we get the burdens of high taxes and too much regulation off their backs, they will do it again.

America is great, not because of Government policies or wise politicians. America is great because ordinary people do extraordinary things. When we return decisions to the American people and responsibilities to the communities I believe that they, not the Federal Government but they, will once again recapture the greatness we have known. If we fail, America will be the next century's Soviet Union. Not because government did too little. Because government did too much.

□ 2030

DORNAN REPLIES TO GUNDERSON

The SPEAKER pro tempore (Mr. NEY). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, I thank my colleague from California, Mrs. SEASTRAND, who will follow with 30 minutes that I think Members are going to find fascinating.

Mr. Speaker, I had 60 minutes tonight but everybody was jumping the gun and assuming that in a special order tonight at 8:30 East Coast time or later, 9:30 after the gentleman from Pennsylvania, Mr. KLINK, does his special order, that I was going to respond to the Member from the Third District of Wisconsin, STEVE GUNDERSON, on his peculiar point of personal privilege yesterday.

I have talked to the parliamentarians and my honor was impugned at several points during Mr. GUNDERSON's strange point of personal privilege. If I had been here, I could have taken his words down time after time and had them stricken from the RECORD. I stood not mesmerized but fascinated at home. I will at some point, as the parliamentarians agreed, take a point of special privilege during the middle of the day, probably earlier than he did his. He did his around 3:30. That will be done in good time, probably next week, and I will set straight the perversion of facts that took place.

I am going to include for the RECORD the reply of the reporter, a man of honor, Marc Morano, to Representative STEVE GUNDERSON, it is fascinating; I want to put in the reply of the Family Research Council, it is fascinating; and I am going to put in again Billy Graham's beautiful address in the Rotunda on May 2 that he titled ''The Hope for America,'' where he said that we are paying an awful price for what has happened in our land with moral issues. And then he said, ''We are a society poised on the brink of self-destruction.''

In the few moments left, Mr. Speaker, I will read from a letter from one of the outstanding researchers over at Family Research Council, he was a stalwart at Empower America, and it was in response to a good friend of mine saying the Christian Coalition might be obsessed with the issue of homosexuality.

Likewise CATO's David Boaz used the term to attack the Family Research Council in the New York Times. Funny you don't hear anyone accused of being obsessed with taxes, defense of our country, deregulation, education, or any number of other issues no matter how passionately they argue or how often. The ''obsession'' tag is used specifically in the homosexual debate, and I think I know why, he continues.

Because it implies a secret, hypocritical propensity for homosexuality. It is a nifty little smear that homosexual activists use routinely. That is why I winced when I found the nameless mutual friend of Mr. Knight's and myself had used the term unknowingly at the Road to Victory conference.

We have seen a debauching of the English language, a synonym for cheerful, happy, mirthful, good-natured, the word ''gay,'' the root word of gala, substituted for the death in their prime of life of over 300,000 young males in America who have the word ''gay'' and ''gaiety'' put in the place of ''sad'' and ''play.''

We have seen a word created that is phony. I have four years of Latin. There is no such word as homophobia. Phobia of man, homo? If they mean homosexual phobia or decadence phobia, that would be more accurate, but it is not a phobia. It may be an aversion to seeing the collapse of our society or, as Billy Graham put it, a great Nation on the brink of self-destruction. I shall be back with that theme soon.

Mr. Speaker, Fair is fair and facts are powerful. Here is Mr. Morano's powerful rebuttal to the Member from Wisconsin who will retire in less than five months, effective Jan. 3, 1996.

MARC MORANO REPLIES TO REPRESENTATIVE STEVE GUNDERSON

The following is my response to Congressman Steve Gunderson's (R-WI) point of personal privilege delivered on the House floor on May 14, 1996:

It is an outrage that a U.S. Congressman would interrupt a session of Congress and take to the House floor and slander the character of a reporter whom he never met. Congressman Steve Gunderson said on the House floor that ''hate and prejudice are the motives by which Mr. Morano * * * sought to totally misrepresent the fund raising events and their purpose.'' He further states that I ''intentionally falsif[ied] information'' and that my report is ''the journalism of bigotry and prejudice.'' How Congressman Gunderson knows all of this about me remains a mystery.

The Washington Times reported today that at least three other people who attended the night dance can corroborate my account. John Cloud, a city paper reporter said he witnessed ''* * * a fair number of people using drugs.'' A columnist in Metro Weekly described the dance as follows: ''We spent much of our time out on the dance floor trying to cop a feel, or back in the sponsors lounge trying to cop a feel, or outside in the designated smoking area trying to cop a feel and a smoke.'' In addition, Jim Jennings, who works for one of the sponsors of the event admitted to seeing ''very provocative dancing.''

The freedom of the press is a fundamental right set forth in the Constitution. Congressman Steven Gunderson's character assassination of me on the House floor has a chilling effect on free speech. Will reporters in the future now hesitate to come forth with a controversial story for fear our elected leaders will use their office to attack the reporters entire career, question their motives and engage in vicious name calling? Congressman Gunderson, by impugning my professional reputation, has proven that he is not above ''questioning other peoples motives'' and stereotyping whom he knows nothing about. The fact of the matter is that my report is entirely factual. I ask Congressman Gunderson to publicly apologize for his unfounded assault on my character. The dignity of his position demands that a retraction be forthcoming.

The following is a detailed response to Rep. Gunderson's point of personal privilege delivered on the House floor on May 14, 1996. First, I reaffirm that the report of my observations of the Cherry Jubilee's Main Event

was totally factual and without misrepresentation. Second, Congressman Gunderson personal attack on me violates his own philosophy, which he states, ''May I suggest that to begin, we stop questioning other people's motives.'' Third, the Congressman, who did not attend, claims to know more about the event than myself who was in attendance and personally witnessed the activities. Fourth, I was contracted to produce a video by the Family Research Council, not write a report. The report is my intellectual property not in any way commissioned by the Family Research Council.

Let us look at the allegations put forth by Congressman Gunderson in his point of personal privilege on May 14, 1996:

(1) Rep. Gunderson stated: ''Throughout his [Morano's] entire story, not one source is ever identified or quoted.''

The story is a personal account of what I witnessed. I was the source.

(2) Rep. Gunderson stated: ''There is no record that Mr. Morano purchased tickets for any of these events. He clearly did not use his name and address at any time, nor did he seek to obtain any 'press credentials' for the events.''

I did attempt to obtain ''press credentials'' but was told they were not issuing any. I made at least three phone calls to the organizers on the Thursday and Friday preceding the event. I was forced to purchase one ticket from someone outside the entrance and another ticket from the organizers inside the entrance. The Sunday Recovery Brunch which followed the Main Event was not open to the press. I went to the Rayburn House Office Building on Sunday to cover the event but was told no press or cameras were allowed.

(3) Rep. Gunderson claimed, ''But fact is not the basis for the story. Rather hate and prejudice are the motives by which Mr. Morano . . . sought to totally misrepresent the fund raising events. . . .''

Rep. Gunderson is violating his own advice that we ''stop questioning other people's motives.'' I reported on what I personally witnessed; to suggest otherwise is without foundation.

(4) Rep. Gunderson stated: ''Nor does the video show any illegal activity . . . if there any doubt such illegal activity would have been filmed if it actually occurred? I don't think so.''

I was forced to be very discreet with the video camera and did attempt to videotape the act of oral sex which occurred just off the dance floor but because of the concealment device used to hide the camera, the footage did not come out. Security eventually saw my camera and threatened to confiscate it and the tape. I was forced to hastily remove the camera from the building.

(5) Rep. Gunderson accuses me of ''bigotry and prejudice'' for the following sentence: ''The homosexual community's credo seems to be 'Die young and leave a pretty corpse.'''

Rep. Gunderson uses this sentence taken out of context to accuse me of ignorance regarding death by AIDS. This sentence was part of an opinion piece on the event that I wrote for Chronicles Magazine. The whole context is as follows: ''There were few if any men who could be described as overweight. In fact, the overwhelming majority had bodies sculpted from weight lifting. Beer and bottled water were the beverages of choice, while apples, bananas, and oranges were in plentiful supply. The image of young active health conscious men, drinking bottled water and consuming fruit is a study in contrast. The reckless lifestyle inherent in the gay experience results in a notably reduced life span. The life expectancy of a homosexual male is estimated to be no more than about 41 years old, regardless of AIDS. The homosexual community's credo seems to be ''Die young and leave a pretty corpse.''

I did not in any way seek to imply that people who die of AIDS ''die pretty'' as Rep. Gunderson infers. I was using an old expression to draw a contrast between the healthy vigorous party goers and the reality of the shortened life span of homosexual males. Rep. Gunderson takes this sentence out of context in order to accuse me of ''bigotry and prejudice''. Congressman Gunderson exploits the tragedy of the AIDS crisis to smear my name.

(6) Rep. Gunderson claims that the outside stairwell was closed off because of ''construction.''

This is simply not true. The outside stairwell was open for several hours and many people proceeded down there. One party goer, noticing people down in the stairwell referred to it as ''screw alley.'' Security closed the stairwell down several hours after the dance began. Security erected orange cones to close it off and stationed an officer right in front of the entrance.

(7) Rep. Gunderson states that ''security reported no fights, no harassment, no drugs, no smoking, nor any sexual activity. Security made no reports of illegal activity or trouble.''

The question that needs to be asked is why Security did not report the activities it surely witnessed. According to the Washington Times (May 15), John Cloud, a City Paper reporter who attended the dance witnessed ''. . . a fair number of people using drugs.'' The Washington Times also reported (May 15) that ''A columnist for the Metro Weekly, a Washington homosexual newspaper, described the dance: 'The stately place was incredible—we felt like we were in a hallowed hall. We spent much of our time out on the dance floor trying to cop a feel, or back in the sponsors' lounge trying to cop a feel, or outside in the designated smoking area trying to cop a feel and a smoke.'''

Mr. Speaker, here is the inspiring act of Congress awarding to Dr. Billy Graham, and his loyal wife of 52 years, Ruth, the Congressional Gold Medal.

ONE HUNDRED FOURTH CONGRESS OF THE UNITED STATES OF AMERICA

AT THE SECOND SESSION

Begun and held at the City of Washington on Wednesday, the third day of January, one thousand nine hundred and ninety-six.

AN ACT TO AWARD A CONGRESSIONAL GOLD MEDAL TO RUTH AND BILLY GRAHAM.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress hereby finds the following:

(1) Ruth and Billy Graham have made outstanding and lasting contributions to morality, racial equality, family, philanthropy, and religion.

(2) America's most respected and admired evangelical leader for the past half century, Billy Graham's crusades have reached 100,000,000 people in person and reached over 2,000,000,000 people worldwide on television.

(3) Billy Graham, throughout his 76 years of life and his 52-year marriage to Ruth Graham, has exemplified the highest ideals of teaching, counseling, ethics, charity, faith, and family.

(4) Billy Graham's daily newspaper column and 14 books have provided spiritual counseling and personal enrichment to millions of people.

(5) Ruth and Billy Graham have been the driving force to create the Ruth and Billy Graham Children's Health Center at Memorial Mission Hospital in Asheville, North Carolina, whose vision is to improve the health and well-being of children and to become a new resource for ending the pain and suffering of children.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized to present, on behalf of the Congress, to Billy and Ruth Graham a gold medal of appropriate design, in recognition of their outstanding and enduring contributions toward faith, morality, and charity.

(b) DESIGN AND STRIKING.—For purposes of the presentation referred to in subsection (a), the Secretary of the Treasury shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

(c) GIFTS AND DONATIONS.—

(1) IN GENERAL.—The Secretary of the Treasury may accept, use, and disburse gifts or donations of property or money to carry out this section.

(2) NO APPROPRIATION AUTHORIZED.—No amount is authorized to be appropriated to carry out this section.

SEC. 3. DUPLICATE MEDALS.

The Secretary of the Treasury may strike and sell duplicates in bronze of the gold medal struck pursuant to section 2 under such regulations as the Secretary may prescribe, at a price sufficient to cover the cost thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the gold medal.

SEC. 4. STATUS OF MEDALS.

(a) NATIONAL MEDALS.—The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

(b) NUMISMATIC ITEMS.—For purposes of section 5134 of title 31, United States Code, all medals struck under this Act shall be considered to be numismatic items.

CONSTANCE A. MORELLA,
Speaker of the House of Representatives pro tempore.

AL GORE,
Vice President of the United States and President of the Senate.

Approved February 13, 1996, William J. Clinton.

Mr. Speaker, here are the prepared remarks of Dr. Billy Graham.

A beautiful title, Mr. Speaker.

THE HOPE FOR AMERICA

Mr. Vice President; Speaker Newt Gingrich; Majority Leader Bob Dole; Senator Strom Thurmond; Members of the House of Representatives and the Senate; distinguished guests and friends * * *

Ruth and I are overwhelmed by the very kind words that have been spoken today, and especially by the high honor you have just bestowed on both of us. It will always be one of the high points of our lives, and we thank you from the bottom of our hearts for this unforgettable event. We are grateful for all of you in the Senate and House who have had a part in it; and President Clinton for his support in signing the resolution.

As we read the list of distinguished Americans who have received the Congressional Gold Medal in the past—beginning with George Washington in 1776—we know we do not belong in the same company with them, and we feel very unworthy. One reason is because we both know this honor ought to be shared with those who have helped us over the years—some of whom are here today. As a young boy, I remember gazing at that famous painting of Washington crossing the

Delaware. Only later did it occur to me that Washington did not get across that river by himself. He had the help of others—and that has been true of us as well. Our ministry has been a team effort, and without our associates and our family, we never could have accomplished anything.

I am especially grateful my wife, Ruth, and I are BOTH being given this honor. No one has sacrificed more than Ruth has, or been more dedicated to God's calling for the two of us.

However, I would not be here today receiving this honor if it were not for an event that happened to me many years ago as a teenager on the outskirts of Charlotte, NC. An evangelist came through our town for a series of meetings. I came face-to-face with the fact that God loved me, Billy Graham, and had sent His Son to die for my sin. He told how Jesus rose from the dead to give us hope of eternal life.

I never forgot a verse of Scripture that was quoted, ''As many as received him, to them gave he power to become the sons of God, even to them that believe on his name'' (John 1:12, KJV). That meant that I must respond to God's offer of mercy and forgiveness. I had to repent of my own sins and receive Jesus Christ by faith.

When the preacher asked people to surrender their lives to Christ, I responded. I had little or no emotion; I was embarrassed to stand with a number of other people when I knew some of my school peers saw me; but I meant it. And that simple repentance and open commitment to Jesus Christ changed my life. If we have accomplished anything at all in life since then, however, it has only been because of the grace and mercy of God.

As Ruth and I receive this award we know that some day we will lay it at the feet of the One we seek to serve.

As most of you know, the President has issued a proclamation for this day, May 2, 1996, to be a National Day of Prayer. Here in Washington you will see and hear of people throughout the District of Columbia praying today. It is encouraging and thrilling that here, and across the country people have committed themselves to pray today for our leaders, our nation, our world, and for ourselves as individuals. I am so glad that before business each morning, both the House of Representatives and the Senate have a prayer led by Chaplain Ogilvie of the Senate, who has had so much to do with this event today, and Chaplain Jim Ford, who used to be chaplain at West Point when I went almost every year to bring a message to the cadets.

Exactly 218 years ago today—on May 2, 1778—the first recipient of this award, George Washington, issued a General Order to the American people. He said. ''The . . . instances of Providential Goodness which we have experienced and which have now almost crowned our labors with complete success demand from us . . . the warmest returns of Gratitude and Piety to the Supreme Author of all Good.'' It was a message of hope and trust, and it also was a challenge for the people to turn to God in repentance and faith.

We are standing at a similar point in our history as less than four years from now the world will enter the Third Millennium. What will it hold for us? Will it be a new era of unprecedented peace and prosperity? Or will it be a continuation of our descent into new depths of crime, oppression, sexual immorality, and evil?

Ironically, many people heralded the dawn of the 20th Century with optimism. The steady march of scientific and social progress, they believed would vanquish our social and economic problems. Some optimistic theologians even predicted the 20th Century would be ''The Christian Century'', as humanity followed Jesus' exhortation to love your neighbor as yourself. But no other century has been ravaged by such devastating wars, genocides and tyrannies. During this century we have witnessed the outer limits of human evil.

Our mood on the brink of the 21st Century is far more somber. Terms like ''ethnic cleansing'' ''random violence'' and ''suicide bombing'' have become part of our daily vocabulary.

Look at our own society. There is much, of course, that is good about America, and we thank God for our heritage of freedom and our abundant blessings. America has been a nation that has shown a global compassion that the rest of the world seemingly does not understand. After World War II because we had the Atom Bomb, we had the opportunity to rule the world, but America turned form that and instead helped rebuild the countries of our enemies.

Nevertheless, something has happened since those days and there is much about America that is no longer good. You know the problems as well as I do—racial and ethnic tensions that threaten to rip apart our cities and neighborhoods; crime and violence of epidemic proportions in most of our cities; children taking weapons to school; broken families; poverty; drugs; teenage pregnancy; corruption; the list is almost endless. Would the first recipients of this award even recognize the society they sacrificed to establish? I fear not. We have confused liberty with license—and we are paying the awful price. We are a society poised on the brink of self-destruction.

But what is the real cause? We call conferences and consultations without end, frantically seeking solutions to all our problems; we engage in shuttle diplomacy; and yet in the long run little seems to change. Why is that? What is the problem? The real problem is within ourselves.

Almost three thousand years ago King David, the greatest king Israel ever had, sat under the stars and contemplated the reasons for the human dilemma. He listed three things that the world's greatest scientists and sociologists have not been able to solve, and it seems the more we know, and the greater our technology, the more difficulties we are in. In perhaps the best-known passage of the Old Testament, Psalm 23, he touches on the three greatest problems of the human race.

First, David said, is the problem of emptiness. David wrote, ''The Lord is my shepherd; I shall not want.'' He was not talking just about physical want, but spiritual want.

I stood on the campus of one of our great universities some time ago, and I asked the Dean, ''What is the greatest problem on your campus?'' He replied in one word: ''Emptiness.'' The human heart craves for meaning, and yet we live in a time of spiritual emptiness that haunts millions.

''Nirvana'' is the Hindu word for someone who has arrived into the state of perpetual bliss. Media reports said that Kurt Cobain, the NIRVANA rock group's leader, was the pacesetter for the nineties, and the ''savior of rock and roll.'' But he said the song in the end which best described his state of mind was ''I hate myself and I want to die!'' And at age 27 he committed suicide with a gun.

Second, is the problem of guilt. David wrote: ''He restoreth my soul, he leadeth me in the paths of righteousness.'' Down inside we all know that we have not measured up even to our own standards, let alone God's standard.

Third, David pointed to the problem of death. ''Yea, though I walk through the valley of the shadow of death, I will fear no evil: for thou art with me.'' Death is the one common reality of all human life. Secretary of Commerce Ron Brown did not realize his time had come when he stepped on that plane in Croatia a few weeks ago.

From time to time I have wandered through Statuary Hall and looked at all those statues of some of the greatest men and women in our nation's history. But one thing is true of every one of them: They are all dead.

Yes, these three things—emptiness, guilt, and the fear of death—haunt our souls. We frantically seek to drown out their voices, driving ourselves into all sorts of activities—from sex to drugs or tranquilizers—and yet they are still there.

But we must probe deeper. Why is the human heart this way? The reason is because we are alienated from our Creator. That was the answer David found to these three problems: ''The Lord is my shepherd.'' This is why I believe the fundamental crisis of our time is a crisis of the spirit. We have lost sight of the moral and spiritual principles on which this nation was established—principles drawn largely from the Judeo-Christian translation as found in the Bible.

What is the cure? Is there hope?

Ruth and I have devoted or lives to the deep conviction that the answer is yes. There is hope! Our lives can be changed, and our world can be changed. The Scripture says, ''You must be born again.'' You could have a spiritual rebirth right here today

What must be done? Let me briefly suggest three things.

First, we must repent. In the depths of the American Civil War, Abraham Lincoln called for special days of public repentance and prayer. Our need for repentance is no less today. What does repentance mean? Repentance means to change our thinking and our way of living. It means to turn from our sins and to commit ourselves to God and His will. Over 2700 years ago the Old Testament prophet Isaiah declared: ''Seek the Lord while he may be found; call on him while he is near. Let the wicked forsake his way, and the evil man his thoughts. Let him turn to the Lord, and he will have mercy on him, and to our God, for he will freely pardon'' (Isaiah 55:6–7. NIV). Those words are as true as they were over two and a half millennia ago.

Second, we must commit our lives to God, and to the moral and spiritual truths that have made this nation great. Think how different or nation would be if we sought to follow the simple and yet profound injunctions of the Ten Commandments and the Sermon on the Mount. But we must respond to God, Who is offering us forgiveness, mercy, supernatural help, and the power to change.

Third, our commitment must be translated into action—in our homes, in our neighborhoods, and in our society.

Jesus taught there are only two roads in life. One is the broad road that is easy and well-traveled, but which leads to destruction. The other, He said, is the narrow road of truth and faith that at times is hard and lonely, but which leads to life and salvation.

As we face a new millennium, I believe America has gone a long way down the wrong road. We must turn around and go back and change roads. If ever we needed God's help, it is now. If ever we needed spiritual renewal, it is now. And it can begin today in each one of our lives, as we repent before God and yield ourselves to Him and His Word.

What are YOU going to do?

The other day I heard the story of a high school principal who held an assembly for graduating seniors, inviting a recruiter from each branch of the service: Army, Navy, Air Force, Marines to each give a twelve minute presentation on career opportunities they offered to the students. He stressed the importance of each staying within their allotted time.

The Army representative went first, and was so eloquent that he got a standing ovation, but went eighteen minutes. Not to be outdone, the Navy presentation was equally superb, but took nineteen minutes. Air Force then gave a sterling presentation, which lasted twenty minutes. By now, the principal was irate, and admonished the Marine recruiter that he had only three minutes before the students had to leave for the next class!

During the first two minutes of his shortened time, the Marine didn't say a word, but individually and carefully studied the faces of each student. finally, he said, ''I've looked across this crowd and I see three or four individuals who have what it takes to be a Untied States Marine. If you think you are one of them, I want to see you down front immediately after the assembly.''

Who do you think drew the biggest crowd!

This afternoon, as I look out across this distinguished group gathered here, I see more than a few men and women who have what it takes, under God to lead our country forward ''through the night'' into the next millennium—individuals who represent civil and governmental authority—as well as doctors, lawyers, clergy, artists and media.

Again, Ruth and I are deeply humbled by this award, and we thank you for all that it represents.

We pledge to continue the work that God has called us to do as long as we live.

Thank you.

AMERICANS NEED GAS TAX FREEDOM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from California [Mrs. SEASTRAND] is recognized for 40 minutes as the designee of the majority leader.

Mrs. SEASTRAND. Mr. Speaker, approximately a week ago we celebrated Tax Freedom Day. It is interesting because this year, in 1996, it is 6 days later than we celebrated Tax Freedom Day in 1993. This is the day when across America, hardworking families, moms and dads, keep their paycheck, and they have the dollars to stop funding government at all levels, and the dollars after Tax Freedom Day actually go to their families and their children and to do the things they want to do with their dollars.

Americans do not need to look any further than their 1995 tax return to see the difference between Republicans and Democrats. Republicans want Americans to keep more of their paychecks. Republicans want families to save for their futures, and they want more for the families and for our communities across this Nation.

We kept our promises to the American taxpayers by passing the first ever balanced budget in 25 years. We passed the $500-per-child tax credit and the repeal of Clinton's assault on working seniors. We want seniors to keep more of what they earn.

But unfortunately President Clinton chose to veto these key provisions which were meant to put back power to where power belongs, and that is into the hands of working taxpayers, the working families, moms and dads across this Nation.

It is interesting because Washington values here on Capitol Hill are so very much different from the folks across America, and in particular the folks on the central coast of California. I am very privileged to have the right to be voted in by constituents on the central coast of California, to represent them. I represent two wonderful counties, San Luis Obispo County and Santa Barbara County.

It is interesting to note, because in 1993 we had a severe gas tax hike. It was part of the largest tax hike. It was part of the largest tax hike in history. In fact, $4.8 billion alone went to an annual gas tax, and I want to remind everyone that that is 30 percent to the Federal gas tax, a 30-percent increase. I might also remind people that not one Republican voted for the gas tax. It was part of an overall tax increase of $268 billion, an entire package. But again, as I said, $4.8 billion was the gas tax.

When politicians raise taxes for some reason they do not seem to save the money. They spend it. People on Capitol Hill here in Washington, DC, when they can get a dollar here, a dollar there, eventually they spend it. Spending in 1992 was $1.3 trillion, almost $1.4 trillion. But spending in 1995 was $1.57 trillion, almost $1.6 trillion, an increase of $190 billion.

I know I cannot fathom what $1 billion is. It is very hard to work in these numbers. I can identify with working families on the central coast of California. We deal not in those type of numbers. Only in government do we deal in billions and trillions.

But I know that the gas tax hits the low- and middle-income Americans the most, those that need a helping hand from those of us that are trying to help them here in Washington. I want to help those people, because I know it hits them, those that we always say we care the most about.

Perhaps you have seen that famous quote of President Clinton. It was stated in Houston in October of last year, and he was talking about raising $268 billion of tax increase, and he admitted, ''Even I think I raised taxes too much.''

I agree, and I think we here in Washington, DC, here in this House and this Senate, and we should have the President help to roll back President Clinton's tax hikes.

We have seen definitely that there has been a gas price increase and it has been caused by market-driven events, many reasons, and it really affects the central coast of California. In fact in Santa Barbara alone, the city of Santa Barbara, we saw perhaps the highest prices in Santa Barbara than were seen across this Nation, in some instances over $2 a gallon.

So we wonder, why are the retail prices up? I have a response here from the Department of Energy. On April 30, 1996, the Department of Energy told Senate staff that the recent increases in retail gasoline and diesel prices are due to many reasons, and here are some of the factors:

First, tight world crude supplies following a colder than normal winter.

Second, lower U.S. private crude and petroleum stocks due to, well, a colder than normal winter. Market decisions by companies to hold minimal inventories of crude oil in anticipation of the United Nations agreeing to allow Iraq to begin exporting oil.

Third, higher corn prices than have reduced ethanol production.

Fourth, normal spring refinery cutbacks while they reconfigure to decrease heating oil production and increase gasoline production for the summer driving season.

And, finally, fifth, in California, my State, particular shortages because of California's required introduction of a particular form of reformulated gasoline. The shortages were due to production run problems at several California refineries.

It is interesting, just recently in the Washington Post one of the reporters said today's prices are set by the absence of refining capacity and unnecessary environmental regulations, and that really does apply to California. We are all interested in cleaner air, but there is a price to be paid.

Overall, retail prices of motor fuels in the United States have increased sharply since the winter to their highest level since 1990. Especially in California, we are preparing for the tourist season. Tourism is very important to the central coast of California and so we are preparing for that busiest season and concerned about whether the folks are going to come.

But with gas prices soaring all over the country and especially, as I said, in my own backyard, I want to do something to help ease the burden of those rising gas prices. I think we need some relief and some immediate relief.

I have introduced a bill that would temporarily repeal the Clinton gas tax until 1997 to allow the oil markets a chance to recover from a shortage in supply. The bill is H.R. 3415.

Again, the central coast of California, every time I go home, and that is every weekend, folks will tell me that they just are overtaxed. They need some relief from the paperwork and the burdens of regulation, from all levels of government, and they wholeheartedly agree that immediately they would like to see saving some of that 4.3 cents that we pay because of the Clinton tax hike. They would like to put that in their pocket. They think it would relieve California and the central coast gas pains. It is amazing the good support I am getting on the central coast of California, and I think this is typical across this Nation.

But it is interesting because we hear a lot of naysayers on Capitol Hill here in Washington, DC. They say, the attitude is, why do we have to reduce the taxes? They just do not get it. They just do not understand the needs of working folks across this Nation and especially the folks in California.

□ 2045

Here in Washington on the Hill, you can have an apartment and you just walk to the office. Some people do not even own a car. Not so, not so from where I come from. Some people make, well, they can make a 100-mile round trip just going to the supermarket. California is different. I am sure this is also true in many of our rural areas across this Nation.

Well, my proposal to repeal the Clinton gas tax and return the money where it belongs, to the hardworking taxpayers, I hope you would consider what this means, not only cutting, putting the 4.3 cents in your pocket, but what it means to the other things you have to pay for, the transportation prices. When you think about the trucking industry and what we get delivered to our cities and areas, and how important gasoline is to moving our goods and services across this Nation, well, we have to sit back and think about all the things we buy: Our food, the cattle industry, the produce industry. Or if you just want to move from one place in these United States to another, all of this is done with gas.

Again, that 4.3 cents per gallon is going to mean lower dollars, lower transportation costs. Recent studies have documented the positive effect of repealing the Clinton gas tax. It would reduce taxes by almost $5 billion a year, and $550 million in California alone.

In addition, you know, we would recoup some of the jobs lost to that tax increase. The gas tax of 1993 is responsible for the loss of 8,000 jobs in California alone, and 69,000 jobs nationwide.

Earlier this year President Clinton and many of his Democrat colleagues who serve in Congress had the opportunity to cut taxes for the working American families, but they were committed to protecting Washington spending, and I believe they should be given another opportunity to reduce the tax burden of the American people.

Let us repeal the 1993 Clinton gas tax. Retail prices of motor fuels in the United States have increased sharply since the winter, to their highest levels since 1990. The Federal excise tax on gasoline was first enacted in 1932, and 1951 for diesel fuel. We started, as usual, with initial levels of 1 and 2 cents per gallon respectively, and then the taxes were raised gradually to 4 cents by 1959. From 1983 to 1993, there were five Federal tax increases on gasoline, raising them to their present levels of 18.3 cents a gallon.

Sometimes I think we do not realize how much we pay on an average gallon of gas when we fill it up. I should say of that 18.3, 14 cents goes into the highway trust fund and the 4.3 cents, well, it just goes into the general fund.

Now, that is the Clinton tax increase of 1993. I think it is important to stop here to repeat that. Only 14 cents of the 18.3 cents of Federal taxes on each gallon of gas that you purchase at the pump, only 14 cents goes into the trust fund for the roads, the bridges, to take care of those potholes when you are traveling along the freeways.

The 4.3 cents of the tax hike went to the general fund. I get a lot of postcards because people say maybe we could keep that money and fix the pothole on the freeway that I drive every day and let us not give it back. I would rather see the pothole filled up.

But, ladies and gentlemen, the 4.3 cents, the tax hike of 1993, does not go for your highways, for building bridges. It does not go for mass transit if you like in an urban city. In fact, the tax you are paying on your airline ticket today on the aviation fuel, that does not go for helping meet your transportation needs. It just goes into the General Fund, and only again in Washington, DC, do you have people here that feed the bureaucracy for more spending. It is dedicated, the 4.3 cents is dedicated to finance Washington spending on the bureaucracy.

Let me give you an example, in Santa Barbara County. I just heard there is consideration that we may have a measure on the November ballot to raise several million dollars to offset $100 million of backlog in maintenance on our county roads.

Well, here I have 4.3 cents that is just going into the general fund, when locally now the folks in Santa Barbara County may be asked to consider raising several million dollars to take care of backlog in maintenance. Something is wrong here.

The Congressional Research Service, a nonpartisan organization, estimates that, other things being equal, repeal of the 4.3 cent fuel tax would cause refiners, importers, and terminal operators to decrease wholesale prices by about three-fourths of the overall excise tax. I would say about 3.2 cents. Retail gasoline prices would tend to decline, and any decrease in the prices of gasoline and other motor fuel would tend to increase the demand for fuel and for complementary goods and services by reducing the cost of the vehicular transportation and related travel relative to the other costs and services. Therefore, the demand for substitute goods and services such as home recreation and other activities would tend to go down.

A decrease in the gasoline tax would increase, and I underline this word, household's disposable income, reduce business costs per unit of output, and would increase total demand for goods and services, thus having an expansive effect on economic activity.

Now, there have been questions asked about the bill to repeal the tax on gas from 1993, and one in particular is that even if the Clinton gas tax is repealed, it will not necessarily be passed on to the consumer.

Well, my bill, H.R. 3415, contains language that states the benefits of the tax repeal should be passed on to the consumers, and it requires that the Comptroller General of the United States conduct a study to assure passthrough of such a repeal.

It was interesting, because a colleague on the other side of the aisle just recently brought up his concern that passing that gasoline tax repeal will simply line the pockets of the big oil companies and will not be passed on to the consumers. I understand that concern. But certainly retailers I believe will always try to slowly drop the price of gasoline. However, the Department of Energy is predicting normal supplies and prices this summer.

Moreover, both world and domestic crude prices have fallen every day since early last week, and well before the President's announcement regarding SPR sales on Monday of last week. With gasoline prices expected to decline through this summer, market competition and full supply marketplace will make it very difficult, I believe, for retailers to keep the 4.3 cents if the tax is repealed.

I would just say other questions have been raised about the costs associated with this bill, and the answer to that is that we have the offsets, and they are found in reducing the size of rampant travel and other expenses at the Department of Energy. We also are going to look to the FCC auctioning off broadcast spectrums, and the Committee on the Budget chairman, Mr. KASICH, has assured us that we are on target to balance the budget by fiscal year 2002, even with this temporary repeal of the Clinton gas tax.

Well, Mr. Speaker, I guess it is the old story, the Democrats never met a tax increase the did not like. I would like to quote the minority leader from the Senate:

> Well, it seems to me the Republicans' only issue, I am sure if you talked about the weather, they would come up with a tax cut, if you talked about heart problems, they would come up with a tax cut, and any problem that you think of in this country can be fixed with a tax cut, if you listen to Republicans. Again, we have got high prices. Let's not look at resources and supply and demand. Let's have a tax cut.

That is the Senate minority leader on April 29 of this year. Again, yes, I am looking to a tax cut, because I know how important it is for my folks to drive up to that pump, to fill up their tank and have to travel many miles on the central coast of California, and 4.3 cents in some tax relief to them is very important. And I make my case, the Democrats never met a tax increase the did not like.

From the way the Democrats are defending this tax hike, charging that its rollback will not get passed on to the consumers, it sounds like they cannot wait to increase gas taxes again.

As I said, I go home every weekend, and my constituents are telling me that they would like to see some relief. The students at U.C. Santa Barbara, the students at Cal Poly that have to travel miles, they want to see some relief. The cattlemen that take their cattle to and from market want to see relief. The produce industry, which is very big, taking the lettuce to market, it is very important and they want to

see tax relief. And just the average mom and dad want to see tax relief so they can take the kids to school, get to work, get to the grocery store, get to little league, and do all the important things that are important in their life.

I believe, yes, that the best way to lower gas prices and relieve not only the central coast of California gas pains, but our Nation's gas pains, is to repeal the Clinton gas tax. It is time. It is time we let working men and women keep more of their hard-earned dollars, and not have the bureaucrats here in Washington say that they know best how to spend those hard-earned dollars.

Mr. Speaker, since its imposition in October of 1993, the gas tax has taken $613 million out of the economy. That is money that Californians could have had. Repealing the gas tax also would reduce taxes, as I said earlier before, by almost $5 billion annually. And I want to repeat this number, it would reduce taxes in California by $550 million. A repeal of the gas tax, I am summarizing here if you notice, the repeal of the gas tax would recoup the jobs most to the tax increase. If you recall, I said we lost 8,000 jobs in California, and I want to work for those 8,000 jobs, get them back, and I am going to work for the 69,000 jobs that we lost nationwide.

The Democrats love big government. They are so wedded to the old status quo that they are willing to deny American families, including those on the central coast of California, an annual $48 tax break. I think you all would remember that last year, or I should say last election, we heard slogans like ''It is the economy, stupid.'' Well, I guess that if there was a slogan to be had this election time, we should remind people that it is the paycheck, stupid. The folks need to see more of the dollars kept in their paycheck and spend those hard-earned dollars as they best decide.

I would say, let the bureaucrats here decide how they are going to tighten their belts, and put their agency and their particular program on a diet. I would rather have the folks on Capitol Hill here in the bureaucracies decide how to tighten the belt, rather then my folks on the central coast of California.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. NEY). The Chair will remind Members to refrain from quoting individual Members of the Senate.

55TH ANNIVERSARY OF THE BATTLE OF CRETE

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

GENERAL LEAVE

Mr. KLINK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this special order observing the 55th anniversary of the Battle of Crete.

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

There was no objection.

Mr. KLINK. Mr. Speaker, it is late, and many Members have not been able to join us tonight who had planned to make statements. They will put their statements in the RECORD. I am sure that will not be of distress to the Speaker, that we will not go as long as had been intended.

Mr. Speaker, I do rise today to mark the 55th anniversary of the Battle of Crete. This is really an historic event. It is of great significance. It took place on the Island of Crete during World War II. This was between Nazi forces and the people of Crete who were assisted by the allied armies.

I would like to rise today also to recognize the heroic efforts of the people of Crete that were exhibited not only during the battle itself, but during the subsequent 4-year occupation of Crete by Nazi forces.

At the outset of the war, Adolf Hitler had not intended to invade the Island of Crete. It was when Italian forces were unable to overtake the Greek forces on the Greek mainland that Hitler decided he would assist. Soon after Greece fell to German forces, Hitler was convinced by others to make Crete his next target.

Let me just talk a moment about the significance of the Island of Crete. It is the largest of the Greek islands, about 160 miles long. It varies in its width from about 7.5 miles to 35 miles. At the outbreak of World War II, Crete lay at a very strategic position for both the Allies and the Axis powers. For the British, who controlled the island at the time, Crete was a very strong point on the lifeline to India. It protected both Palestine and Egypt, and they had assigned elements of the Royal Navy to be sheltered in the great natural harbor of Suda Bay.

But despite its importance, the British maintained only a small garrison there. At the time of the outbreak of this war, it consisted of only three infantry battalions, armed with several heavy and light antiaircraft guns. They had coast defense artillery and searchlights. But sensing a coming Axis attack, they began to reinforce Crete with men and supplies.

□ 2100

But it was, in fact, too late. Because of the persistent attacks by the German Luftwaffe, they could send only a few thousand tons of supply to the island. And so it was on May 1941 that Adolf Hitler turned his attention to the Island of Crete.

Hitler's elite 7th parachute division began operation Mercury. At the time this was the largest airborne invasion to that point in our entire history, that is the entire history of this world. With the aid of some 500 transport aircraft and 500 bombers and fighters, the initial wave of paratroopers, which numbered about 3,500, suffered great casualties at the hands of Crete's ground forces. These ground forces, of course, included heroic Cretan civilians who used knives and pitchforks and sickles in their hands, and sticks and rocks, as some of their only weapons.

The valiant Allied forces were eventually forced to retreat, but the battle lasted 11 days before the Germans could declare a victory, and it resulted in over 6,000 German troops listed as killed, wounded or missing in action.

The losses to the elite 7th parachute division were felt so hard by the German military and were of such significance that no large-scale airborne operation was ever attempted by Nazi Germany again for the remainder of the war.

After the Allied retreat, the people of Crete were left to fend for themselves. The Cretan resistance movement organized in an effort to thwart the German Nazi forces. For 4 years the resistance movement on Crete inflicted very heavy casualties on the Nazi army. At one point the Cretan forces even kidnapped a heavily guarded German general.

The struggle undertaken by the Cretan civilians became an example for all Europe to follow in defying German occupation and aggression. The price paid for the Cretans' valiant resistance to Nazi forces became that of thousands of lives of civilians who died from random executions, some who died from starvation, others by imprisonment. Entire communities were burned and were destroyed by the Germans as a reprisal for the Cretan resistance movement. Yet the battle of Crete, in part, was to change the final outcome of World War II.

A direct result of this battle was a delay in Hitler's plans to invade Russia. Originally Hitler had planned to move on Russia in April of 1941. But Hitler was not able to move his forces on Russia until June because of the time that was lost as the valiant people of Crete had fought off the Third Reich. The consequences of this 2-month delay was Hitler's forces facing the harsh Russian winter. And while Nazi forces were able to penetrate into Russian territory, the snow storms and the sub zero temperatures eventually stalled them before they could overtake Moscow or Leningrad. This marked the beginning of the end of the Hitler war machine.

As is so often the case in history, the battle of Crete was not the first time a small force of Greeks fought against overwhelming odds. Dr. George C. Kiriakopoulos, a noted author and professor at Columbia University, has compared the battle of Crete to the ancient battle of Thermopylae. Thermopylae, which is a very narrow passageway located in east central Greece, was the site where King Leonidas and his 300 Spartans made their

final stand against King Xerxes and his Persian army of 200,000 men.

Although King Leonidas' forces were defeated by the Persians, they defended the pass long enough for the bulk of the Greek army to escape. King Xerxes, of the Persian army, was finally, when they finally overtook Attica and Athens, was finally forced to flee Greece after his navy of 1,000 vessels was destroyed by fewer than 400 Greek ships during the battle of Salamis.

So just like King Xerxes, Adolf Hitler won his battle of Thermoplyae in Crete, but that delay of 2 months cost him the war with Russia and cost him also the opportunity to eventually try to invade Great Britain.

Just last week, during his arrival ceremony for Greek President Constantinos Stephanopoulos, President Stephanopoulos stated that Greece, like the United States of America, continuously proves its commitment to the ideals of freedom of democracy and international law and order. It was because of the people of Crete and because they believed in these ideals and fought and died for these ideals that we as Americans should recognize and appreciate the historic significance of the battle of Crete.

The people of Crete themselves will always be remembered and will always remember the devastation that was brought to their island during World War II, however, I ask that all Americans observe the memory of the fallen heroes of the battle of Crete and honor the men and women of Crete, who, during World War II, fought an oppressive invader to preserve the ideals of freedom and democracy.

I would like to just mention a couple of other things about this battle for Crete, because it has been looked back upon with great amazement by many people who have analyzed it. It was the poet Calomenopoulos who said of the battle of Crete in one of his poems, ''This castle you want to pillage, German, is founded on bones that are centuries old, and its foundations have drunk blood for thousands of years. It feeds on tears and sorrows make it strong. It's impregnable and it's indestructible and always stands erect. Unbendable and immovable, a bulwark of freedom. And it fights always standing and it wields the sword.''

I wanted to take a look back at some of the amazing things that happened during the battle of Crete and put this great battle in significance.

Mr. DORNAN. Mr. Chairman, if the gentleman would yield for a second.

Mr. KLINK. I would glad to yield to my friend from California.

Mr. DORNAN. I enjoyed getting the gentleman from Pennsylvania's Dear Colleague. I am sorry more Members could not join us. I know on our side GEORGE GEKAS, a loyal son of Greek heritage, would dearly loved to have been here. He has done special orders just like yours.

I walked the battlefields of Crete with my oldest son, Bob Junior, on the 40th anniversary, 15 years ago, or that anniversary week, and I had not realized that at two of the major air fields that German airborne were totally repulsed and at the third field, which we visited, it was what the Iron Duke of Wellington, Arthur Wellesley, said after the battle of Waterloo: It was a close-run thing.

The New Zealand troops, with great loss of lives and wounded men, almost shut down the third major area of German paratroopers, and that is the area that the prize fighter, Max Schmeling, went into as a sergeant and a leader. Platoon sergeant. Of course, he had lucked out and beaten Joe Louis in their first encounter, and Louis, the Brown Bomber, kept his prediction that he would take him in one round. He did it in seconds of one round.

Maximum Schmeling was a good man, as I understand, not a Nazi. He did not understand Hitler's evil in the beginning and went down there, and then never again was part of any major German movement. I forget what happened to him. I am going to look it up after the order tonight.

But I appreciate the gentleman's taking this special order. I agree with your assessment that it was a key battle that probably affected everything after that. It was on the eve of Operation Barbarossa, which we are coming up on that on the 22nd of next month.

I want to make an observation and then back out of this. More Members should do what you are doing, Mr. KLINK, and try to recapture for our young people, as Ronald Reagan warned us. Just recent history with one of our mutual friends on your side, TOM LANTOS. I was down in the small rotunda on the House side, in what we are now calling the Lantos rotunda, or the Hungarian rotunda, there is Lajos Kossuth, the national hero of Hungary in the last century; died, I think in Paris in the 1890s; exiled for 47 years. And thanks to Mr. LANTOS of California we have a bust of one of the great heroes of modern times, Raoul Wallenberg.

We must study World War II. It is the watershed not only of this century, but it is an epic. It is a watershed of centuries. And when we focus in on certain battles, like the struggle for Crete, the first really massive use of paratroopers, never to be done again by Germans, as you pointed out in your Dear Colleague, I think it is a worthy subject for young Americans to study in high school.

So I will go back to my office as fast as I can and watch the rest of your special order with great interest, and then dig into my Crete books at home and relive some of my footsteps walking this heroic battlefield for the Greek people and the subcategory of the citizens of Crete who are Greek citizens. Thank you for doing this.

Mr. KLINK. I thank the gentleman from California, and indeed he is correct. I am reminded of former heavyweight champ Max Schmeling, who was one of those 7,000 elite troops.

When the 7th Parachute Division—and you have to remember, again, this was the largest airborne invasion in the history of the world at that time. The casualties that were suffered by these forces were heavier than the total number of Germans that had been killed in the war to that date.

This precious live airborne weapon had been altogether decimated moving into Crete, and not just by Allied forces or trained military, but many of them by women with pitchforks and sickles and people with sticks and rocks. The Cretan people just fought ferociously, not just during the battle of Crete but for the next 4 years.

There is a lesson here for all humankind. The people of Crete, together with the remnants of Allied forces from Britain, Australia and New Zealand, as the gentleman from California mentioned, showed the greatest valor of any of the conquered nations in Europe. The commanding general, Kurt Student, this is the German commanding general, called it ''the fiercest struggle that any German formation had ever had to face.''

In fact, it was Adolf Hitler who sent a message to his German general, Kurt Student, and said, ''France fell in 8 days. Why is Crete still free?'' It took 11 days to capture the island of Crete and only 8 days to capture the entire nation of France. That gives you an idea of the ferocity of these Greek citizens.

Moreover, the costly Cretan campaign, in the opinion of many historians, prevented Adolf Hitler from invading the British Isles. Many of his closest associates, including Marshal Goering, had suggested that they use this 7th Airborne Division to make their invasion of Britain. In fact, let me just read to you in ending some of the newspaper headlines from this period.

On the 28th of July 1941, the Times of London carried the story that 500 Cretan women were deported to Germany because they took part in the defense of their native island.

It was the Evening Standard in London on May the 24th of 1941 that said, ''If Hitler takes Crete, one thing alone is certain. The next island to be assaulted is our own.''

The Times in London on the 31st of May 1941 said:

> A British naval officer has now reached the hospital. He set out to cross the open sea to safety, with a Cretan girl in a rowing boat. The boat was partly stove in and flooded by machine gun attack from the air. Part of the officer's side was blown away. To stop the bleeding and the gangrene the girl forced him to lie with his wounded side in the bilgewater in the bottom of the boat and herself rowed him more than 50 miles to an allied island.

There was a German epitaph that was put on the entrance to the village of Kandanos. It says,

> On the 3rd of June 1941 the village of Kandanos was raised to the ground, never to be built again. This was an act of reprisal for the brutal murders of German parachutists,

mountain forces and engineer corps, by men, women and priests who dared stand in the way of the Great Reich.

The victory at Crete cost the Germans 22,000 troops. About 400 aircraft were lost. The delaying effect of their attacks upon Greece and upon Crete not only interfered with Hitler's designs upon Syria and upon Iran, but eventually it proved disastrous in their attack upon Russia, as I mentioned earlier.

The German army reached the outskirts of Moscow in October of 1941. I think we know a little bit about the Russian winters from history. The early frost had begun to interfere with the movements of the Third Reich. Its arrival in front of Moscow 5 weeks earlier would have certainly led to capture of that city, and perhaps on to Leningrad, and history would not allow us to overexaggerate the impact that that would have had.

An eyewitness from 1941 said,

You should have seen the womenfolk carrying the cartridge belts folded round their waists. The women emerged in Chersonissos carrying sickles, sticks and virtually anything they could lay their hands on. The Germans suffered extensive losses at the hands of these women.

Again I would appreciate all of the Members who intended to be here with me, and I understand that they thought that it was late and did not want to make it. So that would end my comments.

□ 2115

Again, I would welcome Members putting their words in the RECORD and would also welcome Members to join me in cosponsoring a resolution, which I will plan to introduce next week, which would commemorate the people of Crete and their valiant efforts 55 years ago in fighting the oppression of the Third Reich.

Mr. COYNE. Mr. Speaker, I rise today to join in this special order commemorating the 55th anniversary of the battle of Crete. I am pleased to be able to celebrate the heroism and sacrifice of the Cretan people, who bravely opposed the Nazi invasion in 1941, and who suffered under Nazi occupation for the next 4 years.

In 1940 and 1941, the armies of Nazi Germany and Italy swept through much of Europe. France, the Netherlands, Denmark, Norway, Albania, Yugoslavia, and finally Greece were overrun by the Fascists. Commonwealth troops and thousands of patriotic soldiers from the fallen countries—Poland, France, and Greece, in particular—continued to fight the Fascist onslaught, and when they were hopelessly outnumbered they undertook daring seaborne withdrawals from continental Europe in order to regroup, rearm, and build up their forces to fight another day.

After securing Greece, the Fascists turned their attention to Crete. Crete's location in the Mediterranean Sea made it an important strategic objective for both the Allied and Axis forces. Crete sat astride the important British communications route between England and India that passed through Egypt via the Suez Canal. Possession of Crete made the defense of this route easier for the British. The capture of Crete was central to Hitler's plans to conquer the Middle East and sever this important British supply line.

Because the British Royal Navy still maintained a strong presence in the Mediterranean, the German assault on Crete would come primarily from the air. Elite German paratroopers and glider troops spearheaded the assault on Crete. These were the same battle-hardened troops that had made the German sweep through the lowlands on Holland and Belgium in 1940 so dramatically successful. On the morning of May 20, 1941, thousands of German paratroopers and glider troops began landing on Crete. They were supported by hundreds of bombers and fighters from the German Luftwaffe.

The Allied forces on Crete were no match for the Axis invasion forces, but they were able to exact a heavy toll on the invaders. The British garrison on Crete was initially quite small—only three battalions—but many of the Allied troops evacuated from Greece had been sent to reinforce the garrison on Crete. These soliders—British, Australians, New Zealanders, and Greeks—aided by the civilians who lived on Crete—men, women, and even children—exacted a heavy toll on the first waves of airborne troops. Men and women armed only with knives, sickles and pitchforks attacked German paratroopers landing in their fields and on the beaches.

The outcome of the battle, however, hinged on control of the island's airstrips. If the Germans could capture one or more of these facilities, they could bring in planeloads of troops. Commonwealth and Greek troops, aided by patriotic Cretans, held onto the airfield throughout the first and second days' onslaught, but on the third day, the Germans secured the airfield at Máleme and promptly began landing planes full of reinforcements and supplies at a furious rate. After that, German airpower and additional reinforcements turned the tide, and several days later the Royal Navy began evacuating the Commonwealth and Greek troops.

By early June, 18,000 troops had been evacuated and another 10,000 soldiers had been captured. The Germans began their occupation of the island, and the Cretan people began organizing an underground resistance movement. For the next 4 years, the Fascist occupation was characterized by guerrilla attacks and brutal reprisals. Villages were razed and thousands of civilians were imprisoned or executed. Yet the spirit of the people of Crete never faltered. Despite the horrible price, they continued to resist the Nazis until Crete was liberated in 1945.

Mr. Speaker, we have undertaken this special order today in order to pay tribute to the courageous men and women of Crete who, despite overwhelming odds, resisted the invasion of their homeland by the forces of prejudice and tyranny. Their struggle is a proud monument to the nobility of the human spirit and the importance that mankind places on freedom. It is only appropriate that on the 55th anniversary of the Battle of Crete, we celebrate the heroic deeds of the Cretan people.

Mr. BILIRAKIS. Mr. Speaker, I want to commend my colleague, Congressman RON KLINK of Pennsylvania, for holding this special order.

I rise to today to join my colleagues in commemorating a valiant stand made more than a half-century ago on what was then the frontier of freedom. It was a stand made by a battered but brave group of individuals thrown together to halt the domination of a smaller, weaker nation by a larger, more powerful aggressor.

Greece was engulfed in conflict—along with the rest of the globe—during some of the darkest days of World War II. Indeed, in the spring of 1941, Nazi domination of the European continent was nearly complete. Following a valiant struggle against overwhelmingly superior German forces in and among the mountains to the north, Greek forces had been pushed entirely off the continent and were taking refuge on the island of Crete.

The German Army looked covetously across the sea to Crete. If captured, it would provide air and sea bases from which the Nazis could dominate the eastern Mediterranean and launch air attacks against Allied forces in northern Africa.

In fact, the Nazi high command envisioned the capture of Crete to be the first of a series of assaults leading to the Suez Canal.

On May 20, 1941, the largest German airborne attack of the war commenced against Greek, Cretan, and British forces, battle-weary and crippled after the withdrawal from the mainland. Waves of bombers pounded the Allied positions followed by a full-scale airborne assault. Elite paratroopers and glider-borne infantry units fell upon the rag-tag Allied soldiers, who valiantly stood firm in the face of certain defeat.

Watching death descend upon them from above, the brave defenders of Crete—having endured hours of vicious bombing, decimated the crack Nazi troops at two key airfields. However, the Germans managed to gain a foothold at a third airfield and soon were being resupplied and reinforced by air.

Seven days later, the defenders of Crete—though clinging to their rocky defensive positions—knew that they would soon be overrun. The evacuation order was given, and nearly 18,000 men were rescued. These valiant survivors had bought the Allies a week's precious time free of Nazi air and sea attacks based from Crete. More importantly, they inflicted severe losses on the German airborne forces, the showpieces of the Nazi Army.

Nearly, 2,000 German soldiers were killed and more than 4,000 were wounded or missing. So injured were the German units, in fact, that they never again attempted an airborne assault of the magnitude of that launched at Crete.

This month marks the 55th anniversary of the Battle of Crete, a proud day in the defense of liberty and self-rule; when the sons of Greece and Crete along with their British allies firmly answered the Nazi challenge to freedom.

In closing, Mr. Speaker, may we take inspiration from the shining example of the defenders of Crete in ensuring that this is indeed the case. We must not forget those who have sacrificed their lives to secure our freedom.

Mr. PALLONE. Mr. Speaker, I want to thank Congressman KLINK for organizing a special order to commemorate the 55th anniversary of the Battle of Crete. Throughout history, the Greek people have been champions of freedom and self determination and their actions in the Battle of Crete were instrumental in defeating fascism in the 20th century.

In October 1940, Mussolini's Italy invaded Greece, entering that country by coming through Albania. Responding to this crisis, the British rushed to Greece's aid and quickly sent

Army and Royal Air Force units to Crete. With Italian troops bogged down in Greece and delaying his brutal campaign of world domination, Hitler sent German troops into Greece and directed that the Nazi war machine take control of Crete.

In May 1941 the Nazis began executing Hitler's directive and launched an airborne invasion on a scale unprecedented in history. With lightning speed, the Germans dropped some 20,000 troops on the island by air; in addition, the Germans and Italians launched a land invasion, sending troops by sea from the Greek mainland, which had fallen to the Nazis a few weeks earlier.

The ensuing battle put up by the people of Crete and other Allied forces against the superior Nazi war machine was one of the most significant of World War II. And though the Germans won the battle and took the island, they did so at the highest possible cost—they would eventually lose the war. Karl Student, the Nazi general in charge of the invasion, called the battle ''the fiercest struggle any German formation had ever had to face * * *'' The German High Command would never again attempt an operation of that size.

The unanticipated heroism and ferocity with which the people of Crete fought delayed Hitler's planned invasion of Russia by 3 months. There were heavy losses on both sides. Strengthened by the knowledge that they were defending a concept—democracy—that had originated from their homeland, Cretan civilians, including women, children, and the elderly, joined the battle against the Nazis, wielding pitchforks and fashioning homemade weapons. By the battle's end, the Cretans and the Royal Air Force had inflicted so much damage on Hitler's elite 7th Air Division that it was rendered useless to the Nazi effort to conquer the Middle East.

The battle, moreover, continued long after the 11 days it took Hitler to finally take the Greek island. The Cretans organized a resistance movement, which for the remaining 4 years of the war zealously fought the occupying Nazi force. They suffered horrendously for their resistance; the Germans executed thousands of civilians and randomly decimated entire towns, villages, and communities. They did not, however, suffer in vain.

The resistance the people of Crete mounted against the invasion forced the Germans to attempt to invade Russia during the oppressive Russian winter—a task that proved to be too much for the Nazis. Their failure in Russia has since come to be recognized as the beginning of the end of Hitler's Third Reich.

We here in Congress should do our best to ensure our citizens never forget the role the citizens of Crete played in defeating fascism. Indeed, we honor ourselves by honoring them—many of those who participated in the Cretan resistance movement emigrated to the United States and became American citizens.

I am proud to have been able to participate in the remembrance of a historical event as important as the Battle of Crete. As the sacrifices the Cretans made 55 years ago demonstrate, we are indebted to Greece not only for giving the world the system upon which our country was founded, but for shedding the blood of their sons and daughters to protect that system as well. I strongly encourage all Americans to join me in honoring Greek-Americans of Cretan decent, and our friends in Greece and Crete, for their contribution to one of the most important battles of the 20th century.

Mr. KLINK. Mr. Speaker, at this time, I would yield to my good friend, BERNIE SANDERS, for the rest of my time.

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, let me begin by expressing my disappointment at the vote that took place in the House today regarding the defense budget. It seems to me that in a time when Speaker GINGRICH and his colleagues are talking about the need to move this country toward a balanced budget and are talking about the crisis of our deficit situation, that it makes no sense for the Republican leadership to be proposing a defense budget which is $13 billion more than President Clinton has request.

I find it especially hypocritical that at a time when the Republican leadership is saying that we have got to balance the budget and to do so we must make major cuts in Medicare, major cuts in Medicaid, major cuts in education and veterans' programs and environmental protection, in the fuel assistance program, and so many programs that the middle class and the working class of this country depend upon, low-income people depend upon that at the same time Mr. GINGRICH says, well, it is OK that we spend billions more for B–2 bombers that the Pentagon does not want, that we start spending billions of dollars more for the star wars program.

The budget of the U.S. Government is what this country is all about, and I think it is a sad day that we are saying that it is appropriate to spend billions more on the military, despite the end of the cold war, that we are prepared to put approximately $100 billion into defending Europe and Asia, although we do not even know who the enemy is now, but we do not have enough money to take care of our senior citizens who are in need, we do not have enough money to take care of our children.

This country has by far the highest rate of childhood poverty in the industrialized world, 22 percent of our kids in poverty. We do not have enough money to help them. We do have enough money to build B–2 bombers and star wars and things that the Pentagon does not even want. I think that is a very sad state of priorities that Mr. GINGRICH and the Republican leadership are expressing.

Mr. Speaker, what I want to concentrate on today is what I think is the most important issue facing this country, and that is the state of our economy and my very great fears that this country, in many ways, is moving toward an oligarchy, which is a nation controlled by relatively small numbers of very, very wealthy people.

What is going on in this country today is that since 1973, 80 percent of all American families have seen their incomes either decline or at best remain stagnant. What is going on in my State of Vermont and what is going on all over this country today is that we are seeing working people work longer hours for lower wages. These families look to the future. They are extremely worried about what is going to happen to their kids because it appears very likely that for the first time in the modern history of the United States, our children will have a lower standard of living than we will have.

Mr. Speaker, this, in my view, is the most important issue facing this country. I get very disappointed as an Independent, as the only Independent in the Congress, that we do not see enough discussion here on that issue, certainly from the Republican leadership. We must have more of that discussion. What is also going on in this country is, not only is the middle class shrinking, but we are seeing another phenomenon that should be of concern to all people. That is that the wealthiest people in this country are becoming much wealthier at the same time as the middle class is shrinking.

We are looking at a schizophrenic economy. How bad is the situation today facing the working men and women of this country? Let me just make a few points. Again, these are points I think that should be made over and over again. Twenty years ago, the workers of the United States were the best compensated in the entire world. We were No. 1. Today, depending upon the study that you might look at, American workers rank 13 among industrialized nations in terms of compensation and benefits.

In fact, one of the great ironies of the current economic period is that we are seeing companies from Europe and elsewhere come to the United States in search of, quote unquote, cheap labor. In my State of Vermont and throughout this country, you can get hard-working individuals who must work for $6 or $7 an hour. Those are wages that large companies cannot get workers to work for in Europe. So we are seeing for certain European companies the United States becoming what Mexico is for American companies. That is a very sad state of affairs.

Mr. Speaker, adjusted for inflation, the average pay for four-fifths of American workers plummeted by 16 percent in the 20 years between 1973 and 1993. In other words, whenever you turn on the television or whenever you read the newspapers, they talk about the booming economy. The economy is booming for someone, but it certainly is not booming for the middle class or the working people of this country.

Between 1973 and 1993, the average pay for four-fifths of American workers plummeted by 16 percent. People are working for significantly lower wages. In 1973, the average American worker earned $445 a week. Twenty years later, that worker was making $373 a week. That is the issue that should be debated here on the floor of the House, should be debated in the Senate every single day, should be debated all over this country.

How did we go from 1st to 13th in the world in terms of the wages and benefits our workers received? How did it happen that the middle class is shrinking? How did it happen that real wages are declining? That is the $64 issue that should be addressed by the President, by the leadership of the Republican and Democratic parties.

Mr. Speaker, as bad as the situation is for the middle class and middle-age, middle-class workers, the situation is far worse for young American workers. In the last 15 years, the wages for entry-level jobs for young men who are high school graduates has declined by 30 percent. Young families headed by persons younger than 30 saw their inflation-adjusted median income collapse by 32 percent from 1973 to 1990. Young families headed by someone between 25 and 24, these are young American families, had incomes $4,000 lower in 1991 than they did in 1979. Their entry-level wages were 10-percent lower in 1991 than in 1979.

What all those statistics mean is that for young people graduating high school going out into the job market, the wages that they are earning are significantly lower than was the case just 20 years ago. So, as bad as the situation is for middle-age people, it is a lot worse for younger people. That is an issue that we must address and analyze and correct. Americans at the lower end of the wage scale are now the lowest paid workers in the entire industrialized world. One percent of American workers with full-time jobs are paid so little that their wages do not enable them to live above the poverty level.

Mr. Speaker, we hear a whole lot, we heard it from President Reagan, we heard it from President Bush, we are hearing it from President Clinton about all of the new jobs that are being created. The sad truth, however, is that the vast majority if the jobs being created are low-wage jobs. These are the jobs that pay workers $6 an hour, they pay workers $7 an hour. They often bring no health care benefits, no retirement benefits, and no time off for vacations or sick leave.

Also, one of the frightening aspects of the new economy is that more and more of the new jobs being created are part-time jobs or temporary jobs. What we are seeing is that many employers would rather hire two people for 20 hours a week or for 30 hours a week rather than one worker for 40 hours a week because the employer does not have to pay any benefits.

In fact, in 1993, one-third of the United States work force was composed of, quote unquote, contingent labor, and that is temporary labor. That means that you get a job for 4 months, for 6 months and then you have to go out looking for another job again. There was a time not so long ago in our history when a real job meant 40 hours a week with benefits, decent health care, perhaps retirement, that you moved up the ladder if you did your job well. You made more money. You had a certain sense of job security.

It seems that those days are ancient history, as many of the new jobs that are being created are part-time jobs or temporary jobs. In the past 10 years, the United States has lost 3 million white collar jobs and 1.8 million jobs in manufacturing, just in the past 5 years. Five companies, Ford, AT&T, General Electric, ITT and Union Carbide alone have laid off well over 800,000 American workers in the last 15 years. Meanwhile, while the decent-paying jobs continue to disappear, the number of involuntary part-time workers tripled between 1970 and 1993.

People might be surprised to know that the largest private sector employer in the United States today is not General Motors. It is not General Electric. It is not IBM. It is Manpower Incorporated. They are the leading supplier of temporary employees.

Now, one of the tragic results of declining wages in America is that the average American worker is now working significantly more hours than used to be the case. The number of Americans working at more than one job has almost doubled over the last 15 years. So if the average American thinks, my God, I am the only person who has to work two jobs or three jobs, wake up. It is your neighbor doing that. It is people all over this country, because as real wages decline, people are just scrambling as hard as they can. Certainly in the State of Vermont, it is not unusual to see people working two jobs, three jobs, just to pay the bills.

Furthermore, when we talk about things like family values, I think what many of us mean is the ability of a husband and a wife to spend some quality time with their kids. I remember seeing a constituent of mine in Burlington, VT, who told me—she was shopping at a grocery store, that she was working three part-time jobs. Her husband was working four part-time jobs. They hardly ever had a chance to be together or, let alone, to spend time with their child.

That is what is happening all over this country. Not only are people working longer hours, in fact the average American is now working approximately 160 hours a year more than was the case just 20 years ago. But what we are also seeing is that more and more Americans are lacking adequate medical insurance.

We had a major debate here on the floor of the House several years ago about the need for a national health care policy. Those of us who advocated the right of all Americans to have health care as exists in virtually every other industrialized nation on earth, we lost that debate. The result is that 3 years later, we are seeing more and more Americans not only without any health insurance, but we are seeing more Americans who have inadequate health insurance. By that, I mean very high premiums, large deductibles, large copayments. The situation is such that many people, even when they are sick, hesitate to go to the doctor because they just cannot afford the bill.

In terms of home ownership, which is a key part of the American dream, that home ownership is also in rapid decline for the average American worker. As a result of lower and lower incomes, an increasing number of young Americans can no longer afford to purchase their own homes. In 1980, 21 percent of Americans under 25 owned their own homes. In 1987, only 16 percent did. The answer is obvious: If you are not making decent wages, there is no way you are going to be able to put a down payment or pay the mortgage on a home.

Mr. Speaker, while the middle class is in decline or the real wages of American workers are going down, or while many of the new jobs are being created to pay people $4.50, $5 and $6 an hour, there is another aspect of our economy that must be addressed. That is, clearly not everybody is hurting. Some people are doing very, very well.

This is an issue we just do not talk about enough. I think on this floor of the House, and certainly the media does not talk about it enough, today, the United States has the dubious distinction of having the most unfair distribution of wealth and income in the entire industrialized world. I think many of us used to think that in countries like England, where you have queens and dukes the lords and barons, that those were really class countries that you had a ruling class and an upper class and you had a lower class. But the truth of the matter is that the United States of America today has a much more unfair and unequal distribution of wealth than England. We have a much more unequal distribution than any other country on earth. Hardly ever talked about, this issue, but we should.

What is going on now is that the wealthiest 1 percent of the population own 40 percent of the wealth in this Nation. That is more wealth than the bottom 90 percent.

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The richest 1 percent own more wealth than the bottom 90 percent, and that gap between the rich and the poor is growing wider.

But it is not only wealth. We also have the most unfair distribution of income in the entire industrialized world. The highest-earning 4 percent of our population make more money than do the bottom 51 percent.

Mr. Speaker, from 1979 to 1995, household incomes in the United States grew by $800 billion in real terms. But 50 percent of that sum went to the wealthiest 5 percent of households, and 97 percent of it went to the wealthiest 20 percent. The remaining 80 percent of families scrambled for the crumbs, divvying up just 3 percent of all income growth between them.

So, in other words, when we talk about the growth of the economy, what we should ask ourselves is who is gaining that income. And what is clearly

going on is the lion's share, the overwhelming amount of the growth in income, is going to the very, very wealthiest people while the vast majority of the people are seeing a decline in their real incomes.

Mr. Speaker, there are a number of reasons why the United States is seeing a decline in its standard of living for its middle class and for its working people, and I think one of them certainly has to do with the decline in our industrial base, a decline of manufacturing in the United States of America. I would urge Members of Congress just to go to their local department stores in virtually any part of America and check the labels on the products that they are observing, and more and more what we are finding is that products are not manufactured in the United States, but they are manufactured in the Far East, they are manufactured in Malaysia. More and more they are manufactured in China. And we are not just talking about cheap products, but we are talking about top-of-the-line products as well.

And the reason that more and more products are being manufactured in China is that American companies are beginning, have invested tens and tens of billions of dollars in China, in Malaysia, in Latin America, in many other very poor Third World countries.

So the good news is that corporate America is creating millions of new jobs every single year. The bad news is that they are not creating those jobs in the State of Vermont or the United States of America. They are creating those jobs in China, and in Malaysia, and in Latin America.

Now, why are these companies running to these countries? Well, it does not take a Ph.D. in economics to figure it out. They are going to China because workers in China receive 20 cents an hour. There are workers in China who are 12 or 13 years of age making products that we in the United States are purchasing, and, Mr. Speaker, I might mention that I have introduced legislation which would prohibit the importation of products made in any country that is made by child labor. There are children in China, children in India, children in Pakistan, who are 10, 11, 12 years old who are working for minuscule wages, who are doing the work that American workers used to do.

It is no secret that this year we will have a trade deficit of about $160 million. That means we are importing $160 billion more in goods and services than we export. That equates to about 3 million decent manufacturing jobs

Mr. Speaker, in my view, we are not going to expand the middle class, we are not going to create decent-paying jobs for our young people unless we deal with the trade situation. I think the evidence is very clear that NAFTA has been a disaster, as many of us had feared it would be. I have very serious reservations about GATT.

We need a trade policy that is a fair trade policy, a trade policy that protects American workers, that allows us to export as well as import.

Mr. Speaker, if we are going to address the issue of raising wages in America, not only do we have to deal with the trade situation, not only do we have to become a country again which is building real products here in the United States of America, which is using our technology go create new jobs, producing real goods, but we also have to, in fact, raise the minimum wage, and I am delighted that more and more Members of Congress are beginning to understand that.

A number of years ago I brought forth legislation that would raise the minimum wage to $5.50 an hour. It was my view and is my view that if somebody in this country works for 40 hours a week, that person should not be living in poverty. That person should not be more in debt at the end of the week than he or she was in the beginning of the week. And when some of us began that crusade to raise the minimum wage, President Clinton was not on board, and many Democrats were not on board, and virtually no Republicans were on board. I am happy to say that right now we have a majority support for raising the minimum wage in the House, I believe that is the case in the Senate as well, and I certainly hope that the gentleman from Georgia, [Mr. GINGRICH] will allow a clean minimum wage bill to come up in the House so that we can vote it in and have the President sign it.

The minimum wage today is at its lowest point in 40 years. If the minimum wage today was at the same level as it was in 1970, it would be over $6 an hour. So to raise the minimum wage to $5.50 an hour, as the President would have us do in 2 years, is a conservative effort, and it is something we should do immediately.

Mr. Speaker, if we are going to turn this country around, I think it is important that we also address the tax situation in this country. The fact of the matter is that as the rich become richer, as the middle class is shrinking, and as poor people are just fighting desperately to keep their heads above water, I think what we need to do is take a hard look at progressive taxation, and that is to say that the largest corporations who are today contributing significantly less to our national coffers than they did 30 or 40 years ago, to the richest people in this country who have enjoyed significant declines in their real tax rates, that it is appropriate to ask those people whose incomes are soaring to start paying their fair share of taxes so we can provide some real tax breaks for the middle class and the working people of this country.

Mr. Speaker, one of the reasons that wages in America have declined is that the trade union movement in America has also declined. I think it will not be a surprise to most American workers to understand that employers often do not, out of the generosity of their heart, pay decent wages. They pay decent wages because there are people who are negotiating with them to get them to pay decent wages.

One of the concerns that I have right now in this country is that it is harder and harder for workers to be able to form trade unions. Very often, employers will harass those workers who are trying to develop a union, they will fire those workers under all kinds of pretenses, they will bring in high-falutin consultants to try to frighten workers, they will threaten workers that they will go to Mexico and Asia.

I think we need a new set of labor law which says that any worker in this country who wants to join a union should have the freedom, without fear, to participate in that process, and I believe that as we strengthen the labor movement in this country, that is, more and more workers join unions, they will be stronger and be able to negotiate good contracts which will not only benefit them, but it will benefit the whole country. Nonunion workers benefit substantially when we have strong unions because unions drive wages up, and employers therefore must pay nonunion workers a decent wage as well.

Mr. Speaker, I will soon be introducing a piece of legislation which I think is quite important. One of the concerns that I have increasingly in this country is the degree to which the taxpayers of our Nation are subsidizing large corporations through corporate welfare. Very conservative groups as well as progressive groups estimate that we spend about $125 billion every year on corporate welfare, which is tax breaks and subsidies that go to some of the largest corporations in America, and let me give you just one example of something that I and some of my colleagues are working on right now.

It seems to me to be very wrong that when the United States Pentagon, when our Pentagon, negotiates with various defense contractors, that some of the CEO's of those defense companies end up making huge salaries, basically at taxpayer expense, at the same time as they are laying off tens and tens of thousands of American workers. We pay the President of the United States $250,000 a year, and it seems to me to be very wrong that the taxpayers of this country should be paying the CEO's of the major defense companies substantially more.

I think the taxpayers of America should be concerned, for example that in 1994 James Miller, who is the CEO of General Dynamics, earned $11.3 million in compensation. Now, what is interesting is that General Dynamics, as a percentage of their business, does 100 percent of their business with the U.S. Government, which means that the U.S. Government is paying Mr. Miller $11.3 million in income, and I think that is wrong for at least two reasons:

First, in terms of our deficit, I do not know why we are paying CEO's who are 100 percent dependent on taxpayer

money over $11 million a year in compensation. That is wrong.

But, second of all, it is wrong as an example, as a model of what this Congress should be doing. One of the more shameful aspects of the American economy at this point is that CEO's of major corporations today are earning about 200 times what their workers are making; 200 times. That is unheard of in the industrialized world. It seems to me that the U.S. Congress should not be encouraging and supporting that type of economic activity.

So we have legislation, and I have introduced legislation along with several other Members, that would say to the CEO's of the major defense companies that they cannot earn from the taxpayers of this country more than $200,000 a year in compensation.

I should point out once more that the head of General Dynamics receives $11.3 million, and as best we could understand, every single penny of that money comes from the taxpayers of this country. That does not make any sense. We are cutting back on so many programs that working people need and to say, yeah, we got $11 million to pay the head of General Dynamics makes no sense. And I should point out that this very same company has laid off over 35,000 workers between 1990 and 1995.

So these guys are making more and more money from the taxpayers at exactly the same time as they are laying off tens of thousands of American workers. That does not make any sense to me at all.

Mr. Speaker, I think you know sometimes Members of the Congress become a little bit obsessed with ourselves and we think that the end of the world is the Beltway around here. But we should pay attention to the fact that tens of millions of people are giving up on the political process, they are giving up on the two-party system. Again, it is an issue that we do not talk about too much, but maybe as the only Independent in the Congress I can raise the issue, and that is there is something fundamentally wrong with the politics of this country when in the last election, in 1994, only 38 percent of the people came out to vote. 62 percent of the people did not vote.

Mr. Speaker, there are a lot of reasons for that. But I think the major reason has to do with the fact that large numbers of people who are hurting very, very badly no longer believe that the U.S. Congress represents their interests or is capable of responding to their needs and their pain, and they are saying, hey, politics, it does not matter, we do not care what is going on in Washington, we do not pay attention to what is going on in Washington because all these people are living in another world.

I think, given the fact that so many men and women have put their lives on the line, have fought and died to defend freedom and democracy in this country, it is a very sad state of affairs that the United States has today by far the lowest voter turn out of any industrialized nation on earth.

Now how do we turn that around? How do we create a vibrant democracy where we have 70 to 80 percent of the people voting rather than 40 percent of the people or 50 percent?

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I think, frankly, the answer is that this Congress has got to show the American people that we do feel their pain, that we do understand what is going on in their lives, and we are willing to respond to their problems. If we do not respond to their problems, people are going to say, ''It does not make any difference. Why do I have to get involved?''

It is a catch-22. Unless ordinary people begin to stand up and say, wait a second, the U.S. Congress, representing all of the people in this country and not just the very rich, in the United States of America we should be able to provide health insurance for every man, woman, and child, as most of the industrialized nations do; in the United States of America we should be able to make sure that every young person who has the ability is able to get a college education, as many of our industrialized neighbors do; that in the United States of America we should be able to create decent paying jobs; that unless the people make those demands on the Congress and start electing people to the Congress who are going to fight for the middle class, fight for the working people, the Congress is going to be unresponsive.

That takes us to another issue in terms of how and why the Congress is unresponsive. That takes us to campaign finance reform. Clearly there is something very much amiss when increasingly we are seeing in Congress, in State houses all over America, very wealthy people taking out their checkbooks and writing themselves large checks and saying, ''Gee, I think I would like to run for President. It is kind of boring in business now, I have a midlife crisis, I would like to do something else. I will make out a check and then run for the Presidency. I will run for Governor, I will run for the Senate,'' so forth and so on. That is not what democracy is supposed to be about.

A democracy is not supposed to be about the Democratic and Republican Parties holding fund-raisers here in Washington, D.C. I think last month, or a couple of months ago, the Republicans raised $16 million in one night, and recently the Democrats raised $12 million in one night, money which is coming from some of the wealthiest people in the United States of America, some of the largest corporations in the United States of America. Some of these guys contribute to both political parties. Is that what democracy is supposed to be about? I think not.

I think we must move toward campaign finance reform, and the most important aspects of that is we have to limit the amount of money that people can spend in a campaign. If you limit the amount of money, you take away the advantage of the big money interests. They cannot outspend you 10 to 1.

I think we have to move toward public funding of elections, combined with incentives coming from small donations, matching small donations. In that way we will have people who are serving in Congress who come from the ranks of ordinary people and simply are not hobnobbing with the wealthy and the powerful.

Most importantly, what concerns me is that tens and tens of millions of Americans believe the political process does not matter to them. They have given up on the political process. That is very, very sad. I would suggest to people, and I say this as somebody who was the mayor of a city for 8 years and am now in my third term in the U.S. Congress, that the only solution, basically, to that situation is for ordinary people to begin to stand up and fight back and reclaim this country for the ordinary people, for the middle class, for the working people of this country, and inform the U.S. Congress that all of us have a right to a decent standard of living and a good life. All of our children have the right to a good future. That right should not just exist to the very wealthy and the very powerful, but that is not going to change unless people get involved in the political process, unless people understand what is going on at all levels of government.

Mr. Speaker, let me just simply conclude by stating that in this great country, if democracy is to survive, if all of our people are to enjoy a decent standard of living, that is not a Utopian vision, that can happen, but people have got to be involved in the political process and have got to stand up and fight for their rights.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. FOWLER (at the request of Mr. ARMEY), for today until 1:30 p.m., on account of medical reasons.

Mr. TALENT (at the request of Mr. ARMEY), after 2 p.m. today and the balance of the week, on account of awaiting the birth of Christine Lyons Talent.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HINCHEY) to revise and extend their remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. MEEHAN, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

(The following Members (at the request of Mr. RAMSTAD) to revise and extend their remarks and include extraneous material:)

Mr. RAMSTAD, for 5 minutes, today.

Mr. JONES, for 5 minutes on May 16.

Mr. FOLEY, for 5 minutes, today.

Mr. RIGGS, for 5 minutes each day on today and May 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HINCHEY) and to include extraneous matter:)

Mr. KENNEDY of Rhode Island.

Mr. ACKERMAN, in three instances.

Mr. MEEHAN.

Mr. HAMILTON.

Mr. STOKES.

Mr. NEAL of Massachusetts.

Mr. BONIOR.

Mr. CLYBURN.

Mr. ANDREWS.

Mr. TORRICELLI.

Mr. POMEROY.

Mr. FILNER.

Mr. LIPINSKI.

Mr. THOMPSON.

Mr. UNDERWOOD.

(The following Members (at the request of Mr. RAMSTAD) and to include extraneous matter:)

Mr. DAVIS.

Mr. CANADY of Florida.

Mr. GILMAN in three instances.

Mr. SHUSTER.

Mr. PACKARD.

Mr. RAMSTAD.

Mr. FORBES in two instances.

Mr. HOEKSTRA.

Mr. BAKER of California.

Mr. GOODLING.

Mr. TALENT.

Mr. MOORHEAD.

Mr. MARTINI.

(The following Members (at the request of Mr. SANDERS) and to include extraneous matter:)

Mr. DORNAN.

Mr. FRISA.

Ms. ESHOO.

Mr. FARR of California in two instances.

Mr. BARTON of Texas.

Ms. FURSE.

Mr. CARDIN.

Mrs. COLLINS of Illinois.

Mr. COYNE.

Mr. WARD.

CORRECTION TO THE RECORD OF MAY 14, 1996, OF SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 811. An act to authorize research into the desalinization and reclamation of water and authorize a program for States, cities, or qualifying agencies desiring to own and operate a water desalinization or reclamation facility to develop such facilities, and for other purposes; to the Committee on Resources and, in addition, to the Committees on Science and Transportation and Infrastructure.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1743. An act to amend the Water Resources Act of 1984 to extend the authorizations of appropriations through fiscal year 2000, and for other purposes; and

H.R. 1836. An act to authorize the Secretary of the Interior to acquire property in the town of East Hampton, Suffolk County, New York, for inclusion in the Amagansett National Wildlife Refuge.

ADJOURNMENT

Mr. SANDERS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, May 16, 1996, at 9:15 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and an amended report concerning the foreign currencies and U.S. dollars utilized by various committees of the House of Representatives during the third quarter of 1995 and the 1st quarter of 1996 in connection with official foreign travel, pursuant to Public Law 95–384, are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1995

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Israel, Greece, Italy, and Portugal, Aug. 10–20, 1995:											
Hon. Patrick J. Kennedy	8/15	8/18	Italy				1,499.70				1,499.70
Visit to Belgium, Estonia, Romania, Norway, and Denmark, Aug. 21–Sept. 1, 1995:											
Delegation expenses	8/18	8/23	Belgium				877.72		1,799.17		2,676.89
Committee total							2,377.42		1,799.17		4,176.59

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FLOYD SPENCE, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Karen Thurman	2/6	2/8	Mexico		250.00		624.95				874.95
Hon. E de la Garza	2/6	2/8	Mexico		250.00		934.95				1,184.95
Hon. Sam Farr	2/6	2/8	Mexico		250.00		686.95				936.95
Hon. Mark Foley	2/6	2/8	Mexico		250.00		1,158.95				1,408.95
Hon. Tom Ewing	2/6	2/8	Mexico		250.00		325.95				575.95
Keith Pitts	2/6	2/8	Mexico		250.00		557.00				807.00
Stacy Carey	2/6	2/8	Mexico		250.00		521.00				771.00
Christin Bradshaw	2/6	2/8	Mexico		250.00		511.95				761.95
Marshall Livingston	2/6	2/8	Mexico		250.00		694.95				944.95
Committee total					250.00		6,016.65				8,266.65

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PAT ROBERTS, Chairman, Apr. 26, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Thomas Foglietta	2/4	2/9	Italy		1,229.00						1,229.00
Commercial air transportation							404.33				404.33
Hon. Jerry Lewis	1/7	1/8	France		326.00						326.00
	1/8	1/9	Russia		338.00						338.00
Commercial air transportation							3,488.35				3,488.35
Hon. Charles Wilson	12/30	1/2	France		978.00						978.00
	1/2	1/8	Israel		1,421.00						1,421.00
	1/8	1/13	Egypt		1,012.00						1,012.00
	1/13	1/18	England		1,480.00						1,480.00
Commercial air transportation							8,094.20				8,094.20
Delacroix Davis	2/21	2/25	Panama		695.00						695.00
Commercial air transportation							1,277.95				1,277.95
Elizabeth C. Dawson	1/28	2/1	Germany		600.00						600.00
	2/1	2/4	Belgium		660.00						660.00
Commercial air transportation							3,027.55		99.00		3,306.55
Timothy L. Peterson	1/7	1/8	France		326.00						326.00
	1/8	1/9	Russia		338.00						338.00
Commercial air transportation							3,488.35				3,488.35
John G. Shank	2/26	2/27	Croatia		180.53						180.53
	2/27	3/2	Bosnia		1,049.00						1,049.00
	3/2	3/3	Croatia		280.00						280.00
	3/3	3/4	Hungary		212.00						212.00
Commercial air transportation							1,737.60				1,737.60
Deborah Weatherly	2/22	2/25	Panama		556.00.						556.00
Commercial air transportation							650.95				650.95
James Kulikowski	2/4	2/6	El Salvador		378.00.						378.00
	2/6	2/7	Mexico		257.00.						257.00
Commercial air transportation							1,008.5				1,008.95
Therese McAuliffe	2/14	2/17	Egypt		690.00.						690.00
	2/17	2/19	Italy		554.00.						554.00
	2/19	2/21	Hungary		424.00.						424.00
	2/21	2/22	Austria		262.00.		59.00				321.00
Commercial air transportation								4,271.95			4,271.95
Committee total					14,245.53			27,689.18		99.00	42,033.71
Committee on Appropriations, Surveys and Investigations staff:											
Alfred L. Esposito	1/6	1/7	Netherlands		288.50.		4,482.01		77.00		4,847.51
	1/8	1/11	Israel		876.00.						876.00
	1/12	1/12	Netherlands		125.50.						125.50
Norman H. Gardner	1/27	1/29	France		373.75.		5,922.53		410.77		6,707.05
	1/29	1/31	Cote d'Ivoire		292.50.						292.50
	1/31	2/2	Chad		308.00.						308.00
	2/2	2/7	Senegal		580.50.						580.50
	2/7	2/8	Gambia		167.50.						167.50
	2/8	2/11	Sierra Leone		441.00.						441.00
	2/17	2/20	Paraguay		386.75.		2,945.95		30.35		3,363.05
	2/20	2/22	Argentina		484.00.						484.00
	2/22	2/24	Uruguay		259.25.						259.25
Michael O. Glynn	1/6	1/7	Netherlands		288.50.		4,482.01		158.95		4,929.46
	1/8	1/11	Israel		876.00.						876.00
	1/12	1/12	Netherlands		138.00.						138.00
William P. Haynes, Jr	1/26	1/28	Netherlands		336.00		7,169.02		364.51		7,869.53
	1/28	1/30	South Africa		378.00						378.00
	1/30	1/31	Swaziland		104.00						104.00
	1/31	2/2	Mozambique		460.00						460.00
	2/2	2/5	South Africa		556.25						556.25
	2/5	2/7	Zimbabwe		362.50						362.50
	2/7	2/10	Kenya		387.75						387.75
John D. O'Shaughnessy	1/26	1/28	Netherlands		336.00		7,169.02		461.94		7,966.96
	1/28	1/30	South Africa		378.00						378.00
	1/30	1/31	Swaziland		104.00						104.00
	1/31	2/2	Mozambique		460.00						460.00
	2/2	2/5	South Africa		556.25						556.25
	2/5	2/7	Zimbabwe		362.50						362.50
	2/7	2/10	Kenya		387.75						387.75
Robert J. Reitwiesner	2/17	2/20	Paraguay		386.75		2,986.95		97.83		3,471.53
	2/20	2/22	Argentina		484.00						484.00
	2/22	2/24	Uruguay		259.25						259.25
R.W. Vandergrift, Jr	1/6	1/7	Netherlands		288.50		4,482.01		291.40		5,061.91
	1/8	1/11	Israel		766.50						766.50
	1/26	1/28	Netherlands		336.00		7,169.02		936.66		8,841.68
	1/28	1/30	South Africa		378.00						378.00
	1/30	1/31	Swaziland		104.00						104.00
	1/31	2/2	Mozambique		460.00						460.00
	2/2	2/5	South Africa		556.25						556.25
	2/5	2/7	Zimbabwe		362.50						362.50
	2/7	2/10	Kenya		387.75						387.75
T. Peter Wyman	1/27	1/29	France		373.75		5,922.53		541.67		6,837.95
	1/29	1/31	Core d'Ivoire		292.50						292.50
	1/31	2/2	Chad		308.00						308.00
	2/2	2/7	Senegal		580.50						580.50
	2/7	2/8	Gambia		167.50						167.50
	2/8	2/11	Sierra Leone		441.00						441.00
	2/17	2/20	Paraguay		386.75		2,986.95		108.18		3,481.88
	2/20	2/22	Argentina		484.00						484.00
	2/22	2/24	Uruguay		259.25						259.25
Committee totals					19,117.50		55,718.00		3,479.26		78,314.76

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BOB LIVINGSTON, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Cass Ballenger	2/11	2/13	Mexico		[3] 70.61						70.61

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	2/13	2/15	El Salvador		[3] 229.51						229.51
	2/15	2/16	Honduras		[3] 34.84						34.84
	2/16	2/19	Nicaragua		[3] 40.00						40.00
Commercial airfare							1,418.95				1,418.95
Hon. Doug Bereuter	3/8	3/10	England		[3] 134.00						134.00
Commercial airfare							3,110.45				3,110.45
Paul Berkowitz	1/12	1/18	Thailand		1,519.00						1,519.00
Commercial airfare							4,073.95				4,073.95
Hon. Eni Faleomavaega	3/21	3/26	Fiji		417.80						417.80
Commercial airfare							3,947.11				3,947.11
Robert Hathaway	2/10	2/12	Malaysia		[3] 396.00						396.00
	2/12	2/14	Indonesia		450.00						450.00
	2/14	2/16	Singapore		506.00						506.00
	2/16	2/18	Cambodia		417.75						417.75
	2/18	2/19	Hong Kong		360.00						360.00
Commercial airfare							4,308.95				4,308.95
John Heffern	2/6	2/8	Hong Kong		722.18						722.18
	2/8	2/10	Thailand		434.00						434.00
	2/10	2/12	Malaysia		406.00						406.00
	2/12	2/14	Indonesia		450.00						450.00
	2/14	2/16	Singapore		506.00						506.00
	2/16	2/18	Cambodia		417.75						417.75
Commercial airfare							4,847.95				4,847.95
David Jung	1/20	1/24	Austria		1,048.00						1,048.00
	1/24	1/26	Hungary		424.00						424.00
Commercial airfare							3,190.55				3,190.55
Hon. Tom Lantos	1/16	1/17	Syria		268.00						268.00
John Mackey	1/20	1/24	Austria		1,048.00						1,048.00
	1/24	1/26	Hungary		424.00						424.00
Commercial airfare							3,190.55				3,190.55
Roger Noriega	3/15	3/18	Nicaragua		[3] 150.00						150.00
Commercial airfare							685.95				685.95
Grover Joseph Rees	1/12	1/19	Thailand		[3] 1,448.07						1,448.07
Commercial airfare							3,535.48				3,535.48
Grover Joseph Rees	2/4	2/7	Guatemala		618.00						618.00
Commercial airfare							1,388.95				1,388.95
Hon. Chris Smith	2/4	2/7	Gutemala		618.00						618.00
Commercial airfare							1,388.95				1,388.95
Committee total					13,557.51		35,087.79				48,645.30

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refund of unused per diem.

BEN GILMAN, Chairman, May 2, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Russia, Jan. 13–19, 1996:											
Hon. Curt Weldon	1/13	1/19	Russia		1,711.00				287.40		1,998.40
Commercial airfare							3,569.15				3,569.15
Hon. David J. Trachtenberg	1/13	1/19	Russia		1,711.00				161.67		1,872.67
Commercial airfare							3,651.15				3,651.15
Visit to Germany and Belgium, Jan. 28–Feb. 4, 1996:											
Philip W. Grone	1/28	2/1	Germany		600.00						600.00
	2/1	2/4	Belgium		600.00						660.00
Commercial airfare							3,207.55				3,207.55
Visit to Germany, Feb. 2–4, 1996:											
Hon. James B. Longley	2/2	2/4	Germany		684.00						684.00
Commercial airfare							420.00				420.00
Visit to Italy Feb. 11–16, 1996:											
Robert B. Brauer	2/2	2/4	Italy		1,190.00						1,190.00
Commercial airfare							3,185.15				3,185.15
Visit to Panama, Peru, Nicaragua, Feb. 5–10, 1996:											
Hon. Gene Taylor	2/5	2/7	Panama		378.00						378.00
	2/7	2/9	Peru		604.00						604.00
	2/9	2/10	Nicaragua		125.00						125.00
Hon. George O. Withers	2/5	2/7	Panama		378.00						378.00
	2/7	2/9	Peru		604.00						604.00
	2/9	2/10	Nicaragua		125.00						125.00
Commercial airfare							340.09				340.09
Visit to Germany, Hungary and Italy, Feb. 11–17, 1996:											
Jeffrey M. Schwartz	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							3,285.35				3,285.35
Peter M. Steffes	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							3,285.35				3,285.35
Stephen O. Rossetti	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							656.55				656.55
Dudley L. Tademy	2/11	2/15	Germany		850.00						850
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							3,285.35				3,285.35
Donna L. Hoffmeier	2/11	2/15	Germany		850.00						850.00
	2/15	2/15	Hungary								
	2/15	2/17	Italy		500.00						500.00
Commercial airfare							3,285.35				3,285.35
Visit to Germany, Feb. 12–17, 1996:											
John D. Chapla	2/12	2/17	Germany		657.00						657.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1, AND MAR. 31, 1996—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Commercial airfare							1,882.45				1,882.45
Visit to Switzerland and United Kingdom March 15–18, 1996:											
Hon. Curt Weldon	3/15	3/15	Switzerland		310.00						310.00
	3/15	3/15	United Kingdom		576.00						576.00
Commercial airfare							3,815.55				3,815.55
Christopher A. Williams	3/15	3/15	Switzerland		310.00						310.00
Commercial airfare							3,125.25				3,125.25
Committee Totals					13,951.00		29,773.99				43,724.99

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FLOYD SPENCE, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Janice Helwig		1/9	United States				3,434.28				3,434.28
	1/10	3/29	Austria		13,101.83				168.41		13,270.24
Hon. Steny Hoyer		1/10	United States				3,440.05				3,440.05
	1/11	1/13	Austria		424.00						424.00
Marlene Kaufmann		1/10	United States				3,440.05				3,440.05
	1/11	1/13	Austria		363.00						363.00
		1/20	United States				3,282.75				3,282.75
	1/21	1/24	Switzerland		822.00						822.00
		3/25	United States				3,347.95				3,347.95
	3/26	3/30	Czech Republic		876.00						876.00
Samuel Wise		3/19	United States				1,063.85				1,063.85
	3/20	3/23	Czech Republic		657.00				21.00		678.00
	3/23	3/27	Austria		812.00				31.75		843.75
Committee total					17,055.83		18,008.93		221.16		35,285.92

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHRIS SMITH, Chairman, Apr. 30, 1996.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1996

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Bill Richardson	1/17	1/20	Caribbean		200.00		(3)				200.00
Calvin Humphrey	1/17	1/20	Caribbean		200.00		(3)				200.00
Hon. Bill Richardson	2/9	2/10	Caribbean		75.00		(3)				75.00
Calvin Humphrey	2/9	2/10	Caribbean		75.00		(3)				75.00
Hon. Bill Richardson	2/12	2/26	Europe and Asia		2,406.50				138.88		2,545.38
Commercial airfare							8,444.85				8,444.85
Calvin Humphrey, Staff	2/12	2/16	Europe and Asia		2,406.50				138.86		2,545.36
Commercial airfare							8,444.85				8,444.85
Louis Dupart, Staff	3/31	4/3	Caribbean		150.00						150.00
Commercial airfare							642.95				642.95
Committee total					5,513.00		17,532.65		277.74		23,323.39

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

LARRY COMBEST, Chairman, Apr. 30, 1996.

NOTICE OF PROPOSED RULEMAKING

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, May 14, 1996.

Hon. NEWT GINGRICH,
Speaker of the House, U.S. House of Representatives, The Capitol—Room H–233, Washington, DC.

DEAR MR. SPEAKER: Pursuant to Section 304(b) of the Congressional Accountability Act of 1995 (2 U.S.C. § 1384(b)), I am transmitting on behalf of the Board of Directors the enclosed notice of proposed rulemaking for publication in the Congressional Record. The notice contains the recommendation of the Deputy Executive Director for the Senate which the Board has approved and implements § 220 of the Congressional Accountability Act.

The Congressional Accountability Act specifies that the enclosed notice be published on the first day on which both Houses are in session following this transmittal.

Sincerely,

GLEN D. NAGER,
Chair of the Board.

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS, PROTECTIONS AND RESPONSIBILITIES UNDER CHAPTER 71 OF TITLE 5, UNITED STATES CODE, RELATING TO FEDERAL SERVICE LABOR-MANAGEMENT RELATIONS (REGULATIONS UNDER SECTION 220(d) OF THE CONGRESSIONAL ACCOUNTABILITY ACT)

NOTICE OF PROPOSED RULEMAKING

Summary: The Board of Directors of the Office of Compliance is publishing proposed regulations to implement section 220 of the Congressional Accountability Act of 1995 (''CAA'' or ''Act''), Pub. L. 104-1, 109 Stat. 3. Specifically, these regulations are published pursuant to section 220(d) of the CAA.

The provisions of section 220 are generally effective October 1, 1996. 2 U.S.C. section 1351. Section 220(d) of the Act directs the Board to issue regulations to implement section 220. The proposed regulations set forth herein are to be applied to the Senate, the House of Representatives, and the Congressional instrumentalities and employees of the Senate, the House of Representatives, and the Congressional instrumentalities. These regulations set forth the recommendations of the Deputy Executive Director for the Senate, the Deputy Executive Director for the House of Representatives and the Executive Director, Office of Compliance, as approved by the Board of Directors, Office of Compliance. A Notice of Proposed Rulemaking under section 220(e) is being published separately.

Dates: Comments are due within 30 days of publication of this Notice in the Congressional Record.

Addressess: Submit written comments (an original and 10 copies) to the Chair of the Board of Directors, Office of Compliance, Room LA 200, John Adams Building, 110 Second Street, S.E., Washington, DC 20540-1999. Those wishing to receive notification of receipt of comments are requested to include a self-addressed, stamped post card. Comments may also be transmitted by facsimile (''FAX'') machine to (202) 426–1913. This is not a toll-free call. Copies of comments submitted by the public will be available for review at the Law Library Reading Room, Room LM-201, Law Library of Congress, James Madison Memorial Building, Washington, DC, Monday through Friday, between the hours of 9:30 a.m. and 4:00 p.m.

For Further Information Contact: Executive Director, Office of Compliance at (202) 724-9250. This notice is also available in the following formats: large print, braille, audio tape, and electronic file on computer disk. Requests for this notice in an alternative format should be made to Mr. Russell Jackson, Director, Service Department, Office of the Sergeant at Arms and Doorkeeper of the Senate, 202–224–2705.

SUPPLEMENTARY INFORMATION

I. Background

A. Introduction

The Congressional Accountability Act of 1995 (''CAA'' or ''Act'') was enacted into law on January 23, 1995. In general, the CAA applies the rights and protections of eleven federal labor and employment law statutes to covered Congressional employees and employing offices. Section 220 of the CAA concerns the application of chapter 71 of title 5, United States Code (''chapter 71'') relating to Federal service labor-management relations. Section 220(a) of the CAA applies the rights, protections and responsibilities established under sections 7102, 7106, 7111 through 7117, 7119 through 7122 and 7131 of title 5, United States Code to employing offices and to covered employees and representatives of those employees.

Section 220(d) authorizes the Board of Directors of the Office of Compliance (''Board'') to issue regulations to implement section 220 and further states that, except as provided in subsection (e), such regulations ''shall be the same as substantive regulations promulgated by the Federal Labor Relations Authority [''FLRA''] to implement the statutory provisions referred to in subsection (a) except-(A) to the extent that the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section; or (B) as the Board deems necessary to avoid a conflict of interest or appearance of a conflict of interest.''

Section 220(e) further authorizes the Board to issue regulations on the manner and extent to which the requirements and exemptions of chapter 71 should apply to covered employees who are employed in certain specified offices, ''except . . . that the Board shall exclude from coverage under [section 220] any covered employees who are employed in [the specified offices] if the Board determines that such exclusion is required because of (i) a conflict of interest or appearance of a conflict of interest; or (ii) Congress' constitutional responsibilities.''

This Notice of Proposed Rulemaking sets forth proposed regulations under section 220(d) of the CAA. A Notice of Proposed Rulemaking with respect to regulations under section 220(e) is being published separately.

B. Advance Notice of Proposed Rulemaking

On March 6, 1996, the Board of Directors of the Office of Compliance (''Office'') issued an Advance Notice of Proposed Rulemaking (''ANPR'') that solicited comments from interested parties in order to obtain participation and information early in the rulemaking process. 142 Cong. R. S1547 (daily ed., Mar. 6, 1996). In addition to inviting comment on all relevant matters and/or specific questions arising under section 220 of the CAA, the Office sought consultation with the FLRA and the Director of the Office of Personnel Management with regard to the development of these regulations in accordance with section 304(g) of the CAA. The Office has also consulted with interested parties to further its understanding of the need for and content of appropriate regulations.

The Board received 5 comments on the ANPR: one from the Secretary of the Senate and four from various labor organizations. Based on the information gleaned from its consultations and the comments on the ANPR, the Board is publishing these proposed rules, pursuant to section 220(d) of the CAA.

1. Substantive Regulations Promulgated by the Federal Labor Relations Authority.—In the ANPR, the Board invited comment on the meaning of the term ''substantive regulations'' under sections 220 and 304 of the CAA and further asked commenters to identify which of the regulations promulgated by the FLRA should be considered substantive regulations within the meaning of section 220 of the CAA. In this regard, the Board noted that certain of the FLRA's regulations relate to processes that implement chapter 71, while others relate to principles or criteria for making decisions that implement chapter 71. The Board invited commenters to discuss whether, in their view, the term ''substantive'' as used in sections 220 and 304 of the CAA might be intended to distinguish such regulations from those that are ''procedural'' in nature or content. In addition, the Board specifically invited comment on whether and, if so, to what extent the Board should propose the adoption of the FLRA regulations set forth in 5 C.F.R. sections 2411-2416.

a. Summary of comments: Two commenters addressed the meaning of the term ''substantive regulations.'' One of these two commenters suggested that the term ''substantive regulations'' means ''only those regulations promulgated by the [FLRA] that are necessary to implement the provisions of chapter 71 made applicable'' by section 220 of the CAA. In this commenter's view, the term ''substantive regulations'' should exclude FLRA regulations that address procedural processes already provided for by the CAA. For example, because sections 405 and 406 of the CAA and the Office's procedural rules promulgated under section 303 set forth the procedures for hearings and Board review of hearing officer's decisions, in this commenter's view, provisions of the FLRA's regulations that purport to govern those matters should not be adopted by the Board. In support of its position, the commenter cited to *Batterton v. Francis,* 432 U.S. 416, 425 n.9 (1977).

This commenter further asserted that the term ''substantive regulations'' should neither include FLRA regulations that are procedural in nature, such as those addressing filing procedures, nor FLRA regulations that address processes already provided for in procedural rules issued by the Office pursuant to section 303 of the CAA, because ''their adoption is not necessary to implement the provisions of chapter 71 made applicable by the CAA.'' The commenter stated that the Board has issued regulations, pursuant to section 303, that provide procedures for submissions under Part A of the CAA; the commenter urged that, to the extent possible, the same procedures should be used for submissions under Part D (section 220) of the CAA. The commenter suggested that, if any modifications to the Office's procedural rules are required to implement section 220, the Board should issue additional procedural regulations under section 303 of the CAA, rather than adopt assertedly ''non-substantive'' regulations of the FLRA.

Based on these views, this commenter took the position that, with certain modifications, all regulations set forth in subchapters C and D of the FLRA's regulations are substantive and should be adopted by the Board. Within those subchapters, this commenter suggested the exclusion of those regulations that the commenter deemed purely procedural. ''Finally, this commenter opined that the regulations in subchapter B, set forth at sections 2411-2416, should not be adopted by the Board as those sections do not implement provisions of chapter 71, as applied by the CAA.

The other commenter did not propose to define the term ''substantive regulations.'' Rather, this commenter asserted that, at present, it is not necessary for the Board to decide which of the FLRA's regulations are substantive. Instead, this commenter suggested that, although the FLRA's regulations may or may not be ''substantive regulations,'' the regulations are sound procedural guides that the Board is free to follow in the exercise of its general rulemaking authority under sections 303 and 304 of the CAA. The commenter pointed to the approach to rulemaking followed by the FLRA and the National Labor Relations Board (NLRB) as models for the Board, arguing that both the FLRA's and the NLRB's regulations include the various processes by which unfair labor practice and representation cases may be brought and considered and that neither the FLRA nor the NLRB has sought to ''define substantive rights by regulation.''

Finally, one other commenter, while not addressing the meaning of the term ''substantive regulations,'' suggested that the Board should adopt all of the FLRA's regulations, including sections 2411-2416.

b. Board consideration and conclusion: The Board first examines the question of the meaning of the term ''substantive regulations'' under sections 220 and 304 of the Act. Under settled principles of administrative law, substantive regulations are regulations implementing an underlying statute that are issued by a regulatory body pursuant to its statutory authority. See Batterton v. Francis, 432 U.S. 416, 425 n.9 (1977). Such regulations are generally promulgated in accordance with the Administrative Procedure Act, which requires that substantive rulemaking generally be preceded by a general notice of proposed rulemaking at least thirty days before the effective date of the proposed rule, and further requires that the agency afford interested persons an opportunity to participate in the rulemaking by submitting written comments. Regulations issued pursuant to this process are substantive because they ''have the force and effect of law,'' id., and because, among other things, they ''grant rights, impose obligations, or produce other significant effects on private interests,'' or . . . 'effect a change in existent law or policy.'" American Hospital Assoc. v. Bowen, 834 F.2d 1037, 1044 (D.C. Cir. 1987) (citations omitted).

That regulations may arguably be procedural in content is, in the Board's view, not a legally sufficient reason for not viewing them as ''substantive regulations.'' Procedural rules can in fact be substantive regulations. Process is frequently the substance of law and regulation; indeed, in the labor laws, process is the predominate means by which

substantive regulation is effectuated. Moreover, in administrative law, it is commonplace for regulations covering procedures to be considered substantive regulations; as noted above, the Administrative Procedure Act generally treats regulation of process as substantive regulation. There is no evidence that Congress intended a different approach in the context of the CAA. Thus, it is the Board's conclusion that all regulations promulgated after a notice and comment period by the FLRA to implement chapter 71 are appropriately classified as substantive regulations for the purposes of rulemaking under sections 220 and 304 of the CAA.

In light of the foregoing, the Board has considered the regulations promulgated by the FLRA in order to determine which of the regulations are ''substantive regulations.'' The regulations promulgated by the FLRA ''are designed to implement the provisions of chapter 71 of title 5 of the United States Code . . . [and] prescribe the procedures, basic principles or criteria under which the Federal Labor Relations Authority or the General Counsel'' will carry out their functions, resolve issues and otherwise administer chapter 71. 5 C.F.R. §2420.1. In addition, these regulations were issued according to the requirements of the Administrative Procedure Act, with a public notice and comment period. Therefore, it is the Board's judgment that all the regulations promulgated by the FLRA and published at 5 C.F.R. 2411–2416, 2420–2430 and 2470–2472 are ''substantive regulations'' within the meaning of sections 220 and 304 of the CAA.

A review of the FLRA's regulations demonstrates, however, that not all of the FLRA's substantive regulations are ones that the Board need adopt. Certain of the FLRA's regulations were promulgated to implement provisions of statutes other than provisions of chapter 71 made applicable by the CAA. In this regard, in the ANPR, the Board noted that sections 2411–2416 of the FLRA's regulations treat, among other things, the implementation and applicability of the Freedom of Information Act, the Privacy Act and the Sunshine Act in the FLRA's processes. Although one commenter suggested that the referenced statutes and the FLRA's implementing regulations should govern the processes of the Office of Compliance, these statutes were not incorporated in the CAA and the Board thus is not proposing the adoption of sections 2411–2416 of the FLRA regulations.

Similarly, the Board does not propose to adopt either section 2430 of the FLRA's regulations, which establishes procedures for applying for awards of attorney fees and other expenses under the Equal Access to Justice Act, 5 U.S.C. 504, or section 2472, which implements provisions of section 6131 of title 5 of the United States Code. As neither 5 U.S.C. 504 nor 5 U.S.C. 6131 is applied by the CAA, sections 2430 and 2472 were not promulgated to implement statutory provisions that are applied by section 220 and, accordingly, the FLRA's regulations implementing them need not be adopted.

2. *Proposed Modification of Substantive Regulations of the FLRA.*—In the ANPR, the Board invited comment on whether and to what extent it should, pursuant to section 220(d) of the CAA, modify the substantive regulations promulgated by the FLRA. Section 220(d) provides that the Board shall issue regulations that are the same as applicable substantive regulations of the FLRA ''except to the extent that the Board may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the rights and protections under this section'' (emphasis added). Section 220(d) also provides that the Board may modify the FLRA's substantive regulations ''as the Board deems necessary to avoid a conflict of interest or appearance of a conflict of interest.''

a. Summary of comments: A number of commenters urged that the FLRA's substantive regulations should be adopted without change. One of these commenters particularly stressed, in its view, the need to adopt without change the regulations that treat recourse to the Federal Service Impasses Panel and the Merit Systems Protection Board. But another commenter suggested several modifications to the substantive regulations. In addition to a variety of technical changes in nomenclature and terminology, this commenter specifically suggested the following modifications:

(1) Regulations implementing provisions of chapter 71 not made applicable by the CAA

The commenter stated that section 2423.9(b) should not be adopted on the ground that it sets forth procedures implementing 5 U.S.C. section 7123(d), a section not incorporated into the CAA.

(2) Provisions inapplicable under the CAA

The commenter further suggested that the definition of the term ''activity'' under section 2421.5 of the FLRA's regulations should be deleted on the ground that it has no applicability in the legislative branch. Further, this commenter suggested that the term ''Government-wide rule'' found throughout the regulations should be changed to ''Government-wide rule applicable to the Senate [Legislative Branch]'' because not all government-wide rules apply to the legislative branch. Similarly, this commenter proposed the deletion of section 2425.3(b) because it relates to civil service employees, of which there are none in the legislative branch. The commenter further suggested that Section 2429.2, relating to transfer and consolidation of cases, should also be deleted because it has no applicability in light of the structure of the Office of Compliance. Finally, according to the commenter, part 2428 of the FLRA's regulations, which relates to enforcement of decisions of the Assistant Secretary of Labor for Labor-Management Relations, should not be adopted because the Assistant Secretary has no authority under the CAA and neither covered employees nor employing offices are bound by the decisions of the Assistant Secretary.

(3) Regulations addressing procedures governed by 405 and 406 of CAA

The commenter also contended that section 220 of the CAA directs that all representation and unfair labor practice matters that arise under section 220 be referred ''to a hearing officer for decision pursuant to subsection (b) through (h) of section 405.'' Further, according to the commenter, sections 220(c)(1) and (2) require that decisions of the hearing officers be reviewed by the Board under section 406 of the CAA. Consequently, in this commenter's view, the Board should not adopt any FLRA regulation relating to the conduct of hearings on representation petitions or unfair labor practice allegations or relating to Board review of decisions. For example, this commenter suggested that sections 2422.18–22 of the FLRA's regulations should be omitted because they relate to the procedures for the conduct of pre-election investigatory hearings on representation petitions; according to the commenter, procedures for these hearings are governed by section 405 of the CAA and by the Board's procedural rules.

(4) Consultation Rights

The commenter additionally suggested that the threshold requirement in section 2426.1 of the FLRA's regulations that a labor organization hold exclusive recognition for 10% or more of the personnel of an employing office in order for that labor organization to obtain consultation rights be modified for good cause. Because of the small size of many employing offices in the legislative branch, the commenter expressed the concern that employing offices would be required to engage in consultation when only one or two employees are represented by a union. Such an obligation to consult would, in this commenter's view, ''interfere with the rights of unrepresented employees because it would necessarily cause delay in implementation of new terms of employment.''

(5) Posting of Materials

The commenter suggested that sections 2422.7 and 2422.23 of the FLRA's regulations be modified to prohibit the posting of any material relating to a labor organization in any area open to the public on the basis that such a display of material would create a conflict of interest ''insofar as it may appear that Congress is unduly influenced by particular labor organizations.''

b. Board Consideration and Response to Comments: Based upon the comments received and the Board's understanding of chapter 71 and the institutions to which it is being made applicable through the CAA, the Board is proposing to adopt the FLRA's regulations published at 5 C.F.R. 2420–29 and 2470–71 with only limited modifications. The Board has proposed to delete provisions of the FLRA's regulations that were promulgated to implement provisions of chapter 71 that are not applied by the CAA. In this regard, sections 2423.9(b)(c) and (d) have been deleted because they implement section 7123(d) of chapter 71, a provision that is not applied by the CAA. Similarly, section 2429.7 of the FLRA's regulations, relating to the issuance of subpoenas, has been deleted because it implements section 7132 of chapter 71, a section of chapter 71 that is not applied by the CAA. Finally, as statutory provisions in title 5 that permit executive branch employees to have access to the Merit Systems Protection Board (MSPB) were not applied by the CAA, references to the MSPB have also been deleted. The Board finds that there is good cause to make these modifications for the reasons herein stated.

In addition, the Board has proposed to make technical changes in definitions, nomenclature and prescribed processes so that the regulations comport with the CAA and the organizational structure of the Office of Compliance. In the Boards judgment, making such changes satisfies the Act's ''good cause'' requirement. However, contrary to one commenter's suggestion that the terms ''activity'' and ''Government-wide'' rule be omitted or modified, the Board is of the view that these concepts have applicability in the context of the CAA and therefore should not be deleted or modified. Of course, the Board welcomes additional comment on these issues as part of interested parties' comments on the proposed rules.

In addition to the foregoing, the Board has concluded that there is good cause to propose certain other modifications to the FLRA's regulations. These proposed modifications are discussed below.

(1) Exercise of Investigative and Adjudicatory Responsibilities

In issuing these proposed regulations to implement section 220, the Board has had to determine how it may best exercise its investigative and other authorities and responsibilities under section 220 of the CAA. In this regard, the Board notes that section 220(c)(1) of the CAA provides that the Board shall exercise the authorities of the three member Federal Labor Relations Authority

(Authority) under various provisions of chapter 71 and that any ''petition, or other submission that, under chapter 71. . .would be submitted to the. . .Authority shall,. . .be submitted to the Board''. The Board further notes that section 220(c)(1) provides that the Board ''shall refer any matter under this paragraph to a hearing officer for decision pursuant to. . .section 405''; and yet it also states that the Board may direct that the General Counsel carry out the Board's investigative authorities''. Finally, the Board notes that section 220(c)(3) limits judicial review to Board actions on unfair labor practice complaints. As an initial matter, therefore, there is a question as to whether section 220(c)(1) should be read to require that *all* representation, arbitration, negotiability and unfair labor practice issues that come before the Board first be referred to hearing officers for decision under section 405, or only to require referral of those matters that require a formal adversary hearing (involving, among other things, discovery and adherence to formal rules of evidence) in order to resolve the matter in dispute and create a record for judicial review. After considerable reflection, the Board is persuaded that Congress did not intend in the CAA to require that all issues first be presented to a hearing officer under section 405.

By its terms, section 220(c)(1) of the CAA expressly contemplates a distinction between investigative issues and those issues requiring referral for an adversary hearing. Specifically, section 220 expressly acknowledges that the Board possesses and may exercise investigative authorities, and explicitly states that the Board may direct the General Counsel to carry out such investigative authorities. *A fortiori,* the Board does not have to refer matters involving these ''investigative authorities'' to a hearing officer (but rather may direct the General Counsel to carry them out or carry them out itself).

The textual reference to the Board's investigative authorities is, in fact, only one of the statutory signals that Congress did not intend to require the Board to refer all issues to a hearing officer for initial decision under Section 405. Section 220(c)(3) further specifies that there shall be judicial review of only Board actions on unfair labor practice complaints. Since one of the key purposes of the section 405 hearing process is to create a record for judicial review, this limitation of the judicial review process is another textual suggestion that Congress intended to require referral to a hearing officer of only those matters that require a hearing of the type contemplated by section 405—i.e., a formal adversary hearing that establishes a record for Board and then judicial review.

Indeed, in section 220, Congress purported to impose upon the legislative branch the labor law applicable to the executive branch. In that scheme, representation issues, negotiability of bargaining proposals, and review of arbitral awards are not subject to elaborate adversarial procedures. Rather, they are subject to different investigative and decisional process better suited to expeditious and effective resolution of the issues presented. A determination by the Board that the resolution of exceptions to arbitral awards, negotiability of bargaining proposals, and representation petitions, must first be referred to a hearing officer for an adversarial hearing under section 405 would result in an overly cumbersome system that would undermine considerably the effective implementation of Section 220. The Board would not hesitate to implement such a scheme if Congress had clearly commanded it; but, when read in context, the statutory language does not so require, and the legislative history contains no suggestion that Congress intended such a striking departure from the underlying statutory scheme that it was purporting to impose on itself. In such circumstances, the Board cannot find good cause to modify the FLRA's regulations to require formal adversarial proceedings where they are not presently required under chapter 71.

Accordingly, the Board has examined the range of investigative and adjudicatory functions carried out by the FLRA and its officials under chapter 71 and the FLRA's regulations. The Board has further examined the manner in which those functions may most effectively and appropriately be carried out by the Office under the CAA. The Board has considered the suggestions of the commenters, the differences in organizational structure between the Office of Compliance and the FLRA, and the language and underlying statutory schemes of chapter 71 and the CAA. And, having done so, the Board has concluded that, consistent with the language of section 220(c)(1) and the scheme envisioned and implemented under chapter 71, issues that are presented directly to the Authority may and should also be presented directly to the Board. Likewise, the Board has determined that issues that are submitted to administrative law judges in the chapter 71 scheme should be submitted to hearing officers in the CAA scheme. Thus, the Board will decide representation issues, negotiability issues and exceptions to arbitral awards based upon a record developed through direct submissions from the parties and, where necessary, further investigation by the Board (through the person of the Executive Director); and it will refer unfair labor practice complaints to hearing officers for initial decision under section 405 (and then review by the Board and the courts).

Contrary to one commenter's assertion, 220(c)(1) does not require that pre-election hearings on representation petitions be conducted pursuant to section 405 of the CAA. Such hearings are investigatory in nature; and they do not require formal adversarial proceedings. They are to be conducted as part of the Board's authority to investigate representation petitions pursuant to the provisions of chapter 71 that are applied by the CAA. They thus need not be conducted by hearing officers under section 405.

(2) Procedural matters

The Board has further concluded that there is good cause to modify the FLRA's substantive regulations by omitting provisions that set forth procedures which are already provided for under comparable provisions of the Office's procedural rules. There are obvious benefits to having one set of procedural rules for matters arising under the CAA. Indeed, one commenter suggested this beneficial outcome in arguing why certain rules should not be considered to be ''substantive regulations'' within the meaning of section 304. While the Board believes that the rules are in fact substantive regulations, it believes that the benefits of having one set of procedural rules provides the ''good cause'' needed to modify the FLRA's substantive regulations in this respect.

Accordingly, provisions of Part 2423 relating to the filing of complaints and the conduct of hearings on allegations of violations of section 220 have been deleted or modified, as appropriate, where there is a specific regulation on the same matters in the Office's procedural rules. Similarly, provisions of Part 2429 of the FLRA's regulations relating to such matters as service, interlocutory appeals, computation of time, and methods of filing have been deleted or modified, to the extent that they are the same as, or specifically provided for under, procedural rules already issued. Finally, section 2429.9 relating to presentations by an amicus curiae and section 2429.17, which provides procedures for seeking Board reconsideration, have also been deleted. Although these subjects are not now covered by the Office's procedural rules, they have general applicability to Board proceedings under the CAA. The Board has determined that it would be more effective for the implementation of the rights and protections under the CAA to propose and issue rules relating to amicus filings and reconsideration in all matters before the Board as part of a rulemaking under section 303 of the Act.

(3) Arbitral awards on adverse actions

The Board also agrees with the commenter who suggested the deletion of section 2425.3(b), a provision that precludes the FLRA's review of arbitration awards involving certain adverse actions. Under chapter 71, Congress generally provided for the review of arbitration awards by the FLRA. However, for awards relating to matters in which an employee has an option of either filing an appeal with the Merit Systems Protection Board (or another adjudicative body) or of filing a grievance under a negotiated grievance procedure, Congress provided for judicial review of the award under the same standards of review that would be accorded to a decision of the MSPB or another appellate body. Therefore, there is a symmetrical framework for the review of arbitration awards involving certain adverse actions in the general Federal civil service in which decisions on such matters, whether made by an arbitrator or an adjudicative body, are subject to the same judicial review. In contrast, there is no such symmetry of review under the CAA because legislative branch employees have no recourse to the MSPB or other similar administrative agencies and there is no judicial review of arbitrators' awards. If section 2425.3(b) were not deleted, employees and employing offices under the CAA would be deprived of a forum for review of arbitration awards involving certain adverse actions. Accordingly, the Board concludes that there is good cause to modify the FLRA's regulations by deleting section 2425.3(b).

(4) Consultation rights

Under section 2426.1(a) of the FLRA's regulations, an agency or an agency's primary national subdivision shall accord national consultation rights to a labor organization that ''[h]olds exclusive recognition for either: (i) Ten percent (10%) or more of the total number of civilian personnel employed by the agency and the non-appropriated fund Federal instrumentalities under its jurisdiction, excluding foreign nationals; or (ii) 3,500 or more employees of the agency.'' The Board has determined that the 10% threshold requirement should not be modified for good cause, as one commenter suggested. The Board agrees with the commenter that the small size of many employing offices in the legislative branch must be considered. However, the FLRA considered 10% of the employees of an agency or primary national subdivision to be a significant enough proportion of the employee complement to allow for meaningful consultations, no matter the size of the agency or the number of its employees. No convincing reason has been provided by the commenter why the FLRA's judgment is not workable here, or why there should be a different threshold requirement for small legislative branch employing offices from that applicable to small executive branch agencies.

By contrast, the same concern for the small size of many employing offices has prompted the Board to conclude that good cause exists to modify the alternate threshold requirement—i.e., the requirement that a

labor organization hold exclusive recognition of 3,500 or more of an agency's employees in order to be accorded national consultation rights. Although the Board has been unable through its research to determine the reasoning of the FLRA in choosing the number 3,500 as a threshold requirement, the number corresponds to the considerable size of many of the executive branch agencies. Because none of the employing offices has as many as 35,000 employees, the 3,500 employee threshold is irrelevant in light of the existence of the other threshold requirement, discussed above, of 10% of the employee complement. The Board thus finds that it is unworkable in this context and that there is good cause to delete it.

Section 2426.11(a) requires that ''[a]n agency shall accord consultation rights on Government-wide rules or regulations to a labor organization that . . . [h]olds exclusive recognition for 3,500 or more employees.'' The Board has determined that this threshold requirement should also be deleted for good cause, since many of the employing offices in the legislative branch are considerably smaller than executive branch agencies. However, once this requirement is omitted, there is no other requirement in the regulations by which to determine whether consultation rights on Government-wide rules or regulations should be granted to a labor organization. Therefore, the Board has concluded that the 10% threshold requirement should be employed in this section as well. The 10% figure is used as an alternate criterion to 3,500 in according national consultation rights, and it is an appropriate standard to use for according consultation rights on Government-wide regulations as well.

(5) Enforcement of Decisions of the Assistant Secretary of Labor

As noted above, one commenter asserted that part 2428 of the FLRA's regulations is inapplicable under the CAA and should be omitted from the Board's regulations. Part 2428 of the FLRA's regulations provides a procedure for the Assistant Secretary of Labor for Labor-Management Relations to petition the FLRA to enforce decisions and orders of the Assistant Secretary with respect to labor organization conduct.

The Board has concluded that, although the Assistant Secretary has no enforcement authority over covered employing offices or covered employees, nothing in the CAA removes the Assistant Secretary of Labor's authority to regulate the conduct of labor organizations, even those that exclusively represent legislative branch employees. Indeed, 5 U.S.C. 7120(d) authorizes the Assistant Secretary of Labor for Labor-Management Relations to regulate the conduct of labor organizations and is specifically incorporated into the CAA. Further, nothing in the CAA would preclude the Assistant Secretary from petitioning the Board to enforce a decision and order involving a labor organization under the jurisdiction of the CAA. In this regard, the FLRA promulgated part 2428 as part of its authority under section 7105 of chapter 71 to ''take such actions as are necessary and appropriate to effectively administer the provisions'' of chapter 71. Under the CAA, the Board has specifically been granted the same authority to administer the provisions of chapter 71 as applied by the CAA. Accordingly, there is not good cause for the Board to omit part 2428 in its entirety or to decline to permit the Assistant Secretary to petition the Board in accordance with the procedures set forth therein.

However, the Board proposes not to adopt section 2428.3(a), which would require the Board to enforce any decision or order of the Assistant Secretary unless it is ''arbitrary and capricious or based upon manifest disregard of the law.'' In light of section 225(f)(3) of the CAA, which states that the CAA does not authorize executive branch enforcement of the Act, the Board should not adopt a provision that would require the Board to defer to decisions of an executive branch agency. Accordingly, the Board has modified the provisions of part 2428 by omitting section 2428.3(a).

(6) Production of evidence in pre-election investigatory hearings

As noted in section I.B.2. above, section 7132 of chapter 71, which authorizes the issuance of subpoenas by various FLRA officials, was not made applicable by the CAA. Moreover, as pre-election investigatory hearings are not hearings that are conducted under section 405 of the CAA, subpoenas for documents or witnesses in such pre-election proceedings are not available under the CAA. Nonetheless, in order to properly decide disputed representation issues and effectively implement section 220 of the CAA, a complete investigatory record comparable to that developed by the FLRA under chapter 71 is necessary. Accordingly, there is good cause to modify section 2422.18 of the FLRA's regulations in order to ensure that such a record is made in the absence of the availability of subpoenas. To this end, the Board is specifically proposing the inclusion of section 2422.18(d), which provides that the parties have an obligation to produce existing documents and witnesses for the pre-election investigatory hearing in accordance with the instructions of the Executive Director; and the Board is further proposing that a willful failure to comply with such instructions may in appropriate circumstances result in an adverse inference being drawn on the issue related to the evidence sought.

(7) Selection of the unfair labor practice procedure or the negotiability procedure

The Board has determined that there is also good cause to delete the concluding sentence of sections 2423.5 and 2424.5 of the FLRA's regulations because, in the context of the CAA, they would serve improperly to deprive judicial review in certain circumstances. Generally, when an employing office asserts it has no duty to bargain over a proposal, a labor organization may seek a Board determination on the issue either through an unfair labor practice proceeding or a negotiability proceeding. However, the concluding sentences of the referenced regulations preclude a labor organization from filing an unfair labor practice charge in cases that solely involve an employing office's allegation that the duty to bargain in good faith does not extend to the matter proposed to be bargained and that do not involve actual or contemplated changes in conditions of employment. In such cases, those sentences of the regulations provide that a labor organization may only file a petition for review of a negotiability issue.

Unlike chapter 71, the CAA does not provide for direct judicial review of Board decisions and orders on petitions for review of negotiability issues. Rather, judicial review of Board determinations as to the negotiability of collective bargaining proposals is only available through an unfair labor practice proceeding involving a dispute over an employing office's duty to bargain. Accordingly, if sections 2423.5 and 2424.5 were not modified, a labor organization would, in certain circumstances, be precluded from electing to file an unfair labor practice charge and possibly obtaining judicial review of a Board decision. Rather, the labor organization would be required to file a petition for review of the negotiability issue and any unfavorable decision would be unreviewable. The Board concludes that it would be more effective for the implementation of the rights and protections under section 220 to delete the two specified sentences, thereby allowing a labor organization to use the unfair labor practice procedures in all circumstances.

(8) Official time

Section 2429.13 of the FLRA's regulations requires employing offices to grant ''official time'' to employees when the employees, participation in investigations or hearings is deemed necessary by hearing officers or Office officials. The Board has determined that section 2429.13 of the FLRA's regulations should be modified by striking the last sentence, which would require the payment by employing offices of transportation and per diem expenses associated with employees, participation in investigations or hearings on official time. The Board finds good cause to modify the provision in light of the decision of the United States Supreme Court in Bureau of Alcohol, Tobacco and Firearms v. Federal Labor Relations Authority, 464 U.S. 89, 104 S.Ct. 439 (1983), in which the Supreme Court held that the FLRA had exceeded its authority by requiring federal agencies to pay such per diem allowances and travel expenses. This regulatory requirement has been authoritatively and finally invalidated by the Supreme Court and thus has no applicability under the laws that have been incorporated by the CAA.

(9) The Board's exercise of the authorities of the Federal Service Impasses Panel

Section 2470 of the FLRA's regulations defines the Federal Service Impasses Panel as all members of the Panel or a quorum thereof and thus permits formal actions to be taken on behalf of the Panel by less than the Panel's full complement of members. The Federal Service Impasses Panel is composed of seven members. The Board, which will exercise the authorities of the Panel pursuant to section 220(c)(4) of the CAA, is a five-member body. It is the Board's determination that it will be more effective for the implementation of section 220(c)(4) to provide for the full Board, rather than a quorum thereof, to carry out its authorities under that section. Section 2470 of the regulation has been modified accordingly.

(10) Conflict of Interest

As noted above, one commenter asserted that sections 2422.7 and 2422.23 of the FLRA's regulations should be modified pursuant to section 220(d)(2)(B). The two referenced sections of the FLRA's regulations provide, respectively, that an employing office may be directed to post a notice advising affected employees of the filing of a representation petition and that an employing office will post a notice of election when an election is to be conducted. In both instances the notices, which in the context of the CAA will be prepared by the Office of Compliance, must be posted in places where notices are normally posted for the affected employees or they may be distributed in a manner by which notices are normally distributed. The commenter urges that these regulatory provisions be modified to prohibit the publication of any material relating to a labor organization in any area open to the public. In support of the proposed modification, the commenter states only that display of such material in public view creates, at the very least, an appearance of a conflict of interest insofar as it may appear that Congress is unduly influenced by particular labor organizations.

In the ANPR, the Board requested commenters to fully and specifically describe the conflict of interest or appearance thereof that they believe would exist were pertinent FLRA regulations not modified and to explain the necessity for avoiding the asserted

conflict or appearance of conflict. The Board further asked commenters to explain how they interpret 220(d)(2)(B) and, in doing so, identify the factual and interpretive materials upon which they are relying. The commenter has not discussed section 220(d)(2)(B) or explained why the proposed modification, a specific prohibition on posting an Office of Compliance notice in a public area, is necessary to avoid an appearance of conflict; indeed, the commenter has not explained how the posting of a notice announcing the filing of a petition or an upcoming election would create the appearance of undue influence asserted by the commenter.

In the Board's view, no appearance of conflict of interest or undue influence is created by an employing office posting a notice, prepared by the Office of Compliance, advising covered employees of a pending petition or an election under a statute that Congress has specifically applied to itself, similar provisions of which apply in the private and public sectors. Nothing in the FLRA's regulations requires that notices be posted in public areas; the referenced notices must only be posted or distributed in the manner that other information affecting employees is posted or distributed. Moreover, since the notices are prepared by the Office of Compliance, which is an independent office in the legislative branch, no reasonable person could even begin to find undue influence from the posting itself.

The Board thus concludes that, contrary to the commenter's suggestion, it is not necessary to modify sections 2422.7 and 2422.23 of the FLRA's regulations to avoid a conflict of interest or appearance of conflict of interest. The Board therefore proposes to adopt those provisions with only technical changes in nomenclature.

II. Method of Approval

The Board recommends that (1) the version of the proposed regulations that shall apply to the Senate and employees of the Senate be approved by the Senate by resolution; (2) the version of the proposed regulations that shall apply to the House of Representatives and employees of the House of Representatives be approved by the House of Representatives by resolution; and (3) the version of the proposed regulations that shall apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C., on this 14th day of May, 1996.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

Subchapter C

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Subchapter C

PART 2420—PURPOSE AND SCOPE

§ 2420.1 Purpose and scope.

The regulations contained in this subchapter are designed to implement the provisions of chapter 71 of title 5 of the United States Code, as applied by section 220 of the Congressional Accountability Act (CAA). They prescribe the procedures, basic principles or criteria under which the Board and the General Counsel, as applicable, will:

(a) Determine the appropriateness of units for labor organization representation under 5 U.S.C. 7112, as applied by the CAA;

(b) Supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a majority of the employees in an appropriate unit and otherwise administer the provisions of 5 U.S.C. 7111, as applied by the CAA, relating to the according of exclusive recognition to labor organizations;

(c) Resolve issues relating to the granting of national consultation rights under 5 U.S.C. 7113, as applied by the CAA;

(d) Resolve issues relating to determining compelling need for employing office rules and regulations under 5 U.S.C. 7117(b), as applied by the CAA;

(e) Resolve issues relating to the duty to bargain in good faith under 5 U.S.C. 7117(c), as applied by the CAA;

(f) Resolve issues relating to the granting of consultation rights with respect to conditions of employment under 5 U.S.C. 7117(d), as applied by the CAA;

(g) Conduct hearings and resolve complaints of unfair labor practices under 5 U.S.C. 7118, as applied by the CAA;

(h) Resolve exceptions to arbitrators' awards under 5 U.S.C. 7122, as applied by the CAA; and

(i) Take such other actions as are necessary and appropriate effectively to administer the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

PART 2421—MEANING OF TERMS AS USED IN THIS SUBCHAPTER

Sec.
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2421.2 Chapter 71.
2421.3 General Definitions.
2421.4 National consultation rights; consultation rights on Government-wide rules or regulations; exclusive recognition; unfair labor practices.
2421.5 Activity.
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§ 2421.1 Act; CAA.

The terms ''Act'' and ''CAA'' mean the Congressional Accountability Act of 1995 (P.L. 104–1, 109 Stat. 3, 2 U.S.C. §§ 1301–1438).

§ 2421.2 Chapter 71.

The term ''chapter 71'' means chapter 71 of title 5 of the United States Code.

§ 2421.3 General Definitions.

(a) The term ''person'' means an individual, labor organization or employing office.

(b) Except as noted in subparagraph (3) of this subsection, the term ''employee'' means an individual—

(1) Who is a current employee, applicant for employment, or former employee of: the House of Representatives; the Senate; the Capitol Guide Service; the Capitol Police; the Congressional Budget Office; the Office of the Architect of the Capitol; the Office of the Attending Physician; the Office of Compliance; or the Office of Technology Assessment; or

(2) Whose employment in an employing office has ceased because of any unfair labor practice under section 7116 of title 5 of the United States Code, as applied by the CAA, and who has not obtained any other regular and substantially equivalent employment as determined under regulations prescribed by the Board, but does not include——

(i) An alien or noncitizen of the United States who occupies a position outside of the United States;

(ii) A member of the uniformed services;

(iii) A supervisor or a management official or;

(iv) Any person who participates in a strike in violation of section 7311 of title 5 of the United States Code, as applied the CAA.

(3) For the purpose of determining the adequacy of a showing of interest or eligibility for consultation rights, except as required by law, applicants for employment and former employees are not considered employees.

(c) The term ''employing office'' means—

(1) The personal office of a Member of the House of Representatives or of a Senator;

(2) A committee of the House of Representatives or the Senate or a joint committee;

(3) Any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; or

(4) The Capitol Guide Board, the Capitol Police Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, the Office of Compliance, and the Office of Technology Assessment.

(d) The term ''labor'' organization means an organization composed in whole or in part of employees, in which employees participate and pay dues, and which has as a purpose the dealing with an employing office concerning grievances and conditions of employment, but does not include—

(1) An organization which, by its constitution, or otherwise, denies membership because of race, color, creed, national origin, sex, age, preferential or nonpreferential civil service status, political affiliation, marital status, or handicapping condition;

(2) An organization which advocates the overthrow of the constitutional form of government of the United States;

(3) An organization sponsored by an employing office; or

(4) An organization which participates in the conduct or a strike against the Government or any agency thereof or imposes a duty or obligation to conduct, assist, or participate in such a strike.

(e) The term ''dues'' means dues, fees, and assessments.

(f) The term ''Board'' means the Board of Directors of the Office of Compliance.

(g) The term ''collective bargaining agreement'' means an agreement entered into as a result of collective bargaining pursuant to the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

(h) The term ''grievance'' means any complaint—

(1) By any employee concerning any matter relating to the employment of the employee;

(2) By any labor organization concerning any matter relating to the employment of any employee; or

(3) By any employee, labor organization, or employing office concerning—

(i) The effect or interpretation, or a claim of breach, of a collective bargaining agreement; or

(ii) Any claimed violation, misinterpretation, or misapplication of any law, rule, or regulation affecting conditions of employment.

(i) The term ''supervisor'' means an individual employed by an employing office having authority in the interest of the employing office to hire, direct, assign, promote, reward, transfer, furlough, layoff, recall, suspend, discipline, or remove employees, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature, but requires the consistent exercise of independent judgment, except that, with respect to any unit which includes firefighters or nurses, the term ''supervisor'' includes only those individuals who devote a preponderance of their employment time to exercising such authority.

(j) The term ''management official'' means an individual employed by an employing office in a position the duties and responsibilities of which require or authorize the individual to formulate, determine, or influence the policies of the employing office.

(k) The term ''collective bargaining'' means the performance of the mutual obligation of the representative of an employing office and the exclusive representative of employees in an appropriate unit in the employing office to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph does not compel either party to agree to a proposal or to make a concession.

(l) The ''term confidential employee'' means an employee who acts in a confidential capacity with respect to an individual who formulates or effectuates management policies in the field of labor-management relations.

(m) The term ''conditions of employment'' means personnel policies, practices, and matters, whether established by rule, regulation, or otherwise, affecting working conditions, except that such term does not include policies, practices, and matters—

(1) Relating to political activities prohibited under subchapter III of chapter 73 of title 5 of the United States Code, as applied by the CAA;

(2) Relating to the classification of any position; or

(3) To the extent such matters are specifically provided for by Federal statute.

(n) The term ''professional employee'' means—

(1) An employee engaged in the performance of work—

(i) Requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital (as distinguished from knowledge acquired by a general academic education, or from an apprenticeship, or from training in the performance of routine mental, manual, mechanical, or physical activities);

(ii) Requiring the consistent exercise of discretion and judgment in its performance;

(iii) Which is predominantly intellectual and varied in character (as distinguished from routine mental, manual, mechanical, or physical work); and

(iv) Which is of such character that the output produced or the result accomplished by such work cannot be standardized in relation to a given period of time; or

(2) An employee who has completed the courses of specialized intellectual instruction and study described in subparagraph (1)(i) of this paragraph and is performing related work under appropriate direction and guidance to qualify the employee as a professional employee described in subparagraph (1) of this paragraph.

(o) The term ''exclusive representative'' means any labor organization which is certified as the exclusive representative of employees in an appropriate unit pursuant to section 7111 of title 5 of the United States Code, as applied by the CAA.

(p) The term ''firefighter'' means any employee engaged in the performance of work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment.

(q) The term ''United States'' means the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, and any territory or possession of the United States.

(r) The term ''General Counsel'' means the General Counsel of the Office of Compliance.

(s) The term ''Assistant Secretary'' means the Assistant Secretary of Labor for Labor-Management Relations.

§ 2421.4 National consultation rights; consultation rights on Government-wide rules or regulations; exclusive recognition; unfair labor practices.

(a)(1) The term ''national consultation rights'' means that a labor organization that is the exclusive representative of a substantial number of the employees of the employing office, as determined in accordance with criteria prescribed by the Board, shall—

(i) Be informed of any substantive change in conditions of employment proposed by the employing office; and

(ii) Be permitted reasonable time to present its views and recommendations regarding the changes.

(2) National consultation rights shall terminate when the labor organization no longer meets the criteria prescribed by the Board. Any issue relating to any labor organization's eligibility for, or continuation of, national consultation rights shall be subject to determination by the Board.

(b)(1) The term ''consultation rights on Government-wide rules or regulations'' means that a labor organization which is the exclusive representative of a substantial number of employees of an employing office determined in accordance with criteria prescribed by the Board, shall be granted consultation rights by the employing office with respect to any Government-wide rule or regulation issued by the employing office effecting any substantive change in any condition of employment. Such consultation rights shall terminate when the labor organization no longer meets the criteria prescribed by the Board. Any issue relating to a labor organizations eligibility for, or continuation of, such consultation rights shall be subject to determination by the Board.

(2) A labor organization having consultation rights under paragraph (1) of this subsection shall—

(i) Be informed of any substantive change in conditions of employment proposed by the employing office; and

(ii) shall be permitted reasonable time to present its views and recommendations regarding the changes.

(3) If any views or recommendations are presented under paragraph (2) of this subsection to an employing office by any labor organization—

(i) The employing office shall consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(ii) The employing office shall provide the labor organization a written statement of the reasons for taking the final action.

(c) The term ''exclusive recognition'' means that a labor organization has been selected as the sole representative, in a secret ballot election, by a majority of the employees in an appropriate unit who cast valid ballots in an election.

(d) The term ''unfair labor practices'' means—

(1) Any of the following actions taken by an employing office—

(i) Interfering with, restraining, or coercing any employee in the exercise by the employee of any right under chapter 71, as applied by the CAA;

(ii) Encouraging or discouraging membership in any labor organization by discrimination in connection with hiring, tenure, promotion, or other condition of employment;

(iii) Sponsoring, controlling, or otherwise assisting any labor organization, other than to furnish, upon request, customary and routine services and facilities if the services and facilities are also furnished on an impartial basis to other labor organizations having equivalent status;

(iv) Disciplining or otherwise discriminating against an employee because the employee has filed a complaint, affidavit, or petition, or has given any information or testimony under chapter 71, as applied by the CAA;

(v) Refusing to consult or negotiate in good faith with a labor organization as required by chapter 71, as applied by the CAA;

(vi) Failing or refusing to cooperate in impasse procedures and impasse decisions as required by chapter 71, as applied by the CAA;

(vii) Enforcing any rule or regulation (other than a rule or regulation implementing section 2302 of this title) which is in conflict with any applicable collective bargaining agreement if the agreement was in effect before the date the rule or regulation was prescribed; or

(viii) Otherwise failing or refusing to comply with any provision of chapter 71, as applied by the CAA;

(2) Any of the following actions taken by a labor organization—

(i) Interfering with, restraining, or coercing any employee in the exercise by the employee of any right under this chapter;

(ii) Causing or attempting to cause an employing office to discriminate against any employee in the exercise by the employee of any right under this chapter;

(iii) Coercing, disciplining, fining, or attempting to coerce a member of the labor organization as punishment, reprisal, or for the purpose of hindering or impeding the member's work performance or productivity as an employee or the discharge of the members duties as an employee;

(iv) Discriminating against an employee with regard to the terms or conditions of membership in the labor organization on the basis of race, color, creed, national origin, sex, age, preferential or nonpreferential civil service status, political affiliation, marital status, or handicapping condition;

(v) Refusing to consult or negotiate in good faith with an employing office as required by chapter 71, as applied by the CAA;

(vi) Failing or refusing to cooperate in impasse procedures and impasse decisions as required by chapter 71, as applied by the CAA;

(vii)(A) Calling, or participating in, a strike, work stoppage, or slowdown, or picketing of an employing office in a labor-management dispute if such picketing interferes with an employing office's operations; or

(B) Condoning any activity described in subparagraph (A) of this paragraph by failing to take action to prevent or stop such activity; or

(viii) Otherwise failing or refusing to comply with any provision of chapter 71, as applied by the CAA;

(3) Denial of membership by an exclusive representative to any employee in the appropriate unit represented by such exclusive representative except for failure—

(i) To meet reasonable occupational standards uniformly required for admission, or

(ii) To tender dues uniformly required as a condition of acquiring and retaining membership.

§ 2421.5 Activity.

The term ''activity'' means any facility, organizational entity, or geographical subdivision or combination thereof, of any employing office.

§ 2421.6 Primary national subdivision.

''Primary national subdivision'' of an employing office means a first-level organizational segment which has functions national in scope that are implemented in field activities.

§ 2421.7 Executive Director.

''Executive Director'' means the Executive Director of the Office of Compliance.

§ 2421.8 Hearing Officer.

The term ''Hearing Officer'' means any individual designated by the Executive Director to preside over a hearing conducted pursuant to section 405 of the CAA on matters within the Office's jurisdiction, including a hearing arising in cases under 5 U.S.C. 7116, as applied by the CAA, and any other such matters as may be assigned.

§ 2421.9 Party.

The term ''party'' means:

(a) Any labor organization, employing office or employing activity or individual filing a charge, petition, or request;

(b) Any labor organization or employing office or activity.

(1) Named as—

(i) A charged party in a charge,

(ii) A respondent in a complaint, or

(iii) An employing office or activity or an incumbent labor organization in a petition.

(2) Whose intervention in a proceeding has been permitted or directed by the Board; or

(3) Who participated as a party.

(i) In a matter that was decided by an employing office head under 5 U.S.C. 7117, as applied by the CAA, or

(ii) In a matter where the award of an arbitrator was issued; and

(c) The General Counsel, or the General Counsel's designated representative, in appropriate proceedings.

§ 2421.10 Intervenor.

The term ''intervenor'' means a party in a proceeding whose intervention has been permitted or directed by the Board, its agents or representatives.

§ 2421.11 Certification.

The term ''certification'' means the determination by the Board, its agents or representatives, of the results of an election, or the results of a petition to consolidate existing exclusively recognized units.

§ 2421.12 Appropriate unit.

The term ''appropriate unit'' means that grouping of employees found to be appropriate for purposes of exclusive recognition under 5 U.S.C. 7111, as applied by the CAA, and for purposes of allotments to representatives under 5 U.S.C. 7115(c), as applied by the CAA, and consistent with the provisions of 5 U.S.C. 7112, as applied by the CAA.

§ 2421.13 Secret ballot.

The term ''secret ballot'' means the expression by ballot, voting machine or otherwise, but in no event by proxy, of a choice with respect to any election or vote taken upon any matter, which is cast in such a manner that the person expressing such choice cannot be identified with the choice expressed, except in that instance in which any determinative challenged ballot is opened.

§ 2421.14 Showing of interest.

The term ''showing of interest'' means evidence of membership in a labor organization; employees' signed and dated authorization cards or petitions authorizing a labor organization to represent them for purposes of exclusive recognition; allotment of dues forms executed by an employee and the labor organization's authorized official; current dues records; an existing or recently expired agreement; current certification; employees' signed and dated petitions or cards indicating that they no longer desire to be represented for the purposes of exclusive recognition by the currently certified labor organization; employees' signed and dated petitions or cards indicating a desire that an election be held on a proposed consolidation of units; or other evidence approved by the Board.

§ 2421.15 Regular and substantially equivalent employment.

The term ''regular and substantially equivalent employment'' means employment that entails substantially the same amount of work, rate of pay, hours, working conditions, location of work, kind of work, and seniority rights, if any, of an employee prior to the cessation of employment in an employing office because of any unfair labor practice under 5 U.S.C. 7116, as applied by the CAA.

§ 2421.16 Petitioner.

''Petitioner'' means the party filing a petition under Part 2422 of this Subchapter.

§ 2421.17 Eligibility period.

The term ''eligibility period'' means the payroll period during which an employee must be in an employment status with an employing office or activity in order to be eligible to vote in a representation election under Part 2422 of this Subchapter.

§ 2421.18 Election agreement.

The term ''election agreement'' means an agreement under Part 2422 of this Subchapter signed by all the parties, and approved by the Board, the Executive Director, or any other individual designated by the Board, concerning the details and procedures of a representation election in an appropriate unit.

§ 2421.19 Affected by issues raised.

The phrase ''affected by issues raised'', as used in Part 2422, should be construed broadly to include parties and other labor organizations, or employing offices or activities that have a connection to employees affected by, or questions presented in, a proceeding.

§ 2421.20 Determinative challenged ballots.

''Determinative challenged ballots'' are challenges that are unresolved prior to the tally and sufficient in number after the tally to affect the results of the election.

PART 2422—REPRESENTATION PROCEEDINGS

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§ 2422.1 Purposes of a petition.

A petition may be filed for the following purposes:

(a) *Elections or Eligibility for dues allotment.* To request:

(1)(i) An election to determine if employees in an appropriate unit wish to be represented for the purpose of collective bargaining by an exclusive representative; and/or

(ii) A determination of eligibility for dues allotment in an appropriate unit without an exclusive representative; or

(2) An election to determine if employees in a unit no longer wish to be represented for the purpose of collective bargaining by an exclusive representative.

(3) Petitions under this subsection must be accompanied by an appropriate showing of interest.

(b) *Clarification or Amendment.* To clarify, and/or amend:

(1) A certification then in effect; and/or

(2) Any other matter relating to representation.

(c) *Consolidation.* To consolidate two or more units, with or without an election, in an employing office and for which a labor organization is the exclusive representative.

§ 2422.2 Standing to file a petition.

A representation petition may be filed by: an individual; a labor organization; two or more labor organizations acting as a joint-petitioner; an individual acting on behalf of any employee(s); an employing office or activity; or a combination of the above: *provided, however,* that (a) only a labor organization has standing to file a petition pursuant to section 2422.1(a)(1); (b) only an individual has standing to file a petition pursuant to section 2422.1(a)(2); and (c) only an employing office or a labor organization may file a petition pursuant to section 2422.1(b) or (c).

§ 2422.3 Contents of a petition.

(a) *What to file.* A petition must be filed on a form prescribed by the Board and contain the following information:

(1) The name and mailing address for each employing office or activity affected by issues raised in the petition, including street number, city, state and zip code.

(2) The name, mailing address and work telephone number of the contact person for each employing office or activity affected by issues raised in the petition.

(3) The name and mailing address for each labor organization affected by issues raised in the petition, including street number, city, state and zip code. If a labor organization is affiliated with a national organization, the local designation and the national affiliation should both be included. If a labor organization is an exclusive representative of any of the employees affected by issues raised in the petition, the date of the certification and the date any collective bargaining agreement covering the unit will expire or when the most recent agreement did expire should be included, if known.

(4) The name, mailing address and work telephone number of the contact person for each labor organization affected by issues raised in the petition.

(5) The name and mailing address for the petitioner, including street number, city, state and zip code. If a labor organization petitioner is affiliated with a national organization, the local designation and the national affiliation should both be included.

(6) A description of the unit(s) affected by issues raised in the petition. The description should generally indicate the geographic locations and the classifications of the employees included (or sought to be included) in, and excluded (or sought to be excluded) from, the unit.

(7) The approximate number of employees in the unit(s) affected by issues raised in the petition.

(8) A clear and concise statement of the issues raised by the petition and the results the petitioner seeks.

(9) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that the contents of the petition are true and correct to the best of the person's knowledge and belief.

(10) The signature, title, mailing address and telephone number of the person filing the petition.

(b) *Compliance with 5 U.S.C. 7111(e), as applied by the CAA.* A labor organization/petitioner complies with 5 U.S.C. 7111(e), as applied by the CAA, by submitting to the employing office or activity and to the Department of Labor a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives. By signing the petition form, the labor organization/petitioner certifies that it has submitted these documents to the employing activity or office and to the Department of Labor.

(c) *Showing of interest supporting a representation petition.* When filing a petition requiring a showing of interest, the petitioner must:

(1) So indicate on the petition form;

(2) Submit with the petition a showing of interest of not less than thirty percent (30%) of the employees in the unit involved in the petition; and

(3) Include an alphabetical list of the names constituting the showing of interest.

(d) *Petition seeking dues allotment.* When there is no exclusive representative, a petition seeking certification for dues allotment shall be accompanied by a showing of membership in the petitioner of not less than ten percent (10%) of the employees in the unit claimed to be appropriate. An alphabetical list of names constituting the showing of membership must be submitted.

§ 2422.4 Service requirements.

Every petition, motion, brief, request, challenge, written objection, or application for review shall be served on all parties affected by issues raised in the filing. The service shall include all documentation in support thereof, with the exception of a showing of interest, evidence supporting challenges to the validity of a showing of interest, and evidence supporting objections to an election. The filer must submit a written statement of service to the Executive Director.

§ 2422.5 Filing petitions.

(a) *Where to file.* Petitions must be filed with the Executive Director.

(b) *Number of copies.* An original and two (2) copies of the petition and the accompanying material must be filed with the Executive Director.

(c) *Date of filing.* A petition is filed when it is received by the Executive Director.

§ 2422.6 Notification of filing.

(a) *Notification to parties.* After a petition is filed, the Executive Director, on behalf of the Board, will notify any labor organization, employing office or employing activity that the parties have identified as being affected by issues raised by the petition, that a petition has been filed with the Office. The Executive Director, on behalf of the Board, will also make reasonable efforts to identify and notify any other party affected by the issues raised by the petition.

(b) *Contents of the notification.* The notification will inform the labor organization, employing office or employing activity of:

(1) The name of the petitioner;

(2) The description of the unit(s) or employees affected by issues raised in the petition; and,

(3) A statement that all affected parties should advise the Executive Director in writing of their interest in the issues raised in the petition.

§ 2422.7 Posting notice of filing of a petition.

(a) *Posting notice of petition.* When appropriate, the Executive Director, on behalf of the Board, after the filing of a representation petition, will direct the employing office or activity to post copies of a notice to all employees in places where notices are normally posted for the employees affected by issues raised in the petition and/or distribute copies of a notice in a manner by which notices are normally distributed.

(b) *Contents of notice.* The notice shall advise affected employees about the petition.

(c) *Duration of notice.* The notice should be conspicuously posted for a period of ten (10) days and not be altered, defaced, or covered by other material.

§ 2422.8 Intervention and cross-petitions.

(a) *Cross-petitions.* A cross-petition is a petition which involves any employees in a unit covered by a pending representation petition. Cross-petitions must be filed in accordance with this subpart.

(b) *Intervention requests and cross-petitions.* A request to intervene and a cross-petition, accompanied by any necessary showing of interest, must be submitted in writing and filed with the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no pre-election investigatory hearing is held, a request to intervene and a cross-petition must be filed prior to action being taken pursuant to § 2422.30.

(c) *Labor organization intervention requests.* Except for incumbent intervenors, a labor organization seeking to intervene shall submit a statement that it has complied with 5 U.S.C. 7111(e), as applied by the CAA, and one of the following:

(1) A showing of interest of ten percent (10%) or more of the employees in the unit covered by a petition seeking an election, with an alphabetical list of the names of the employees constituting the showing of interest; or

(2) A current or recently expired collective bargaining agreement covering any of the employees in the unit affected by issues raised in the petition; or

(3) Evidence that it is or was, prior to a reorganization, the certified exclusive representative of any of the employees affected by issues raised in the petition.

(d) *Incumbent.* An incumbent exclusive representative, without regard to the requirements of paragraph (c) of this section, will be considered a party in any representation proceeding raising issues that affect employees the incumbent represents, unless it serves the Board, through the Executive Director, with a written disclaimer of any representation interest in the claimed unit.

(e) *Employing office.* An employing office or activity will be considered a party if any of its employees are affected by issues raised in the petition.

(f) *Employing office or activity intervention.* An employing office or activity seeking to intervene in any representation proceeding must submit evidence that one or more employees of the employing office or activity may be affected by issues raised in the petition.

§ 2422.9 Adequacy of showing of interest.

(a) *Adequacy.* Adequacy of a showing of interest refers to the percentage of employees in the unit involved as required by §§ 2422.3 (c) and (d) and 2422.8(c)(1).

(b) *Executive Director investigation and action.* The Executive Director, on behalf of the Board, will conduct such investigation as deemed appropriate. The Executive Director's determination, on behalf of the Board, that the showing of interest is adequate is final and binding and not subject to collateral attack at a representation hearing or on appeal to the Board. If the Executive Director determines, on behalf of the Board, that a showing of interest is inadequate, the Executive Director will dismiss the petition, or deny a request for intervention.

§ 2422.10 Validity of showing of interest.

(a) *Validity.* Validity questions are raised by challenges to a showing of interest on grounds other than adequacy.

(b) *Validity challenge.* The Executive Director or any party may challenge the validity of a showing of interest.

(c) *When and where validity challenges may be filed.* Party challenges to the validity of a showing of interest must be in writing and filed with the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no pre-election investigatory hearing is held, challenges to the validity of a showing of interest must be filed prior to action being taken pursuant to § 2422.30.

(d) *Contents of validity challenges.* Challenges to the validity of a showing of interest must be supported with evidence.

(e) *Executive Director investigation and action.* The Executive Director, on behalf of the Board, will conduct such investigation as deemed appropriate. The Executive Director's determination, on behalf of the Board, that a showing of interest is valid is final and binding and is not subject to collateral attack or appeal to the Board. If the Executive Director finds, on behalf of the Board, that the showing of interest is not valid, the Executive Director will dismiss the petition or deny the request to intervene.

§ 2422.11 Challenge to the status of a labor organization.

(a) *Basis of challenge to labor organization status.* The only basis on which a challenge to the status of a labor organization may be made is compliance with 5 U.S.C. 7103(a)(4), as applied by the CAA.

(b) *Format and time for filing a challenge.* Any party filing a challenge to the status of

a labor organization involved in the processing of a petition must do so in writing to the Executive Director before the pre-election investigatory hearing opens, unless good cause is shown for granting an extension. If no hearing is held, challenges must be filed prior to action being taken pursuant to §2422.30.

§2422.12 Timeliness of petitions seeking an election.

(a) *Election bar.* Where there is no certified exclusive representative, a petition seeking an election will not be considered timely if filed within twelve (12) months of a valid election involving the same unit or a subdivision of the same unit.

(b) *Certification bar.* Where there is a certified exclusive representative of employees, a petition seeking an election will not be considered timely if filed within twelve (12) months after the certification of the exclusive representative of the employees in an appropriate unit. If a collective bargaining agreement covering the claimed unit is pending employing office head review under 5 U.S.C. 7114(c), as applied by the CAA, or is in effect, paragraphs (c), (d), or (e) of this section apply.

(c) *Bar during employing office head review.* A petition seeking an election will not be considered timely if filed during the period of employing office head review under 5 U.S.C. 7114(c), as applied by the CAA. This bar expires upon either the passage of thirty (30) days absent employing office head action, or upon the date of any timely employing office head action.

(d) *Contract bar where the contract is for three (3) years or less.* Where a collective bargaining agreement is in effect covering the claimed unit and has a term of three (3) years or less from the date it became effective, a petition seeking an election will be considered timely if filed not more than one hundred and five (105) and not less than sixty (60) days prior to the expiration of the agreement.

(e) *Contract bar where the contract is for more than three (3) years.* Where a collective bargaining agreement is in effect covering the claimed unit and has a term of more than three (3) years from the date it became effective, a petition seeking an election will be considered timely if filed not more than one hundred and five (105) and not less than sixty (60) days prior to the expiration of the initial three (3) year period, and any time after the expiration of the initial three (3) year period.

(f) *Unusual circumstances.* A petition seeking an election or a determination relating to representation matters may be filed at any time when unusual circumstances exist that substantially affect the unit or majority representation.

(g) *Premature extension.* Where a collective bargaining agreement with a term of three (3) years or less has been extended prior to sixty (60) days before its expiration date, the extension will not serve as a basis for dismissal of a petition seeking an election filed in accordance with this section.

(h) *Contract requirements.* Collective bargaining agreements, including agreements that go into effect under 5 U.S.C. 7114(c), as applied by the CAA, and those that automatically renew without further action by the parties, do not constitute a bar to a petition seeking an election under this section unless a clear and unambiguous effective date, renewal date where applicable, duration, and termination date are ascertainable from the agreement and relevant accompanying documentation.

§2422.13 Resolution of issues raised by a petition.

(a) *Meetings prior to filing a representation petition.* All parties affected by the representation issues that may be raised in a petition are encouraged to meet prior to the filing of the petition to discuss their interests and narrow and resolve the issues. If requested by all parties a representative of the Office will participate in these meetings.

(b) *Meetings to narrow and resolve the issues after the petition is filed.* After a petition is filed, the Executive Director may require all affected parties to meet to narrow and resolve the issues raised in the petition.

§2422.14 Effect of withdrawal/dismissal.

(a) *Withdrawal/dismissal less than sixty (60) days before contract expiration.* When a petition seeking an election that has been timely filed is withdrawn by the petitioner or dismissed by the Executive Director or the Board less than sixty (60) days prior to the expiration of an existing agreement between the incumbent exclusive representative and the employing office or activity or any time after the expiration of the agreement, another petition seeking an election will not be considered timely if filed within a ninety (90) day period from either:

(1) The date the withdrawal is approved; or

(2) The date the petition is dismissed by the Executive Director when no application for review is filed with the Board; or

(3) The date the Board rules on an application for review; or

(4) The date the Board issues a Decision and Order dismissing the petition.

Other pending petitions that have been timely filed under this Part will continue to be processed.

(b) *Withdrawal by petitioner.* A petitioner who submits a withdrawal request for a petition seeking an election that is received by the Executive Director after the notice of pre-election investigatory hearing issues or after approval of an election agreement, whichever occurs first, will be barred from filing another petition seeking an election for the same unit or any subdivision of the unit for six (6) months from the date of the approval of the withdrawal by the Executive Director.

(c) *Withdrawal by incumbent.* When an election is not held because the incumbent disclaims any representation interest in a unit, a petition by the incumbent seeking an election involving the same unit or a subdivision of the same unit will not be considered timely if filed within six (6) months of cancellation of the election.

§2422.15 Duty to furnish information and cooperate.

(a) *Relevant information.* After a petition is filed, all parties must, upon request of the Executive Director, furnish the Executive Director and serve all parties affected by issues raised in the petition with information concerning parties, issues, and agreements raised in or affected by the petition.

(b) *Inclusions and exclusions.* After a petition seeking an election is filed, the Executive Director, on behalf of the Board, may direct the employing office or activity to furnish the Executive Director and all parties affected by issues raised in the petition with a current alphabetized list of employees and job classifications included in and/or excluded from the existing or claimed unit affected by issues raised in the petition.

(c) *Cooperation.* All parties are required to cooperate in every aspect of the representation process. This obligation includes cooperating fully with the Executive Director, submitting all required and requested information, and participating in prehearing conferences and pre-election investigatory hearings. The failure to cooperate in the representation process may result in the Executive Director or the Board taking appropriate action, including dismissal of the petition or denial of intervention.

§2422.16 Election agreements or directed elections.

(a) *Election agreements.* Parties are encouraged to enter into election agreements.

(b) *Executive Director directed election.* If the parties are unable to agree on procedural matters, specifically, the eligibility period, method of election, dates, hours, or locations of the election, the Executive Director, on behalf of the Board, will decide election procedures and issue a Direction of Election, without prejudice to the rights of a party to file objections to the procedural conduct of the election.

(c) *Opportunity for an investigatory hearing.* Before directing an election, the Executive Director shall provide affected parties an opportunity for a pre-election investigatory hearing on other than procedural matters.

(d) *Challenges or objections to a directed election.* A Direction of Election issued under this section will be issued without prejudice to the right of a party to file a challenge to the eligibility of any person participating in the election and/or objections to the election.

§2422.17 Notice of pre-election investigatory hearing and prehearing conference.

(a) *Purpose of notice of an investigatory hearing.* The Executive Director, on behalf of the Board, may issue a notice of pre-election investigatory hearing involving any issues raised in the petition.

(b) *Contents.* The notice of hearing will advise affected parties about the pre-election investigatory hearing. The Executive Director will also notify affected parties of the issues raised in the petition and establish a date for the prehearing conference.

(c) *Prehearing conference.* A prehearing conference will be conducted by the Executive Director or her designee, either by meeting or teleconference. All parties must participate in a prehearing conference and be prepared to fully discuss, narrow and resolve the issues set forth in the notification of the prehearing conference.

(d) *No interlocutory appeal of investigatory hearing determination.* The Executive Director's determination of whether to issue a notice of pre-election investigatory hearing is not appealable to the Board.

§2422.18 Pre-election investigatory hearing procedures.

(a) *Purpose of a pre-election investigatory hearing.* Representation hearings are considered investigatory and not adversarial. The purpose of the hearing is to develop a full and complete record of relevant and material facts.

(b) *Conduct of hearing.* Pre-election investigatory hearings will be open to the public unless otherwise ordered by the Executive Director or her designee. There is no burden of proof, with the exception of proceedings on objections to elections as provided for in §2422.27(b). Formal rules of evidence do not apply.

(c) *Pre-election investigatory hearing.* Pre-election investigatory hearings will be conducted by the Executive Director or her designee.

(d) *Production of evidence.* Parties have the obligation to produce existing documents and witnesses for the investigatory hearing in accordance with the instructions of the Executive Director or her designee. If a party willfully fails to comply with such instructions, the Board may draw an inference adverse to that party on the issue related to the evidence sought.

(e) *Transcript.* An official reporter will make the official transcript of the pre-election investigatory hearing. Copies of the official transcript may be examined in the Office during normal working hours. Requests

by parties to purchase copies of the official transcript should be made to the official hearing reporter.

§ 2422.19 Motions.

(a) *Purpose of a motion.* Subsequent to the issuance of a notice of pre-election investigatory hearing in a representation proceeding, a party seeking a ruling, an order, or relief must do so by filing or raising a motion stating the order or relief sought and the grounds therefor. Challenges and other filings referenced in other sections of this subpart may, in the discretion of the Executive Director or her designee, be treated as a motion.

(b) *Prehearing motions.* Prehearing motions must be filed in writing with the Executive Director. Any response must be filed with the Executive Director within five (5) days after service of the motion. The Executive Director shall rule on the motion.

(c) *Motions made at the investigatory hearing.* During the pre-election investigatory hearing, motions will be made to the Executive Director or her designee, and may be oral on the record, unless otherwise required in this subpart to be in writing. Responses may be oral on the record or in writing, but, absent permission of the Executive Director or her designee, must be provided before the hearing closes. The Executive Director or her designee will rule on motions made at the hearing.

(d) *Posthearing motions.* Motions made after the hearing closes must be filed in writing with the Board. Any response to a posthearing motion must be filed with the Board within five (5) days after service of the motion.

§ 2422.20 Rights of parties at a pre-election investigatory hearing.

(a) *Rights.* A party at a pre-election investigatory hearing will have the right:

(1) To appear in person or by a representative;

(2) To examine and cross-examine witnesses; and

(3) To introduce into the record relevant evidence.

(b) *Documentary evidence and stipulations.* Parties must submit two (2) copies of documentary evidence to the Executive Director or her designee and copies to all other parties. Stipulations of fact between/among the parties may be introduced into evidence.

(c) *Oral argument.* Parties will be entitled to a reasonable period prior to the close of the hearing for oral argument. Presentation of a closing oral argument does not preclude a party from filing a brief under paragraph (d) of this section.

(d) *Briefs.* A party will be afforded an opportunity to file a brief with the Board.

(1) An original and two (2) copies of a brief must be filed with the Board within thirty (30) days from the close of the hearing.

(2) A written request for an extension of time to file a brief must be filed with and received by the Board no later than five (5) days before the date the brief is due.

(3) No reply brief may be filed without permission of the Board.

§ 2422.21 Duties and powers of the Executive Director in the conduct of the pre-election investigatory hearing.

(a) *Duties.* The Executive Director or her designee, on behalf of the Board, will receive evidence and inquire fully into the relevant and material facts concerning the matters that are the subject of the investigatory hearing, and may make recommendations on the record to the Board.

(b) *Powers.* During the period a case is assigned to the Executive Director or her designee for pre-election investigatory hearing and prior to the close of the hearing, the Executive Director or her designee may take any action necessary to schedule, conduct, continue, control, and regulate the pre-election investigatory hearing, including ruling on motions when appropriate.

§ 2422.22 Objections to the conduct of the pre-election investigatory hearing.

(a) *Objections.* Objections are oral or written complaints concerning the conduct of a pre-election investigatory hearing.

(b) *Exceptions to rulings.* There are automatic exceptions to all adverse rulings.

§ 2422.23 Election procedures.

(a) *Executive Director conducts or supervises election.* The Executive Director, on behalf of the Board, will decide to conduct or supervise the election. In supervised elections, employing offices or activities will perform all acts as specified in the Election Agreement or Direction of Election.

(b) *Notice of election.* Prior to the election a notice of election, prepared by the Executive Director, will be posted by the employing office or activity in places where notices to employees are customarily posted and/or distributed in a manner by which notices are normally distributed. The notice of election will contain the details and procedures of the election, including the appropriate unit, the eligibility period, the date(s), hour(s) and location(s) of the election, a sample ballot, and the effect of the vote.

(c) *Sample ballot.* The reproduction of any document purporting to be a copy of the official ballot that suggests either directly or indirectly to employees that the Board endorses a particular choice in the election may constitute grounds for setting aside an election if objections are filed under § 2422.26.

(d) *Secret ballot.* All elections will be by secret ballot.

(e) *Intervenor withdrawal from ballot.* When two or more labor organizations are included as choices in an election, an intervening labor organization may, prior to the approval of an election agreement or before the direction of an election, file a written request with the Executive Director to remove its name from the ballot. If the request is not received prior to the approval of an election agreement or before the direction of an election, unless the parties and the Executive Director, on behalf of the Board, agree otherwise, the intervening labor organization will remain on the ballot. The Executive Director's decision on the request is final and not subject to the filing of an application for review with the Board.

(f) *Incumbent withdrawal from ballot in an election to decertify an incumbent representative.* When there is no intervening labor organization, an election to decertify an incumbent exclusive representative will not be held if the incumbent provides the Executive Director with a written disclaimer of any representation interest in the unit. When there is an intervenor, an election will be held if the intervening labor organization proffers a thirty percent (30%) showing of interest within the time period established by the Executive Director.

(g) *Petitioner withdraws from ballot in an election.* When there is no intervening labor organization, an election will not be held if the petitioner provides the Executive Director with a written request to withdraw the petition. When there is an intervenor, an election will be held if the intervening labor organization proffers a thirty percent (30%) showing of interest within the time period established by the Executive Director.

(h) *Observers.* All parties are entitled to representation at the polling location(s) by observers of their own selection subject to the Executive Director's approval.

(1) Parties desiring to name observers must file in writing with the Executive Director a request for specifically named observers at least fifteen (15) days prior to an election. The Executive Director may grant an extension of time for filing a request for specifically named observers for good cause where a party requests such an extension or on the Executive Director's own motion. The request must name and identify the observers requested.

(2) An employing office or activity may use as its observers any employees who are not eligible to vote in the election, except:

(i) Supervisors or management officials;

(ii) Employees who have any official connection with any of the labor organizations involved; or

(iii) Non-employees of the legislative branch.

(3) A labor organization may use as its observers any employees eligible to vote in the election, except:

(i) Employees on leave without pay status who are working for the labor organization involved; or

(ii) Employees who hold an elected office in the union.

(4) Objections to a request for specific observers must be filed with the Executive Director stating the reasons in support within five (5) days after service of the request.

(5) The Executive Director's ruling on requests for and objections to observers is final and binding and is not subject to the filing of an application for review with the Board.

§ 2422.24 Challenged ballots.

(a) *Filing challenges.* A party or the Executive Director may, for good cause, challenge the eligibility of any person to participate in the election prior to the employee voting.

(b) *Challenged ballot procedure.* An individual whose eligibility to vote is in dispute will be given the opportunity to vote a challenged ballot. If the parties and the Region are unable to resolve the challenged ballot(s) prior to the tally of ballots, the unresolved challenged ballot(s) will be impounded and preserved until a determination can be made, if necessary, by the Executive Director or the Board.

§ 2422.25 Tally of ballots.

(a) *Tallying the ballots.* When the election is concluded, the Executive Director or her designee will tally the ballots.

(b) *Service of the tally.* When the tally is completed, the Executive Director will serve the tally of ballots on the parties in accordance with the election agreement or direction of election.

(c) *Valid ballots cast.* Representation will be determined by the majority of the valid ballots cast.

§ 2422.26 Objections to the election.

(a) *Filing objections to the election.* Objections to the procedural conduct of the election or to conduct that may have improperly affected the results of the election may be filed by any party. Objections must be filed and received by the Executive Director within five (5) days after the tally of ballots has been served. Any objections must be timely regardless of whether the challenged ballots are sufficient in number to affect the results of the election. The objections must be supported by clear and concise reasons. An original and two (2) copies of the objections must be received by the Executive Director.

(b) *Supporting evidence.* The objecting party must file with the Executive Director evidence, including signed statements, documents and other materials supporting the objections within ten (10) days after the objections are filed.

§ 2422.27 Determinative challenged ballots and objections.

(a) *Investigation.* The Executive Director, on behalf of the Board, will investigate objections and/or determinative challenged ballots that are sufficient in number to affect the results of the election.

(b) *Burden of proof.* A party filing objections to the election bears the burden of proof by a preponderance of the evidence concerning those objections. However, no party bears the burden of proof on challenged ballots.

(c) *Executive Director action.* After investigation, the Executive Director will take appropriate action consistent with §2422.30.

(d) *Consolidated hearing on objections and/or determinative challenged ballots and an unfair labor practice hearing.* When appropriate, and in accordance with §2422.33, objections and/or determinative challenged ballots may be consolidated with an unfair labor practice hearing. Such consolidated hearings will be conducted by a Hearing Officer. Exceptions and related submissions must be filed with the Board and the Board will issue a decision in accordance with Part 2423 of this chapter and section 406 of the CAA, except for the following:

(1) Section 2423.18 of this Subchapter concerning the burden of proof is not applicable;

(2) The Hearing Officer may not recommend remedial action to be taken or notices to be posted; and,

(3) References to charge and complaint in Part 2423 of this chapter will be omitted.

§2422.28 Runoff elections.

(a) *When a runoff may be held.* A runoff election is required in an election involving at least three (3) choices, one of which is no union or neither, when no choice receives a majority of the valid ballots cast. However, a runoff may not be held until the objections to the election and determinative challenged ballots have been resolved.

(b) *Eligibility.* Employees who were eligible to vote in the original election and who are also eligible on the date of the runoff election may vote in the runoff election.

(c) *Ballot.* The ballot in the runoff election will provide for a selection between the two choices receiving the largest and second largest number of votes in the election.

§2422.29 Inconclusive elections.

(a) *Inconclusive elections.* An inconclusive election is one where challenged ballots are not sufficient to affect the outcome of the election and one of the following occurs:

(1) The ballot provides for at least three (3) choices, one of which is no union or neither and the votes are equally divided; or

(2) The ballot provides for at least three (3) choices, the choice receiving the highest number of votes does not receive a majority, and at least two other choices receive the next highest and same number of votes; or

(3) When a runoff ballot provides for a choice between two labor organizations and results in the votes being equally divided; or

(4) When the Board determines that there have been significant procedural irregularities.

(b) *Eligibility to vote in a rerun election.* A current payroll period will be used to determine eligibility to vote in a rerun election.

(c) *Ballot.* If a determination is made that the election is inconclusive, the election will be rerun with all the choices that appeared on the original ballot.

(d) *Number of reruns.* There will be only one rerun of an inconclusive election. If the rerun results in another inconclusive election, the tally of ballots will indicate a majority of valid ballots has not been cast for any choice and a certification of results will be issued. If necessary, a runoff may be held when an original election is rerun.

§2422.30 Executive Director investigations, notices of pre-election investigatory hearings, and actions; Board Decisions and Orders.

(a) *Executive Director investigation.* The Executive Director, on behalf of the Board, will make such investigation of the petition and any other matter as the Executive Director deems necessary.

(b) *Executive Director notice of pre-election investigatory hearing.* On behalf of the Board, the Executive Director will issue a notice of pre-election investigatory hearing to inquire into any matter about which a material issue of fact exists, where there is an issue as to whether a question concerning representation exists, and any time there is reasonable cause to believe a question exists regarding unit appropriateness.

(c) *Executive Director action.* After investigation and/or hearing, when a pre-election investigatory hearing has been ordered, the Executive Director may, on behalf of the Board, approve an election agreement, dismiss a petition or deny intervention where there is an inadequate or invalid showing of interest, or dismiss a petition where there is an undisputed bar to further processing of the petition under law, rule or regulation.

(d) *Appeal of Executive Director action.* A party may file with the Board an application for review of an Executive Director action taken pursuant to section (c) above.

(e) *Contents of the Record.* When no pre-election investigatory hearing has been conducted all material submitted to and considered by the Executive Director during the investigation becomes a part of the record. When a pre-election investigatory hearing has been conducted, the transcript and all material entered into evidence, including any posthearing briefs, become a part of the record.

(f) *Transfer of record to Board; Board Decisions and Orders.* In cases that are submitted to the Board for decision in the first instance, the Board shall decide the issues presented based upon the record developed by the Executive Director, including the transcript of the pre-election investigatory hearing, if any, documents admitted into the record and briefs and other approved submissions from the parties. The Board may direct that a secret ballot election be held, issue an order dismissing the petition, or make such other disposition of the matter as it deems appropriate.

§2422.31 Application for review of an Executive Director action.

(a) *Filing an application for review.* A party must file an application for review with the Board within sixty (60) days of the Executive Director's action. The sixty (60) day time limit provided for in 5 U.S.C. 7105(f), as applied by the CAA, may not be extended or waived.

(b) *Contents.* An application for review must be sufficient to enable the Board to rule on the application without recourse to the record; however, the Board may, in its discretion, examine the record in evaluating the application. An application must specify the matters and rulings to which exception(s) is taken, include a summary of evidence relating to any issue raised in the application, and make specific reference to page citations in the transcript if a hearing was held. An application may not raise any issue or rely on any facts not timely presented to the Executive Director.

(c) *Review.* The Board may, in its discretion, grant an application for review when the application demonstrates that review is warranted on one or more of the following grounds:

(1) The decision raises an issue for which there is an absence of precedent;

(2) Established law or policy warrants reconsideration; or,

(3) There is a genuine issue over whether the Executive Director has:

(i) Failed to apply established law;

(ii) Committed a prejudicial procedural error;

(iii) Committed a clear and prejudicial error concerning a substantial factual matter.

(d) *Opposition.* A party may file with the Board an opposition to an application for review within ten (10) days after the party is served with the application. A copy must be served on the Executive Director and all other parties and a statement of service must be filed with the Board.

(e) *Executive Director action becomes the Board's action.* An action of the Executive Director becomes the action of the Board when:

(1) No application for review is filed with the Board within sixty (60) days after the date of the Executive Director's action; or

(2) A timely application for review is filed with the Board and the Board does not undertake to grant review of the Executive Director's action within sixty (60) days of the filing of the application; or

(3) The Board denies an application for review of the Executive Director's action.

(f) *Board grant of review and stay.* The Board may rule on the issue(s) in an application for review in its order granting the application for review. Neither filing nor granting an application for review shall stay any action ordered by the Executive Director unless specifically ordered by the Board.

(g) *Briefs if review is granted.* If the Board does not rule on the issue(s) in the application for review in its order granting review, the Board may, in its discretion, afford the parties an opportunity to file briefs. The briefs will be limited to the issue(s) referenced in the Board's order granting review.

§2422.32 Certifications and revocations.

(a) *Certifications.* The Executive Director, on behalf of the Board, will issue an appropriate certification when:

(1) After an election, runoff, or rerun,

(i) No objections are filed or challenged ballots are not determinative, or

(ii) Objections and determinative challenged ballots are decided and resolved; or

(2) The Executive Director takes an action requiring a certification and that action becomes the action of the Board under §2422.31(e) or the Board otherwise directs the issuance of a certification.

(b) *Revocations.* Without prejudice to any rights and obligations which may exist under the CAA, the Executive Director, on behalf of the Board, will revoke a recognition or certification, as appropriate, and provide a written statement of reasons when an incumbent exclusive representative files, during a representation proceeding, a disclaimer of any representational interest in the unit.

§2422.33 Relief obtainable under Part 2423.

Remedial relief that was or could have been obtained as a result of a motion, objection, or challenge filed or raised under this subpart, may not be the basis for similar relief if filed or raised as an unfair labor practice under Part 2423 of this Chapter: *provided, however,* that related matters may be consolidated for hearing as noted in §2422.27(d) of this subpart.

§2422.34 Rights and obligations during the pendency of representation proceedings.

(a) *Existing recognitions, agreements, and obligations under the CAA.* During the pendency of any representation proceeding, parties are obligated to maintain existing recognitions, adhere to the terms and conditions of existing collective bargaining agreements, and fulfill all other representational and bargaining responsibilities under the CAA.

(b) *Unit status of individual employees.* Notwithstanding paragraph (a) of this section and except as otherwise prohibited by law, a party may take action based on its position regarding the bargaining unit status of individual employees, pursuant to 5 U.S.C.

7103(a)(2), 7112(b) and (c), as applied by the CAA: *provided, however,* that its actions may be challenged, reviewed, and remedied where appropriate.

PART 2423—UNFAIR LABOR PRACTICE PROCEEDINGS

Sec.
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2423.30 Compliance with decisions and orders of the Board.
2423.31 Backpay proceedings.

§ 2423.1 Applicability of this part.

This part is applicable to any charge of alleged unfair labor practices occurring on or after October 1, 1996.

§ 2423.2 Informal proceedings.

(a) The purposes and policies of chapter 71, as applied by the CAA, can best be achieved by the cooperative efforts of all persons covered by the program. To this end, it shall be the policy of the Board and the General Counsel to encourage all persons alleging unfair labor practices and persons against whom such allegations are made to meet and, in good faith, attempt to resolve such matters prior to the filing of unfair labor practice charges.

(b) In furtherance of the policy referred to in paragraph (a) of this section, and noting the 180 day period of limitation set forth in section 220(c)(2) of the CAA, it shall be the policy of the Board and the General Counsel to encourage the informal resolution of unfair labor practice allegations subsequent to the filing of a charge and prior to the filing of a complaint by the General Counsel.

(c) In order to afford the parties an opportunity to implement the policy referred to in paragraphs (a) and (b) of this section, the investigation of an unfair labor practice charge by the General Counsel will normally not commence until the parties have been afforded a reasonable amount of time, not to exceed fifteen (15) days from the filing of the charge, during which period the parties are urged to attempt to informally resolve the unfair labor practice allegation.

§ 2423.3 Who may file charges.

An employing office, employing activity, or labor organization may be charged by any person with having engaged in or engaging in any unfair labor practice prohibited under 5 U.S.C. 7116, as applied by the CAA.

§ 2423.4 Contents of the charge; supporting evidence and documents.

(a) A charge alleging a violation of 5 U.S.C. 7116, as applied by the CAA, shall be submitted on forms prescribed by the General Counsel and shall contain the following:

(1) The name, address and telephone number of the person(s) making the charge;

(2) The name, address and telephone number of the employing office or activity, or labor organization against whom the charge is made;

(3) A clear and concise statement of the facts constituting the alleged unfair labor practice, a statement of the section(s) and subsection(s) of chapter 71 of title 5 of the United States Code made applicable by the CAA alleged to have been violated, and the date and place of occurrence of the particular acts; and

(4) A statement of any other procedure invoked involving the subject matter of the charge and the results, if any, including whether the subject matter raised in the charge (i) has been raised previously in a grievance procedure; (ii) has been referred to the Board under Part 2471 of these regulations, or the Federal Mediation and Conciliation Service, or (iii) involves a negotiability issue raised by the charging party in a petition pending before the Board pursuant to Part 2424 of this subchapter.

(b) Such charge shall be in writing and signed and shall contain a declaration by the person signing the charge, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of that person's knowledge and belief.

(c) When filing a charge, the charging party shall submit to the General Counsel any supporting evidence and documents.

§ 2423.5 Selection of the unfair labor practice procedure or the negotiability procedure.

Where a labor organization files an unfair labor practice charge pursuant to this part which involves a negotiability issue, and the labor organization also files pursuant to part 2424 of this subchapter a petition for review of the same negotiability issue, the Board and the General Counsel ordinarily will not process the unfair labor practice charge and the petition for review simultaneously. Under such circumstances, the labor organization must select under which procedure to proceed. Upon selection of one procedure, further action under the other procedure will ordinarily be suspended. Such selection must be made regardless of whether the unfair labor practice charge or the petition for review of a negotiability issue is filed first. Notification of this selection must be made in writing at the time that both procedures have been invoked, and must be served on the Board, the General Counsel and all parties to both the unfair labor practice case and the negotiability case.

§ 2423.6 Filing and service of copies.

(a) An original and four (4) copies of the charge together with one copy for each additional charged party named shall be filed with the General Counsel.

(b) Upon the filing of a charge, the charging party shall be responsible for the service of a copy of the charge (without the supporting evidence and documents) upon the person(s) against whom the charge is made, and for filing a written statement of such service with the General Counsel. The General Counsel will, as a matter of course, cause a copy of such charge to be served on the person(s) against whom the charge is made, but shall not be deemed to assume responsibility for such service.

(c) A charge will be deemed to be filed when it is received by the General Counsel in accordance with the requirements in paragraph (a) of this section.

§ 2423.7 Investigation of charges.

(a) The General Counsel shall conduct such investigation of the charge as the General Counsel deems necessary. Consistent with the policy set forth in § 2423.2, the investigation will normally not commence until the parties have been afforded a reasonable amount of time, not to exceed fifteen (15) days from the filing of the charge, to informally resolve the unfair labor practice allegation.

(b) During the course of the investigation all parties involved will have an opportunity to present their evidence and views to the General Counsel.

(c) In connection with the investigation of charges, all persons are expected to cooperate fully with the General Counsel.

(d) The purposes and policies of chapter 71, as applied by the CAA, can best be achieved by the full cooperation of all parties involved and the voluntary submission of all potentially relevant information from all potential sources during the course of the investigation. To this end, it shall be the policy of the Board and the General Counsel to protect the identity of individuals and the substance of the statements and information they submit or which is obtained during the investigation as a means of assuring the Board's and the General Counsel's continuing ability to obtain all relevant information.

§ 2423.8 Amendment of charges.

Prior to the issuance of a complaint, the charging party may amend the charge in accordance with the requirements set forth in § 2423.6.

§ 2423.9 Action by the General Counsel.

(a) The General Counsel shall take action which may consist of the following, as appropriate:

(1) Approve a request to withdraw a charge;

(2) Refuse to file a complaint;

(3) Approve a written settlement and recommend that the Executive Director approve a written settlement agreement in accordance with the provisions of section 414 of the CAA;

(4) File a complaint;

(5) Upon agreement of all parties, transfer to the Board for decision, after filing of a complaint, a stipulation of facts in accordance with the provisions of § 2429.1(a) of this subchapter; or

(6) Withdraw a complaint.

§ 2423.10 Determination not to file complaint.

(a) If the General Counsel determines that the charge has not been timely filed, that the charge fails to state an unfair labor practice, or for other appropriate reasons, the General Counsel may request the charging party to withdraw the charge, and in the absence of such withdrawal within a reasonable time, decline to file a complaint.

(b) The charging party may not obtain a review of the General Counsel's decision not to file a complaint.

§ 2423.11 Settlement or adjustment of issues.

(a) At any stage of a proceeding prior to hearing, where time, the nature of the proceeding, and the public interest permit, all interested parties shall have the opportunity to submit to the Executive Director or General Counsel, as appropriate, for consideration, all facts and arguments concerning offers of settlement, or proposals of adjustment.

Precomplaint settlements

(b)(1) Prior to the filing of any complaint or the taking of other formal action, the General Counsel will afford the charging

party and the respondent a reasonable period of time in which to enter into a settlement agreement to be submitted to and approved by the General Counsel and the Executive Director. Upon approval by the General Counsel and Executive Director and compliance with the terms of the settlement agreement, no further action shall be taken in the case. If the respondent fails to perform its obligations under the settlement agreement, the General Counsel may determine to institute further proceedings.

(2) In the event that the charging party fails or refuses to become a party to a settlement agreement offered by the respondent, if the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied by the CAA, the agreement shall be between the respondent and the General Counsel and the latter shall decline to file a complaint.

Post complaint settlement policy

(c) Consistent with the policy reflected in paragraph (a) of this section, even after the filing of a complaint, the Board favors the settlement of issues. Such settlements may be accomplished as provided in paragraph (b) of this section. The parties may, as part of the settlement, agree to waive their right to a hearing and agree further that the Board may issue an order requiring the respondent to take action appropriate to the terms of the settlement. Ordinarily such a settlement agreement will also contain the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order.

Post complaint prehearing settlements

(d)(1) If, after the filing of a complaint, the charging party and the respondent enter into a settlement agreement, and such agreement is accepted by the General Counsel, the settlement agreement shall be submitted to the Executive Director for approval.

(2) If, after the filing of a complaint, the charging party fails or refuses to become a party to a settlement agreement offered by the respondent, and the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied by the CAA, the agreement shall be between the respondent and the General Counsel. The charging party will be so informed and provided a brief written statement by the General Counsel of the reasons therefor. The settlement agreement together with the charging party's objections, if any, and the General Counsel's written statements, shall be submitted to the Executive Director for approval. The Executive Director may approve or disapprove any settlement agreement.

(3) After the filing of a complaint, if the General Counsel concludes that it will effectuate the policies of chapter 71, as applied by the CAA, the General Counsel may withdraw the complaint.

Settlements after the opening of the hearing

(e)(1) After filing of a complaint and after opening of the hearing, if the General Counsel concludes that it will effectuate the policies of chapter 71, as applied by the CAA, the General Counsel may request the Hearing Officer for permission to withdraw the complaint and, having been granted such permission to withdraw the complaint, may approve a settlement and recommend that the Executive Director approve the settlement pursuant to paragraph (b) of this section.

(2) If, after filing of a complaint and after opening of the hearing, the parties enter into a settlement agreement that contains the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order, the General Counsel may request the Hearing Officer and the Executive Director to approve such settlement agreement, and upon such approval, to transmit the agreement to the Board for approval.

(3) If the charging party fails or refuses to become a party to a settlement agreement, offered by the respondent, that contains the respondent's consent to the Board's application for the entry of a decree by the United States Court of Appeals for the Federal Circuit enforcing the Board's order, and the General Counsel concludes that the offered settlement will effectuate the policies of chapter 71, as applied to the CAA, the agreement shall be between the respondent and the General Counsel. After the charging party is given an opportunity to state on the record or in writing the reasons for opposing the settlement, the General Counsel may request the Hearing Officer and the Executive Director to approve such settlement agreement, and upon such approval, to transmit the agreement to the Board for approval. The Board may approve or disapprove any such settlement agreement or return the case to the Hearing Officer for other appropriate action.

§ 2423.12 Filing and contents of the complaint.

(a) After a charge is filed, if it appears to the General Counsel that formal proceedings in respect thereto should be instituted, the General Counsel shall file a formal complaint: *Provided, however,* that a determination by the General Counsel to file a complaint shall not be subject to review.

(b) The complaint shall include:

(1) Notice of the charge;

(2) Any information required pursuant to the Procedural Rules of the Office.

(c) Any such complaint may be withdrawn before the hearing by the General Counsel.

§ 2423.13 Answer to the complaint.

A respondent shall file an answer to a complaint in accordance with the requirements of the Procedural Rules of the Office.

§ 2423.14 Prehearing disclosure; conduct of hearing.

The procedures for prehearing discovery and the conduct of the hearing are set forth in the Procedural Rules of the Office.

§ 2423.15 Intervention.

Any person involved and desiring to intervene in any proceeding pursuant to this part shall file a motion in accordance with the procedures set forth in the Procedural Rules of the Office. The motion shall state the grounds upon which such person claims involvement.

§ 2423.16 [Reserved]

§ 2423.17 [Reserved]

§ 2423.18 Burden of proof before the Hearing Officer.

The General Counsel shall have the responsibility of presenting the evidence in support of the complaint and shall have the burden of proving the allegations of the complaint by a preponderance of the evidence.

2423.19 Duties and powers of the Hearing Officer.

It shall be the duty of the Hearing Officer to inquire fully into the facts as they relate to the matter before such Hearing Officer, subject to the rules and regulations of the Office and the Board.

§ 2423.20 [Reserved]

§ 2423.21 [Reserved]

§ 2423.22 [Reserved]

§ 2423.23 [Reserved]

§ 2423.24 [Reserved]

§ 2423.25 [Reserved]

§ 2423.26 Hearing Officer decisions; entry in records of the Office.

In accordance with the Procedural Rules of the Office, the Hearing Officer shall issue a written decision and that decision will be entered into the records of the Office.

§ 2423.27 Appeal to the Board.

An aggrieved party may seek review of a decision and order of the Hearing Officer in accordance with the Procedural Rules of the Office.

§ 2423.28 [Reserved]

§ 2423.29 Action by the Board.

(a) If an appeal is filed, the Board shall review the decision of the Hearing Officer in accordance with section 406 of the CAA, and the Procedural Rules of the Office.

(b) Upon finding a violation, the Board shall issue an order:

(1) To cease and desist from any such unfair labor practice in which the employing office or labor organization is engaged;

(2) Requiring the parties to renegotiate a collective bargaining agreement in accordance with the order of the Board and requiring that the agreement, as amended, be given retroactive effect;

(3) Requiring reinstatement of an employee with backpay in accordance with 5 U.S.C. 5596; or

(4) Including any combination of the actions described in paragraphs (1) through (3) of this paragraph (b), or such other action as will carry out the purpose of the chapter 71, as applied by the CAA.

(c) Upon finding no violation, the Board shall dismiss the complaint.

§ 2423.30 Compliance with decisions and orders of the Board.

When remedial action is ordered, the respondent shall report to the Office within a specified period that the required remedial action has been effected. When the General Counsel or the Executive Director finds that the required remedial action has not been effected, the General Counsel or the Executive Director shall take such action as may be appropriate, including referral to the Board for enforcement.

§ 2423.31 Backpay proceedings.

After the entry of a Board order directing payment of backpay, or the entry of a court decree enforcing such order, if it appears to the General Counsel that a controversy exists which cannot be resolved without a formal proceeding, the General Counsel may issue and serve on all parties a backpay specification accompanied by a request for hearing or a request for hearing without a specification. Upon receipt of the request for hearing, the Executive Director will appoint an independent Hearing Officer. The respondent shall, within twenty (20) days after the service of a backpay specification, file an answer thereto in accordance with the Office's Procedural Rules. No answer need be filed by the respondent to a notice of hearing issued without a specification. After the issuance of a notice of hearing, with or without a backpay specification, the hearing procedures provided in the Procedural Rules of the Office shall be followed insofar as applicable.

PART 2424—EXPEDITED REVIEW OF NEGOTIABILITY ISSUES

Subpart A—Instituting an Appeal

Sec.
2424.1 Conditions governing review.
2424.2 Who may file a petition.
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2424.4 Content of petition; service.
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Subpart B—Criteria for Determining Compelling Need for Employing Office Rules and Regulations

2424.11 Illustrative criteria.

Subpart A—Instituting an Appeal

§ 2424.1 Conditions governing review.

The Board will consider a negotiability issue under the conditions prescribed by 5 U.S.C. 7117 (b) and (c), as applied by the CAA, namely: If an employing office involved in collective bargaining with an exclusive representative alleges that the duty to bargain in good faith does not extend to any matter proposed to be bargained because, as proposed, the matter is inconsistent with law, rule or regulation, the exclusive representative may appeal the allegation to the Board when——

(a) It disagrees with the employing office's allegation that the matter as proposed to be bargained is inconsistent with any Federal law or any Government-wide rule or regulation; or

(b) It alleges, with regard to any employing office rule or regulation asserted by the employing office as a bar to negotiations on the matter, as proposed, that:

(1) The rule or regulation violates applicable law, or rule or regulation of appropriate authority outside the employing office;

(2) The rule or regulation was not issued by the employing office or by any primary national subdivision of the employing office, or otherwise is not applicable to bar negotiations with the exclusive representative, under 5 U.S.C. 7117(a)(3), as applied by the CAA; or

(3) No compelling need exists for the rule or regulation to bar negotiations on the matter, as proposed, because the rule or regulation does not meet the criteria established in subpart B of this part.

§ 2424.2 Who may file a petition.

A petition for review of a negotiability issue may be filed by an exclusive representative which is a party to the negotiations.

§ 2424.3 Time limits for filing.

The time limit for filing a petition for review is fifteen (15) days after the date the employing office's allegation that the duty to bargain in good faith does not extend to the matter proposed to be bargained is served on the exclusive representative. The exclusive representative shall request such allegation in writing and the employing office shall make the allegation in writing and serve a copy on the exclusive representative: provided, however, that review of a negotiability issue may be requested by an exclusive representative under this subpart without a prior written allegation by the employing office if the employing office has not served such allegation upon the exclusive representative within ten (10) days after the date of the receipt by any employing office bargaining representative at the negotiations of a written request for such allegation.

§ 2424.4 Content of petition; service.

(a) A petition for review shall be dated and shall contain the following:

(1) A statement setting forth the express language of the proposal sought to be negotiated as submitted to the employing office;

(2) An explicit statement of the meaning attributed to the proposal by the exclusive representative including:

(i) Explanation of terms of art, acronyms, technical language, or any other aspect of the language of the proposal which is not in common usage; and

(ii) Where the proposal is concerned with a particular work situation, or other particular circumstances, a description of the situation or circumstances which will enable the Board to understand the context in which the proposal is intended to apply;

(3) A copy of all pertinent material, including the employing office's allegation in writing that the matter, as proposed, is not within the duty to bargain in good faith, and other relevant documentary material; and

(4) Notification by the petitioning labor organization whether the negotiability issue is also involved in an unfair labor practice charge filed by such labor organization under part 2423 of this subchapter and pending before the General Counsel.

(b) A copy of the petition including all attachments thereto shall be served on the employing office head and on the principal employing office bargaining representative at the negotiations.

(c)(1) Filing an incomplete petition for review will result in the exclusive representative being asked to provide the missing or incomplete information. Noncompliance with a request to complete the record may result in dismissal of the petition.

(2) The processing priority accorded to an incomplete petition, relative to other pending negotiability appeals, will be based upon the date when the petition is completed not the date it was originally filed.

§ 2424.5 Selection of the unfair labor practice procedure or the negotiability procedure.

Where a labor organization files an unfair labor practice charge pursuant to part 2423 of this subchapter which involves a negotiability issue, and the labor organization also files pursuant to this part a petition for review of the same negotiability issue, the Board and the General Counsel ordinarily will not process the unfair labor practice charge and the petition for review simultaneously. Under such circumstances, the labor organization must select under which procedure to proceed. Upon selection of one procedure, further action under the other procedure will ordinarily be suspended. Such selection must be made regardless of whether the unfair labor practice charge or the petition for review of a negotiability issue is filed first. Notification of this selection must be made in writing at the time that both procedures have been invoked, and must be served on the Board, the General Counsel and all parties to both the unfair labor practice case and the negotiability case.

§ 2424.6 Position of the employing office; time limits for filing; service.

(a) Within thirty (30) days after the date of the receipt by the head of an employing office of a copy of a petition for review of a negotiability issue the employing office shall file a statement

(1) Withdrawing the allegation that the duty to bargain in good faith does not extend to the matter proposed to be negotiated; or

(2) Setting forth in full its position on any matters relevant to the petition which it wishes the Board to consider in reaching its decision, including a full and detailed statement of its reasons supporting the allegation. The statement shall cite the section of any law, rule or regulation relied upon as a basis for the allegation and shall contain a copy of any internal employing office rule or regulation so relied upon. The statement shall include:

(i) Explanation of the meaning the employing office attributes to the proposal as a whole, including any terms of art, acronyms, technical language or any other aspect of the language of the proposal which is not in common usage; and

(ii) Description of a particular work situation, or other particular circumstance the employing office views the proposal to concern, which will enable the Board to understand the context in which the proposal is considered to apply by the employing office.

(b) A copy of the employing office's statement of position, including all attachments thereto shall be served on the exclusive representative.

§ 2424.7 Response of the exclusive representative; time limits for filing; service.

(a) Within fifteen (15) days after the date of the receipt by an exclusive representative of a copy of an employing office's statement of position the exclusive representative shall file a full and detailed response stating its position and reasons for:

(1) Disagreeing with the employing office's allegation that the matter, as proposed to be negotiated, is inconsistent with any Federal law or Government-wide rule or regulation; or

(2) Alleging that the employing office's rules or regulations violate applicable law, or rule or regulation or appropriate authority outside the employing office; that the rules or regulations were not issued by the employing office or by any primary national subdivision of the employing office, or otherwise are not applicable to bar negotiations under 5 U.S.C. 7117(a)(3), as applied by the CAA; or that no compelling need exists for the rules or regulations to bar negotiations.

(b) The response shall cite the particular section of any law, rule or regulation alleged to be violated by the employing office's rules or regulations; or shall explain the grounds for contending the employing office rules or regulations are not applicable to bar negotiations under 5 U.S.C. 7117(a)(3), as applied by the CAA, or fail to meet the criteria established in subpart B of this part, or were not issued at the employing office headquarters level or at the level of a primary national subdivision.

(c) A copy of the response of the exclusive representative including all attachments thereto shall be served on the employing office head and on the employing office's representative of record in the proceeding before the Board.

§ 2424.8 Additional submissions to the Board.

The Board will not consider any submission filed by any party, whether supplemental or responsive in nature, other than those authorized under §§ 2424.2 through 2424.7 unless such submission is requested by the Board; or unless, upon written request by any party, a copy of which is served on all other parties, the Board in its discretion grants permission to file such submission.

§ 2424.9 Hearing.

A hearing may be held, in the discretion of the Board, before a determination is made under 5 U.S.C. 7117(b) or (c), as applied by the CAA. If a hearing is held, it shall be expedited to the extent practicable and shall not include the General Counsel as a party.

§ 2424.10 Board decision and order; compliance.

(a) Subject to the requirements of this subpart the Board shall expedite proceedings under this part to the extent practicable and shall issue to the exclusive representative and to the employing office a written decision on the allegation and specific reasons therefor at the earliest practicable date.

(b) If the Board finds that the duty to bargain extends to the matter proposed to be bargained, the decision of the Board shall include an order that the employing office shall upon request (or as otherwise agreed to by the parties) bargain concerning such matter. If the Board finds that the duty to bargain does not extend to the matter proposed to be negotiated, the Board shall so state and issue an order dismissing the petition for review of the negotiability issue. If the Board finds that the duty to bargain extends to the matter proposed to be bargained only at the election of the employing office, the Board shall so state and issue an order dismissing the petition for review of the negotiability issue.

(c) When an order is issued as provided in paragraph (b) of this section, the employing office or exclusive representative shall report to the Executive Director within a specified period failure to comply with an order that the employing office shall upon request (or as otherwise agreed to by the parties) bargain concerning the disputed matter.

Subpart B—Criteria for Determining Compelling Need for Employing Office Rules and Regulations

§ 2424.11 Illustrative criteria.

A compelling need exists for an employing office rule or regulation concerning any condition of employment when the employing office demonstrates that the rule or regulation meets one or more of the following illustrative criteria:

(a) The rule or regulation is essential, as distinguished from helpful or desirable, to the accomplishment of the mission or the execution of functions of the employing office or primary national subdivision in a manner which is consistent with the requirements of an effective and efficient government.

(b) The rule or regulation is necessary to insure the maintenance of basic merit principles.

(c) The rule or regulation implements a mandate to the employing office or primary national subdivision under law or other outside authority, which implementation is essentially nondiscretionary in nature.

PART 2425—REVIEW OF ARBITRATION AWARDS

Sec.
2425.1 Who may file an exception; time limits for filing; opposition; service.
2425.2 Content of exception.
2425.3 Grounds for review.
2425.4 Board decision.

§ 2425.1 Who may file an exception; time limits for filing; opposition; service.

(a) Either party to arbitration under the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA, may file an exception to an arbitrator's award rendered pursuant to the arbitration.

(b) The time limit for filing an exception to an arbitration award is thirty (30) days beginning on the date the award is served on the filing party.

(c) An opposition to the exception may be filed by a party within thirty (30) days after the date of service of the exception.

(d) A copy of the exception and any opposition shall be served on the other party.

§ 2425.2 Content of exception.

An exception must be a dated, self-contained document which sets forth in full:

(a) A statement of the grounds on which review is requested;

(b) Evidence or rulings bearing on the issues before the Board;

(c) Arguments in support of the stated grounds, together with specific reference to the pertinent documents and citations of authorities; and

(d) A legible copy of the award of the arbitrator and legible copies of other pertinent documents; and

(e) The name and address of the arbitrator.

§ 2425.3 Grounds for review.

The Board will review an arbitrator's award to which an exception has been filed to determine if the award is deficient—

(a) Because it is contrary to any law, rule or regulation; or

(b) On other grounds similar to those applied by Federal courts in private sector labor-management relations.

§ 2425.4 Board decision.

The Board shall issue its decision and order taking such action and making such recommendations concerning the award as it considers necessary, consistent with applicable laws, rules, or regulations.

PART 2426—NATIONAL CONSULTATION RIGHTS AND CONSULTATION RIGHTS ON GOVERNMENT-WIDE RULES OR REGULATIONS

Subpart A—National Consultation Rights

Sec.
2426.1 Requesting; granting; criteria.
2426.2 Requests; petition and procedures for determination of eligibility for national consultation rights.
2426.3 Obligation to consult.

Subpart B—Consultation Rights on Government-wide Rules or Regulations

2426.11 Requesting; granting; criteria.
2426.12 Requests; petition and procedures for determination of eligibility for consultation rights on Government-wide rules or regulations.
2426.13 Obligation to consult.

Subpart A—National Consultation Rights

§ 2426.1 Requesting; granting; criteria.

(a) An employing office shall accord national consultation rights to a labor organization that:

(1) Requests national consultation rights at the employing office level; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of personnel employed by the employing office.

(b) An employing office's primary national subdivision which has authority to formulate conditions of employment shall accord national consultation rights to a labor organization that:

(1) Requests national consultation rights at the primary national subdivision level; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of personnel employed by the primary national subdivision.

(c) In determining whether a labor organization meets the requirements as prescribed in paragraphs (a)(2) and (b)(2) of this section, the following will not be counted:

(1) At the employing office level, employees represented by the labor organization under national exclusive recognition granted at the employing office level.

(2) At the primary national subdivision level, employees represented by the labor organization under national exclusive recognition granted at the agency level or at that primary national subdivision level.

(d) An employing office or a primary national subdivision of an employing office shall not grant national consultation rights to any labor organization that does not meet the criteria prescribed in paragraphs (a), (b) and (c) of this section.

§ 2426.2 Requests; petition and procedures for determination of eligibility for national consultation rights.

(a) Requests by labor organizations for national consultation rights shall be submitted in writing to the headquarters of the employing office or the employing office's primary national subdivision, as appropriate, which headquarters shall have fifteen (15) days from the date of service of such request to respond thereto in writing.

(b) Issues relating to a labor organization's eligibility for, or continuation of, national consultation rights shall be referred to the Board for determination as follows:

(1) A petition for determination of the eligibility of a labor organization for national consultation rights under criteria set forth in § 2426.1 may be filed by a labor organization.

(2) A petition for determination of eligibility for national consultation rights shall be submitted on a form prescribed by the Board and shall set forth the following information:

(i) Name and affiliation, if any, of the petitioner and its address and telephone number;

(ii) A statement that the petitioner has submitted to the employing office or the primary national subdivision and to the Assistant Secretary a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives;

(iii) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of such person's knowledge and belief;

(iv) The signature of the petitioner's representative, including such person's title and telephone number;

(v) The name, address, and telephone number of the employing office or primary national subdivision in which the petitioner seeks to obtain or retain national consultation rights, and the persons to contact and their titles, if known;

(vi) A showing that petitioner holds adequate exclusive recognition as required by § 2426.1; and

(vii) A statement as appropriate:

(A) That such showing has been made to and rejected by the employing office or primary national subdivision, together with a statement of the reasons for rejection, if any, offered by that employing office or primary national subdivision;

(B) That the employing office or primary national subdivision has served notice of its intent to terminate existing national consultation rights, together with a statement of the reasons for termination; or

(C) That the employing office or primary national subdivision has failed to respond in writing to a request for national consultation rights made under § 2426.2(a) within fifteen (15) days after the date the request is served on the employing office or primary national subdivision.

(3) The following regulations govern petitions filed under this section:

(i) A petition for determination of eligibility for national consultation rights shall be filed with the Executive Director.

(ii) An original and four (4) copies of a petition shall be filed, qtogether with a statement of any other relevant facts and of all correspondence.

(iii) Copies of the petition together with the attachments referred to in paragraph (b)(3)(ii) of this section shall be served by the petitioner on all known interested parties, and a written statement of such service shall be filed with the Executive Director.

(iv) A petition shall be filed within thirty (30) days after the service of written notice by the employing office or primary national subdivision of its refusal to accord national consultation rights pursuant to a request under § 2426.2(a) or its intention to terminate existing national consultation rights. If an employing office or primary national subdivision fails to respond in writing to a request for national consultation rights made under § 2426.2(a) within fifteen (15) days after the date the request is served on the employing office or primary national subdivision, a petition shall be filed within thirty (30) days after the expiration of such fifteen (15) day period.

(v) If an employing office or primary national subdivision wishes to terminate national consultation rights, notice of its intention to do so shall include a statement of its reasons and shall be served not less than thirty (30) days prior to the intended termination date. A labor organization, after receiving such notice, may file a petition within the time period prescribed herein, and thereby cause to be stayed further action by

the employing office or primary national subdivision pending disposition of the petition. If no petition has been filed within the provided time period, an employing office or primary national subdivision may terminate national consultation rights.

(vi) Within fifteen (15) days after the receipt of a copy of the petition, the employing office or primary national subdivision shall file a response thereto with the Executive Director raising any matter which is relevant to the petition.

(vii) The Executive Director, on behalf of the Board, shall make such investigations as the Executive Director deems necessary and thereafter shall issue and serve on the parties a determination with respect to the eligibility for national consultation rights which shall be final: *provided, however,* that an application for review of the Executive Director's determination may be filed with the Board in accordance with the procedure set forth in §2422.31 of this subchapter. A determination by the Executive Director to issue a notice of hearing shall not be subject to the filing of an application for review.On behalf of the Board, the Executive Director, if appropriate, may cause a notice of hearing to be issued to all interested parties where substantial factual issues exist warranting an investigatory hearing. Investigatory hearings shall be conducted by the Executive Director or her designee in accordance with §2422.17 through §2422.22 of this subchapter and after the close of the investigatory hearing a Decision and Order shall be issued by the Board in accordance with §2422.30 of this subchapter.

2426.3 Obligation to consult.

(a) When a labor organization has been accorded national consultation rights, the employing office or the primary national subdivision which has granted those rights shall, through appropriate officials, furnish designated representatives of the labor organization:

(1) Reasonable notice of any proposed substantive change in conditions of employment; and

(2) Reasonable time to present its views and recommendations regarding the change.

(b) If a labor organization presents any views or recommendations regarding any proposed substantive change in conditions of employment to an employing office or a primary national subdivision, that employing office or primary national subdivision shall:

(1) Consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(2) Provide the labor organization a written statement of the reasons for taking the final action.

(c) Nothing in this subpart shall be construed to limit the right of any employing office or exclusive representative to engage in collective bargaining.

Subpart B—Consultation Rights on Government-wide Rules or Regulations

2426.11 Requesting; granting; criteria.

(a) An employing office shall accord consultation rights on Government-wide rules or regulations to a labor organization that:

(1) Requests consultation rights on Government-wide rules or regulations from an employing office; and

(2) Holds exclusive recognition for ten percent (10%) or more of the total number of employees employed by the employing office.

(b) An employing office shall not grant consultation rights on Government-wide rules or regulations to any labor organization that does not meet the criteria prescribed in paragraph (a) of this section.

2426.12 Requests; petition and procedures for determination of eligibility for consultation rights on Government-wide rules or regulations.

(a) Requests by labor organizations for consultation rights on Government-wide rules or regulations shall be submitted in writing to the headquarters of the employing office, which headquarters shall have fifteen (15) days from the date of service of such request to respond thereto in writing.

(b) Issues relating to a labor organization's eligibility for, or continuation of, consultation rights on Government-wide rules or regulations shall be referred to the Board for determination as follows:

(1) A petition for determination of the eligibility of a labor organization for consultation rights under criteria set forth in §2426.11 may be filed by a labor organization.

(2) A petition for determination of eligibility for consultation rights shall be submitted on a form prescribed by the Board and shall set forth the following information:

(i) Name and affiliation, if any, of the petitioner and its address and telephone number;

(ii) A statement that the petitioner has submitted to the employing office and to the Assistant Secretary a roster of its officers and representatives, a copy of its constitution and bylaws, and a statement of its objectives;

(iii) A declaration by the person signing the petition, under the penalties of the Criminal Code (18 U.S.C. 1001), that its contents are true and correct to the best of such person's knowledge and belief;

(iv) The signature of the petitioner's representative, including such person's title and telephone number;

(v) The name, address, and telephone number of the employing office in which the petitioner seeks to obtain or retain consultation rights on Government-wide rules or regulations, and the persons to contact and their titles, if known;

(vi) A showing that petitioner meets the criteria as required by §2426.11; and

(vii) A statement, as appropriate:

(A) That such showing has been made to and rejected by the employing office, together with a statement of the reasons for rejection, if any, offered by that employing office;

(B) That the employing office has served notice of its intent to terminate existing consultation rights on Government-wide rules or regulations, together with a statement of the reasons for termination; or

(C) That the employing office has failed to respond in writing to a request for consultation rights on Government-wide rules or regulations made under §2426.12(a) within fifteen (15) days after the date the request is served on the employing office.

(3) The following regulations govern petitions filed under this section:

(i) A petition for determination of eligibility for consultation rights on Government-wide rules or regulations shall be filed with the Executive Director.

(ii) An original and four (4) copies of a petition shall be filed, together with a statement of any other relevant facts and of all correspondence.

(iii) Copies of the petition together with the attachments referred to in paragraph (b)(3)(ii) of this section shall be served by the petitioner on the employing office, and a written statement of such service shall be filed with the Executive Director.

(iv) A petition shall be filed within thirty (30) days after the service of written notice by the employing office of its refusal to accord consultation rights on Government-wide rules or regulations pursuant to a request under §2426.12(a) or its intention to terminate such existing consultation rights. If an employing office fails to respond in writing to a request for consultation rights on Government-wide rules or regulations made under §2426.12(a) within fifteen (15) days after the date the request is served on the employing office, a petition shall be filed within thirty (30) days after the expiration of such fifteen (15) day period.

(v) If an employing office wishes to terminate consultation rights on Government-wide rules or regulations, notice of its intention to do so shall be served not less than thirty (30) days prior to the intended termination date. A labor organization, after receiving such notice, may file a petition within the time period prescribed herein, and thereby cause to be stayed further action by the employing office pending disposition of the petition. If no petition has been filed within the provided time period, an employing office may terminate such consultation rights.

(vi) Within fifteen (15) days after the receipt of a copy of the petition, the employing office shall file a response thereto with the Executive Director raising any matter which is relevant to the petition.

(vii) The Executive Director, on behalf of the Board, shall make such investigation as the Executive Director deems necessary and thereafter shall issue and serve on the parties a determination with respect to the eligibility for consultation rights which shall be final: *Provided, however,* that an application for review of the Executive Director's determination may be filed with the Board in accordance with the procedure set forth in §2422.31 of this subchapter. A determination by the Executive Director to issue a notice of investigatory hearing shall not be subject to the filing of an application for review. On behalf of the Board, the Executive Director, if appropriate, may cause a notice of investigatory hearing to be issued where substantial factual issues exist warranting a hearing. Investigatory hearings shall be conducted by the Executive Director or her designee in accordance with §2422.17 through §2422.22 of this chapter and after the close of the investigatory hearing a Decision and Order shall be issued by the Board in accordance with §2422.30 of this subchapter.

§2426.13 Obligation to consult.

(a) When a labor organization has been accorded consultation rights on Government-wide rules or regulations, the employing office which has granted those rights shall, through appropriate officials, furnish designated representatives of the labor organization:

(1) Reasonable notice of any proposed Government-wide rule or regulation issued by the employing office affecting any substantive change in any condition of employment; and

(2) Reasonable time to present its views and recommendations regarding the change.

(b) If a labor organization presents any views or recommendations regarding any proposed substantive change in any condition of employment to an employing office, that employing office shall:

(1) Consider the views or recommendations before taking final action on any matter with respect to which the views or recommendations are presented; and

(2) Provide the labor organization a written statement of the reasons for taking the final action.

PART 2427—GENERAL STATEMENTS OF POLICY OR GUIDANCE

Sec.
2427.1 Scope.
2427.2 Requests for general statements of policy or guidance.

2427.3 Content of request.
2427.4 Submissions from interested parties.
2427.5 Standards governing issuance of general statements of policy or guidance.

§ 2427.1 Scope.

This part sets forth procedures under which requests may be submitted to the Board seeking the issuance of general statements of policy or guidance under 5 U.S.C. 7105(a)(1), as applied by the CAA.

§ 2427.2 Requests for general statements of policy or guidance.

(a) The head of an employing office (or designee), the national president of a labor organization (or designee), or the president of a labor organization not affiliated with a national organization (or designee) may separately or jointly ask the Board for a general statement of policy or guidance. The head of any lawful association not qualified as a labor organization may also ask the Board for such a statement provided the request is not in conflict with the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA, or other law.

(b) The Board ordinarily will not consider a request related to any matter pending before the Board or General Counsel.

§ 2427.3 Content of request.

(a) A request for a general statement of policy or guidance shall be in writing and must contain:

(1) A concise statement of the question with respect to which a general statement of policy or guidance is requested together with background information necessary to an understanding of the question;

(2) A statement of the standards under § 2427.5 upon which the request is based;

(3) A full and detailed statement of the position or positions of the requesting party or parties;

(4) Identification of any cases or other proceedings known to bear on the question which are pending under the CAA; and

(5) Identification of other known interested parties.

(b) A copy of each document also shall be served on all known interested parties, including the General Counsel, where appropriate.

§ 2427.4 Submissions from interested parties.

Prior to issuance of a general statement of policy or guidance the Board, as it deems appropriate, will afford an opportunity to interested parties to express their views orally or in writing.

§ 2427.5 Standards governing issuance of general statements of policy or guidance.

In deciding whether to issue a general statement of policy or guidance, the Board shall consider:

(a) Whether the question presented can more appropriately be resolved by other means;

(b) Where other means are available, whether a Board statement would prevent the proliferation of cases involving the same or similar question;

(c) Whether the resolution of the question presented would have general applicability under chapter 71, as applied by the CAA;

(d) Whether the question currently confronts parties in the context of a labor-management relationship;

(e) Whether the question is presented jointly by the parties involved; and

(f) Whether the issuance by the Board of a general statement of policy or guidance on the question would promote constructive and cooperative labor-management relationships in the legislative branch and would otherwise promote the purposes of chapter 71, as applied by the CAA.

PART 2428—ENFORCEMENT OF ASSISTANT SECRETARY STANDARDS OF CONDUCT DECISIONS AND ORDERS

Sec.
2428.1 Scope.
2428.2 Petitions for enforcement.
2428.3 Board decision.

§ 2428.1 Scope.

This part sets forth procedures under which the Board, pursuant to 5 U.S.C. 7105(a)(2)(I), as applied by the CAA, will enforce decisions and orders of the Assistant Secretary in standards of conduct matters arising under 5 U.S.C. 7120, as applied by the CAA.

§ 2428.2 Petitions for enforcement.

(a) The Assistant Secretary may petition the Board to enforce any Assistant Secretary decision and order in a standards of conduct case arising under 5 U.S.C. 7120, as applied by the CAA. The Assistant Secretary shall transfer to the Board the record in the case, including a copy of the transcript if any, exhibits, briefs, and other documents filed with the Assistant Secretary. A copy of the petition for enforcement shall be served on the labor organization against which such order applies.

(b) An opposition to Board enforcement of any such Assistant Secretary decision and order may be filed by the labor organization against which such order applies twenty (20) days from the date of service of the petition, unless the Board, upon good cause shown by the Assistant Secretary, sets a shorter time for filing such opposition. A copy of the opposition to enforcement shall be served on the Assistant Secretary.

§ 2428.3 Board decision.

The Board shall issue its decision on the case enforcing, enforcing as modified, or refusing to enforce, the decision and order of the Assistant Secretary.

PART 2429—MISCELLANEOUS AND GENERAL REQUIREMENTS

Subpart A—Miscellaneous

Sec.
2429.1 Transfer of cases to the Board.
2429.2 [Reserved]
2429.3 Transfer of record.
2429.4 Referral of policy questions to the Board.
2429.5 Matters not previously presented; official notice.
2429.6 Oral argument.
2429.7 [Reserved]
2429.8 [Reserved]
2429.9 [Reserved]
2429.10 Advisory opinions.
2429.11 [Reserved]
2429.12 [Reserved]
2429.13 Official time.
2429.14 Witness fees.
2429.15 Board requests for advisory opinions.
2429.16 General remedial authority.
2429.17 [Reserved]
2429.18 [Reserved]

Subpart B—General Requirements

2429.21 [Reserved]
2429.22 [Reserved]
2429.23 Extension; waiver.
2429.24 [Reserved]
2429.25 [Reserved]
2429.26 [Reserved]
2429.27 [Reserved]
2429.28 Petitions for amendment of regulations.

Subpart A—Miscellaneous

§ 2429.1 Transfer of cases to the Board.

In any unfair labor practice case under part 2423 of this subchapter in which, after the filing of a complaint, the parties stipulate that no material issue of fact exists, the Executive Director may, upon agreement of all parties, transfer the case to the Board; and the Board may decide the case on the basis of the formal documents alone. Briefs in the case must be filed with the Board within thirty (30) days from the date of the Executive Director's order transferring the case to the Board. The Board may also remand any such case to the Executive Director for further processing. Orders of transfer and remand shall be served on all parties.

§ 2429.2 [Reserved]

§ 2429.3 Transfer of record.

In any case under part 2425 of this subchapter, upon request by the Board, the parties jointly shall transfer the record in the case, including a copy of the transcript, if any, exhibits, briefs and other documents filed with the arbitrator, to the Board.

§ 2429.4 Referral of policy questions to the Board.

Notwithstanding the procedures set forth in this subchapter, the General Counsel, or theAssistant Secretary, may refer for review and decision or general ruling by the Board any case involving a major policy issue that arises in a proceeding before any of them. Any such referral shall be in writing and a copy of such referral shall be served on all parties to the proceeding. Before decision or general ruling, the Board shall obtain the views of the parties and other interested persons, orally or in writing, as it deems necessary and appropriate. The Board may decline a referral.

§ 2429.5 Matters not previously presented; official notice.

The Board will not consider evidence offered by a party, or any issue, which was not presented in the proceedings before the Executive Director, Hearing Officer, or arbitrator. The Board may, however, take official notice of such matters as would be proper.

§ 2429.6 Oral argument.

The Board or the General Counsel, in their discretion, may request or permit oral argument in any matter arising under this subchapter under such circumstances and conditions as they deem appropriate.

§ 2429.7 [Reserved]

§ 2429.8 [Reserved]

§ 2429.9 [Reserved]

§ 2429.10 Advisory opinions.

The Board and the General Counsel will not issue advisory opinions.

§ 2429.11 [Reserved]

§ 2429.12 [Reserved]

§ 2429.13 Official time.

If the participation of any employee in any phase of any proceeding before the Board under section 220 of the CAA, including the investigation of unfair labor practice charges and representation petitions and the participation in hearings and representation elections, is deemed necessary by the Board, the Executive Director, the General Counsel, any Hearing Officer, or other agent of the Board designated by the Board, such employee shall be granted official time for such participation, including necessary travel time, as occurs during the employee's regular work hours and when the employee would otherwise be in a work or paid leave status.

§ 2429.14 Witness fees.

(a) Witnesses (whether appearing voluntarily, or under a subpena) shall be paid the fee and mileage allowances which are paid subpenaed witnesses in the courts of the United States: *Provided*, that any witness who is employed by the Federal Government shall not be entitled to receive witness fees in addition to compensation received pursuant to § 2429.13.

(b) Witness fees and mileage allowances shall be paid by the party at whose instance the witnesses appear, except when the witness receives compensation pursuant to § 2429.13.

§ 2429.15 Board requests for advisory opinions.

(a) Whenever the Board, pursuant to 5 U.S.C. 7105(i), as applied by the CAA, requests an advisory opinion from the Director of the Office of Personnel Management concerning the proper interpretation of rules, regulations, or policy directives issued by that Office in connection with any matter before the Board, a copy of such request, and any response thereto, shall be served upon the parties in the matter.

(b) The parties shall have fifteen (15) days from the date of service of a copy of the response of the Office of Personnel Management to file with the Board comments on that response which the parties wish the Board to consider before reaching a decision in the matter. Such comments shall be in writing and copies shall be served upon the other parties in the matter and upon the Office of Personnel Management.

§ 2429.16 General remedial authority.

The Board shall take any actions which are necessary and appropriate to administer effectively the provisions of chapter 71 of title 5 of the United States Code, as applied by the CAA.

§ 2429.17 [Reserved]

§ 2429.18 [Reserved]

Subpart B—General Requirements

§ 2429.21 [Reserved]

§ 2429.22 [Reserved]

§ 2429.23 Extension; waiver.

(a) Except as provided in paragraph (d) of this section, the Board or General Counsel, or their designated representatives, as appropriate, may extend any time limit provided in this subchapter for good cause shown, and shall notify the parties of any such extension. Requests for extensions of time shall be in writing and received by the appropriate official not later than five (5) days before the established time limit for filing, shall state the position of the other parties on the request for extension, and shall be served on the other parties.

(b) Except as provided in paragraph (d) of this section, the Board or General Counsel, or their designated representatives, as appropriate, may waive any expired time limit in this subchapter in extraordinary circumstances. Request for a waiver of time limits shall state the position of the other parties and shall be served on the other parties.

(c) The time limits established in this subchapter may not be extended or waived in any manner other than that described in this subchapter.

(d) Time limits established in 5 U.S.C. 7105(f), 7117(c)(2) and 7122(b), as applied by the CAA, may not be extended or waived under this section.

§ 2429.24 [Reserved]

§ 2429.25 [Reserved]

§ 2429.26 [Reserved]

§ 2429.27 [Reserved]

§ 2429.28 Petitions for amendment of regulations.

Any interested person may petition the Board in writing for amendments to any portion of these regulations. Such petition shall identify the portion of the regulations involved and provide the specific language of the proposed amendment together with a statement of grounds in support of such petition.

SUBCHAPTER D IMPASSES

PART 2470—GENERAL

Subpart A— Purpose

Sec.
2470.1 Purpose.

Subpart B—Definitions

2470.2 Definitions.

Subpart A—Purpose

§ 2470.1 Purpose.

The regulations contained in this subchapter are intended to implement the provisions of section 7119 of title 5 of the United States Code, as applied by the CAA. They prescribe procedures and methods which the Board may utilize in the resolution of negotiation impasses when voluntary arrangements, including the services of the Federal Mediation and Conciliation Service or any other third-party mediation, fail to resolve the disputes.

Subpart B—Definitions

§ 2470.2 Definitions.

(a) The terms Executive Director, employing office, labor organization, and conditions of employment as used herein shall have the meaning set forth in Part 2421 of these rules.

(b) The terms designated representative or designee of the Board means a Board member, a staff member, or other individual designated by the Board to act on its behalf.

(c) The term hearing means a factfinding hearing, arbitration hearing, or any other hearing procedure deemed necessary to accomplish the purposes of 5 U.S.C. 7119, as applied by the CAA.

(d) The term impasse means that point in the negotiation of conditions of employment at which the parties are unable to reach agreement, notwithstanding their efforts to do so by direct negotiations and by the use of mediation or other voluntary arrangements for settlement.

(e) The term Board means the Board of Directors of the Office of Compliance.

(f) The term party means the agency or the labor organization participating in the negotiation of conditions of employment.

(g) The term voluntary arrangements means any method adopted by the parties for the purpose of assisting them in their resolution of a negotiation dispute which is not inconsistent with the provisions of 5 U.S.C. 7119, as applied by the CAA.

PART 2471—PROCEDURES OF THE BOARD IN IMPASSE PROCEEDINGS

Sec.
2471.1 Request for Board consideration; request for Board approval of binding arbitration.
2471.2 Request form.
2471.3 Content of request.
2471.4 Where to file.
2471.5 Copies and service.
2471.6 Investigation of request; Board recommendation and assistance; approval of binding arbitration.
2471.7 Preliminary hearing procedures.
2471.8 Conduct of hearing and prehearing conference.
2471.9 Report and recommendations.
2471.10 Duties of each party following receipt of recommendations.
2471.11 Final action by the Board.
2471.12 Inconsistent labor agreement provisions.

§ 2471.1 Request for Board consideration; request for Board approval of binding arbitration.

If voluntary arrangements, including the services of the Federal Mediation and Conciliation Services or any other third-party mediation, fail to resolve a negotiation impasse:

(a) Either party, or the parties jointly, may request the Board to consider the matter by filing a request as hereinafter provided; or the Board may, pursuant to 5 U.S.C. 7119(c)(1), as applied by the CAA, undertake consideration of the matter upon request of (i) the Federal Mediation and Conciliation Service, or (ii) the Executive Director; or

(b) The parties may jointly request the Board to approve any procedure, which they have agreed to adopt, for binding arbitration of the negotiation impasse by filing a request as hereinafter provided.

§ 2471.2 Request form.

A form has been prepared for use by the parties in filing a request with the Board for consideration of an impasse or approval of a binding arbitration procedure. Copies are available from the Executive Director, Office of Compliance.

§ 2471.3 Content of request.

(a) A request from a party or parties to the Board for consideration of an impasse must be in writing and include the following information:

(1) Identification of the parties and individuals authorized to act on their behalf;

(2) Statement of issues at impasse and the summary positions of the initiating party or parties with respect to those issues; and

(3) Number, length, and dates of negotiation and mediation sessions held, including the nature and extent of all other voluntary arrangements utilized.

(b) A request for approval of a binding arbitration procedure must be in writing, jointly filed by the parties, and include the following information about the pending impasse:

(1) Identification of the parties and individuals authorized to act on their behalf;

(2) Brief description of the impasse including the issues to be submitted to the arbitrator;

(3) Number, length, and dates of negotiation and mediation sessions held, including the nature and extent of all other voluntary arrangements utilized;

(4) Statement that the proposals to be submitted to the arbitrator contain no questions concerning the duty to bargain; and

(5) Statement of the arbitration procedures to be used, including the type of arbitration, the method of selecting the arbitrator, and the arrangement for paying for the proceedings or, in the alternative, those provisions of the parties' labor agreement which contain this information.

§ 2471.4 Where to file.

Requests to the Board provided for in this part, and inquiries or correspondence on the status of impasses or other related matters, should be addressed to the Executive Director, Office of Compliance.

§ 2471.5 Copies and service.

(a) Any party submitting a request for Board consideration of an impasse or a request for approval of a binding arbitration procedure shall file an original and one copy with the Board and shall serve a copy of such request upon all counsel of record or other designated representative(s) of parties, upon parties not so represented, and upon any mediation service which may have been utilized. When the Board acts on a request from the Federal Mediation and Conciliation Service or acts on a request from the Executive Director, it will notify the parties to the dispute, their counsel of record or designated representatives, if any, and any mediation service which may have been utilized. A clean copy capable of being used as an original for purposes such as further reproduction may be submitted for the original. Service upon such counsel or representative shall constitute service upon the party, but a copy also shall be transmitted to the party.

(b) Any party submitting a response to or other document in connection with a request for Board consideration of an impasse or a request for approval of a binding arbitration procedure shall file an original and one copy with the Board and shall serve a copy of the document upon all counsel of record or other designated representative(s) of parties, or upon parties not so represented. A clean copy capable of being used as an original for

purposes such as further reproduction may be submitted for the original. Service upon such counsel or representative shall constitute service upon the party, but a copy also shall be transmitted to the party.

(c) A signed and dated statement of service shall accompany each document submitted to the Board. The statement of service shall include the names of the parties and persons served, their addresses, the date of service, the nature of the document served, and the manner in which service was made.

(d) The date of service or date served shall be the day when the matter served is deposited in the U.S. mail or is delivered in person.

(e) Unless otherwise provided by the Board or its designated representatives, any document or paper filed with the Board under these rules, together with any enclosure filed therewith, shall be submitted on 8 1/2″ x 11 inch size paper.

§2471.6 Investigation of request; Board recommendation and assistance; approval of binding arbitration.

(a) Upon receipt of a request for consideration of an impasse, the Board or its designee will promptly conduct an investigation, consulting when necessary with the parties and with any mediation service utilized. After due consideration, the Board shall either:

(1) Decline to assert jurisdiction in the event that it finds that no impasse exists or that there is other good cause for not asserting jurisdiction, in whole or in part, and so advise the parties in writing, stating its reasons; or

(2) Recommend to the parties procedures, including but not limited to arbitration, for the resolution of the impasse and/or assist them in resolving the impasse through whatever methods and procedures the Board considers appropriate.

(b) Upon receipt of a request for approval of a binding arbitration procedure, the Board or its designee will promptly conduct an investigation, consulting when necessary with the parties and with any mediation service utilized. After due consideration, the Board shall either approve or disapprove the request; *provided, however,* that when the request is made pursuant to an agreed-upon procedure for arbitration contained in an applicable, previously negotiated agreement, the Board may use an expedited procedure and promptly approve or disapprove the request, normally within five (5) workdays.

§2471.7 Preliminary hearing procedures.

When the Board determines that a hearing is necessary under §2471.6, it will:

(a) Appoint one or more of its designees to conduct such hearing; and

(b) issue and serve upon each of the parties a notice of hearing and a notice of prehearing conference, if any. The notice will state: (1) The names of the parties to the dispute; (2) the date, time, place, type, and purpose of the hearing; (3) the date, time, place, and purpose of the prehearing conference, if any; (4) the name of the designated representatives appointed by the Board; (5) the issues to be resolved; and (6) the method, if any, by which the hearing shall be recorded.

§2471.8 Conduct of hearing and prehearing conference.

(a) A designated representative of the Board, when so appointed to conduct a hearing, shall have the authority on behalf of the Board to:

(1) Administer oaths, take the testimony or deposition of any person under oath, receive other evidence, and issue subpenas;

(2) Conduct the hearing in open, or in closed session at the discretion of the designated representative for good cause shown;

(3) Rule on motions and requests for appearance of witnesses and the production of records;

(4) Designate the date on which posthearing briefs, if any, shall be submitted;

(5) Determine all procedural matters concerning the hearing, including the length of sessions, conduct of persons in attendance, recesses, continuances, and adjournments; and take any other appropriate procedural action which, in the judgment of the designated representative, will promote the purpose and objectives of the hearing.

(b) A prehearing conference may be conducted by the designated representative of the Board in order to:

(1) Inform the parties of the purpose of the hearing and the procedures under which it will take place;

(2) Explore the possibilities of obtaining stipulations of fact;

(3) Clarify the positions of the parties with respect to the issues to be heard; and

(4) Discuss any other relevant matters which will assist the parties in the resolution of the dispute.

§2471.9 Report and recommendations.

(a) When a report is issued after a hearing conducted pursuant to §§2471.7 and 2471.8, it normally shall be in writing and, when authorized by the Board, shall contain recommendations.

(b) A report of the designated representative containing recommendations shall be submitted to the parties, with two (2) copies to the Executive Director, within a period normally not to exceed thirty (30) calendar days after receipt of the transcript or briefs, if any.

(c) A report of the designated representative not containing recommendations shall be submitted to the Board with a copy to each party within a period normally not to exceed thirty (30) calendar days after receipt of the transcript or briefs, if any. The Board shall then take whatever action it may consider appropriate or necessary to resolve the impasse.

§2471.10 Duties of each party following receipt of recommendations.

(a) Within thirty (30) calendar days after receipt of a report containing recommendations of the Board or its designated representative, each party shall, after conferring with the other, either:

(1) Accept the recommendations and so notify the Executive Director; or

(2) Reach a settlement of all unresolved issues and submit a written settlement statement to the Executive Director; or

(3) Submit a written statement to the Executive Director setting forth the reasons for not accepting the recommendations and for not reaching a settlement of all unresolved issues.

(b) A reasonable extension of time may be authorized by the Executive Director for good cause shown when requested in writing by either party prior to the expiration of the time limits.

§2471.11 Final action by the Board.

(a) If the parties do not arrive at a settlement as a result of or during actions taken under §2471.6(a)(2), 2471.7, 2471.8, 2471.9, and 2471.10, the Board may take whatever action is necessary and not inconsistent with 5 U.S.C. chapter 71, as applied by the CAA, to resolve the impasse, including but not limited to, methods and procedures which the Board considers appropriate, such as directing the parties to accept a factfinder's recommendations, ordering binding arbitration conducted according to whatever procedure the Board deems suitable, and rendering a binding decision.

(b) In preparation for taking such final action, the Board may hold hearings, administer oaths, and take the testimony or deposition of any person under oath, or it may appoint or designate one or more individuals pursuant to 5 U.S.C. 7119(c)(4), as applied by the CAA, to exercise such authority on its behalf.

(c) When the exercise of authority under this section requires the holding of a hearing, the procedure contained in §2471.8 shall apply.

(d) Notice of any final action of the Board shall be promptly served upon the parties, and the action shall be binding on such parties during the term of the agreement, unless they agree otherwise.

2471.12 Inconsistent labor agreement provisions.

Any provisions of the parties' labor agreements relating to impasse resolution which are inconsistent with the provisions of either 5 U.S.C. 7119, as applied by the CAA, or the procedures of the Board shall be deemed to be superseded.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3027. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Importation of Embryos from Ruminants and Swine from Countries Where Rinderpest or Foot-and-Mouth Disease Exists Disease Exists [APHIS Docket No. 94–006–2] received May 13, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3028. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Import/Export User Fees [APHIS Docket No. 92–174–2] (RIN: 0579–AA67) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3029. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans: Ohio (FLR–5439–4) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3030. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rules—(1) State of California; approval of Section 112(1) Authority for Hazardous Air Pollutants; Perchloroethylene Air Emission Standards for Dry Cleaning Facilities (FRL–5444–6), (2) Acid Rain Program: Continuous Emission Monitoring (FRL–5506–6), (3) Propylene Oxide; Pesticide Tolerance (PP 6E4647/R2220) (FRL–5357–8), and (4) National Oil and Hazardous Substances Pollution Contingency Plan National Priorities List (FRL–5507–3) received May 14, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3031. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Korea (Transmittal No. DTC–19–96), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3032. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Merit

Systems Protection Board, pursuant to 31 U.S.C. 1110; to the Committee on Government Reform and Oversight.

3033. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific cod in the Western Regulatory Area [Docket No. 960129018–6108–01; I.D. 050396C] received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3034. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—American Lobster Fishery; Technical Amendment [Docket No. 960409108–6108–01; I.D. 040596A] (RIN: 0648–XX61) received May 15, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3035. A letter from the Chair of the Board, Office of Compliance, transmitting notice of proposed rulemaking for publication in the CONGRESSIONAL RECORD, pursuant to Public Law 104–1, section 304(b)(1) (109 Stat. 29); jointly, to the Committees on House Oversight and Economic and Educational Opportunities.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SOLOMON: Committee on Rules. House Resolution 435. Resolution providing for further consideration of the concurrent resolution (H. Con. Res. 178) establishing the congressional budget for the United States Government for fiscal year 1997 and setting forth appropriate budgetary levels for fiscal year 1998, 1999, 2000, 2001, 2002 (Rept. 104–577). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. COMBEST: Permanent Select Committee on Intelligence. H.R. 3259. A bill to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the U.S. Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; with an amendment; referred to the Committee on National Security for a period ending not later than May 16, 1996, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. JACKSON-LEE (for herself, Mr. RANGEL, Mr. PAYNE of New Jersey, Ms. WATERS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BISHOP, Mr. ACKERMAN, Ms. BROWN of Florida, Ms. NORTON, Mr. JEFFERSON, Mr. STOKES, Mr. WATT of North Carolina, Mr. CLYBURN, Mr. LEWIS of Georgia, Mr. CONYERS, Mr. OWENS, Mr. FATTAH, Mr. HILLIARD, Mr. RICHARDSON, Mr. COLLINS of Georgia, Mr. JACKSON, Mr. DELLUMS, Mr. ANDREWS, Mr. ORTIZ, Mr. RUSH, Ms. SLAUGHTER, Mr. GIBBONS, Mr. CLAY, Ms. VELAZQUEZ, Mr. GUTIERREZ, Mrs. MINK of Hawaii, Mr. BROWN of California, and Mr. LEVIN):

H.R. 3457. A bill to amend the Internal Revenue Code of 1986 to suspend the 4.3-cent general revenue portion of the fuel excise taxes; to the Committee on Ways and Means, and in addition to the Committee on National Security, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EVERETT (for himself, Mr. STUMP, Mr. MONTGOMERY, and Mr. EVANS):

H.R. 3458. A bill to increase, effective as of December 1, 1996, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to the Committee on Veterans' Affairs.

By Mr. BUYER (for himself and Mr. FILNER):

H.R. 3459. A bill to amend title 38, United States Code, to extend the enhanced loan asset sale authority of the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. MOORHEAD (for himself, Mrs. SCHROEDER, Mr. CONYERS, Mr. SENSENBRENNER, Mr. COBLE, Mr. GOODLATTE, Mr. BERMAN, Mr. BOUCHER, Mr. GALLEGLY, Mr. HOKE, Mr. NADLER, and Ms. LOFGREN):

H.R. 3460. A bill to establish the Patent and Trademark Office as a Government corporation, and for other purposes; to the Committee on the Judiciary.

By Mr. THOMAS:

H.R. 3461. A bill to authorize appropriations for the Federal Election Commission for fiscal year 1997; to the Committee on House Oversight.

By Mr. CARDIN (for himself, Mr. WATTS of Oklahoma, Mr. GILMAN, Mr. HOYER, Mrs. MORELLA, Mr. LAFALCE, Mr. PICKETT, Mr. CRAMER, Mr. POMEROY, Mr. BREWSTER, Mr. MORAN, Mr. JOHNSON of South Dakota, Mrs. MEEK of Florida, and Mr. EHRLICH):

H.R. 3462. A bill to amend title 5, United States Code, to require that written notice be furnished by the Office of Personnel Management before making any substantial change in the health benefits program for Federal employees; to the Committee on Government Reform and Oversight.

By Mr. GUTIERREZ:

H.R. 3463. A bill to provide for a livable wage for employees under Federal contracts and subcontracts; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HANCOCK:

H.R. 3464. A bill to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, MO, to exclude a small parcel of land containing improvements; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JOHNSON of Connecticut (for herself, Mrs. KENNELLY, Mr. SHAW, Mrs. MORELLA, Mrs. LOWEY, Mrs. CLAYTON, Mrs. CUBIN, Ms. DELAURO, Ms. DUNN of Washington, Mrs. FOWLER, Ms. GREENE of Utah, Mrs. KELLY, Ms. LOFGREN, Mrs. MEEK of Florida, Mrs. MEYERS of Kansas, Mrs. MYRICK, Ms. PRYCE, Mrs. SEASTRAND, Mrs. SCHROEDER, Mrs. VUCANOVICH, Ms. WOOLSEY, Mr. CAMP, Mr. CHRISTENSEN, Mr. COLLINS of Georgia, Mr. CRANE, Mr. ENGLISH of Pennsylvania, Mr. ENSIGN, Mr. HOUGHTON, Mr. MATSUI, Mr. MCCRERY, Mr. NEAL of Massachusetts, Mr. PORTMAN, Mr. RAMSTAD, Mr. ZIMMER, Mr. HOBSON, Mr. NUSSLE, Mr. UPTON, Mr. TORKILDSEN, Mr. FOLEY, Mr. BOEHLERT, and Mr. FRELINGHUYSEN):

H.R. 3465. A bill to amend part D of title IV of the Social Security Act to improve child support enforcement services, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Banking and Financial Services, the Judiciary, National Security, Transportation and Infrastructure, International Relations, Economic and Educational Opportunities, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY (for herself, Mr. TORRICELLI, Mr. GONZALEZ, Mr. YATES, Mr. CLAY, Mr. CONYERS, and Mr. STARK):

H.R. 3466. A bill to eliminate taxpayer subsidies for recreational shooting programs, and to prevent the transfer of federally owned weapons, ammunition, funds, and other property to a private corporation for the promotion of rifle practice and firearms safety; to the Committee on National Security.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 833: Mr. CAMPBELL.

H.R. 922: Mrs. CLAYTON.

H.R. 1023: Mr. BROWN of Ohio, Mr. RUSH, and Mr. MARTINEZ.

H.R. 1140: Mr. NADLER.

H.R. 1210: Mr. ENGLISH of Pennsylvania.

H.R. 1353: Mr. POMEROY.

H.R. 1402: Mr. CLAY.

H.R. 2011: Mr. GANSKE.

H.R. 2026: Mr. FRANK of Massachusetts, Mr. BACHUS, Mr. YOUNG of Alaska, Mr. HASTINGS of Florida, Mr. VOLKMER, Mr. SAWYER, Mr. TAYLOR of Mississippi, and Mr. GALLEGLY.

H.R. 2270: Mr. BATEMAN, Mr. CLINGER, Mr. KINGSTON, Mr. CREMEANS, Mr. BUNNING of Kentucky, Mr. KING, Mr. CAMPBELL, Mr. JONES, and Mr. BEREUTER.

H.R. 2272: Mr. NADLER and Mr. PICKETT.

H.R. 2463: Ms. SLAUGHTER.

H.R. 2508: Mr. UPTON.

H.R. 2579: Mr. LATHAM.

H.R. 2807: Mr. THORNBERRY, Mr. FATTAH, Mr. NORWOOD, and Mr. TOWNS.

H.R. 2931: Mr. WISE, Mr. BAKER of Louisiana, Mr. MANTON, Ms. MCCARTHY, and Mr. ACKERMAN.

H.R. 2976: Mr. BENTSEN, Mr. BROWN of Ohio, Mrs. CHENOWETH, Mrs. COLLINS of Illinois, Mr. DE LA GARZA, and Mr. WELDON of Florida.

H.R. 3012: Mr. COSTELLO, Mr. KINGSTON, Mr. HAYES, Mr. CLEMENT, and Ms. KAPTUR.

H.R. 3030: Mrs. THURMAN, Mr. JACKSON, and Mr. FILNER.

H.R. 3038: Mr. BLUTE and Mr. EMERSON.

H.R. 3060: Mr. FAWELL and Mr. PORTER.

H.R. 3083: Mrs. CHENOWETH, Mr. PORTER, Mr. DOOLITTLE, and Mr. DOOLEY.

H.R. 3089: Mr. FALEOMAVAEGA, Ms. ROYBAL-ALLARD, Mr. FLAKE, Mr. RICHARDSON, Mr. FILNER, Mr. FAZIO of California, and Mr. HORN.

H.R. 3090: Mr. CANADY.

H.R. 3118: Mr. BRYANT of Tennessee.

H.R. 3142: Mr. DEUTSCH, Mr. ENGEL, Mr. LUTHER, and Mr. TAYLOR of North Carolina.

H.R. 3144: Mr. COMBEST, Mr. COOLEY, Mr. ENSIGN, Mr. FRELINGHUYSEN, Mr. FRISA, Mr. HERGER, Mr. HILLEARY, Ms. MOLINARI, Mr. POMBO, Mr. RADANOVICH, Mr. RIGGS, Mr. ROGERS, Mr. ROYCE, Mr. SMITH of Texas, Mr. TAYLOR of North Carolina, Mr. ROHRABACHER, Mr. HANCOCK, Mr. CHRISTENSEN, Mr. WELLER, and Mr. SCHAEFER.

H.R. 3150: Mr. BROWN of California and Mr. FALEOMAVAEGA.

H.R. 3153: Mrs. THURMAN, Mr. ROHRABACHER, Mr. PARKER, and Mr. LATHAM.

H.R. 3195: Mr. THORNBERRY.

H.R. 3199: Ms. DANNER and Mr. HEFLEY.

H.R. 3206: Mr. NEY.

H.R. 3221: Mr. HINCHEY, Ms. WATERS, Mr. BORSKI, Mr. STARK, Mr. HILLIARD, Mrs. CLAYTON, Ms. LOFGREN, and Mr. LIPINSKI.

H.R. 3226: Mr. BORSKI, Ms. PRYCE, and Mr. KLUG.

H.R. 3247: Mr. BERMAN, Mr. PALLONE, Mr. OBERSTAR, Ms. NORTON, and Mr. EVANS.

H.R. 3253: Mr. DORNAN, Mr. BROWN of California, Mr. BLUTE, and Mrs. CLAYTON.

H.R. 3258: Mr. HORN and Mr. COOLEY.

H.R. 3265: Mr. SMITH of New Jersey.

H.R. 3316: Mr. LAFALCE, Mr. LIPINSKI, and Mr. EVANS.

H.R. 3362: Mr. HILLIARD, Mr. LAFALCE, Ms. LOFGREN, Mr. MILLER of California, Mr. FROST, and Mr. MANTON.

H.R. 3379: Mr. SCARBOROUGH.

H.R. 3392: Mr. DICKS, Ms. PELOSI, Mr. WATT of North Carolina, Mrs. MINK of Hawaii, Mr. THOMPSON, Mr. MINGE, Mr. PASTOR, Mr. DIXON, and Ms. LOFGREN.

H.R. 3412: Mr. YATES.

H. Con. Res. 154: Ms. LOFGREN, Mr. MENENDEZ, Mr. BROWN of California, Mr. EDWARDS, Mr. MCNULTY, and Mr. MINGE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. CON. RES. 178

OFFERED BY: MR. ORTON

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,107,513,000,000.
Fiscal year 1998: $1,165,720,000,000.
Fiscal year 1999: $1,214,661,000,000.
Fiscal year 2000: $1,269,637,000,000.
Fiscal year 2001: $1,330,292,000,000.
Fiscal year 2002: $1,392,543,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: $7,157,000,000.
Fiscal year 1998: $17,170,000,000.
Fiscal year 1999: $16,303,000,000.
Fiscal year 2000: $17,838,000,000.
Fiscal year 2001: $19,192,000,000.
Fiscal year 2002: $18,645,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,316,223,000,000.
Fiscal year 1998: $1,364,054,000,000.
Fiscal year 1999: $1,405,593,000,000.
Fiscal year 2000: $1,448,718,000,000.
Fiscal year 2001: $1,480,821,000,000.
Fiscal year 2002: $1,529,237,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,313,391,000,000.
Fiscal year 1998: $1,352,476,000,000.
Fiscal year 1999: $1,388,058,000,000.
Fiscal year 2000: $1,428,498,000,000.
Fiscal year 2001: $1,453,221,000,000.
Fiscal year 2002: $1,501,530,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $205,878,000,000.
Fiscal year 1998: $186,756,000,000.
Fiscal year 1999: $173,397,000,000.
Fiscal year 2000: $158,861,000,000.
Fiscal year 2001: $122,929,000,000.
Fiscal year 2002: $108,987,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,417,500,000,000.
Fiscal year 1998: $5,651,100,000,000.
Fiscal year 1999: $5,864,000,000,000.
Fiscal year 2000: $6,058,600,000,000.
Fiscal year 2001: $6,212,600,000,000.
Fiscal year 2002: $6,344,300,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,432,000,000.
Fiscal year 1998: $39,420,000,000.
Fiscal year 1999: $42,470,000,000.
Fiscal year 2000: $43,895,000,000.
Fiscal year 2001: $45,292,000,000.
Fiscal year 2002: $46,718,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,340,000,000.
Fiscal year 1998: $266,819,000,000.
Fiscal year 1999: $266,088,000,000.
Fiscal year 2000: $267,079,000,000.
Fiscal year 2001: $267,982,000,000.
Fiscal year 2002: $269,051,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

Fiscal year 1997:
(A) New budget authority, $259,235,000,000.
(B) Outlays, $262,484,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $800,000,000.

Fiscal year 1998:
(A) New budget authority, $263,733,000,000.
(B) Outlays, $259,351,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 1999:
(A) New budget authority, $267,996,000,000.
(B) Outlays, $261,560,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2000:
(A) New budget authority, $273,082,000,000.
(B) Outlays, $267,858,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2001:
(A) New budget authority, $272,300,000,000.
(B) Outlays, $265,703,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2002:
(A) New budget authority, $272,372,000,000.
(B) Outlays, $269,364,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

(2) International Affairs (150):

Fiscal year 1997:
(A) New budget authority, $14,178,000,000.
(B) Outlays, $15,008,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments $18,251,000,000.

Fiscal year 1998:
(A) New budget authority, $12,682,000,000.
(B) Outlays, $13,566,000,000.
(C) New direct loan obligations, $4,417,000,000.
(D) New primary loan guarantee commitments $18,628,000,000.

Fiscal year 1999:
(A) New budget authority, $11,838,000,000.
(B) Outlays, $12,552,000,000.
(C) New direct loan obligations, $4,518,000,000.
(D) New primary loan guarantee commitments $19,030,000,000.

Fiscal year 2000:
(A) New budget authority, $12,749,000,000.
(B) Outlays, $11,461,000,000.
(C) New direct loan obligations, $4,618,000,000.
(D) New primary loan guarantee commitments $19,406,000,000.

Fiscal year 2001:
(A) New budget authority, $12,879,000,000.
(B) Outlays, $11,669,000,000.
(C) New direct loan obligations, $4,739,000,000.
(D) New primary loan guarantee commitments $19,858,000,000.

Fiscal year 2002:
(A) New budget authority, $13,124,000,000.
(B) Outlays, $11,727,000,000.
(C) New direct loan obligations, $4,891,000,000.
(D) New primary loan guarantee commitments $20,431,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:
(A) New budget authority, $16,840,000,000.
(B) Outlays, $16,894,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, $16,841,000,000.
(B) Outlays, $16,852,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1999:
(A) New budget authority, $16,843,000,000.
(B) Outlays, $16,776,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2000:
(A) New budget authority, $16,844,000,000.
(B) Outlays, $16,822,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:

(A) New budget authority, $16,845,000,000.
(B) Outlays, $16,844,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $16,846,000,000.
(B) Outlays, $16,845,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(4) Energy (270):
Fiscal year 1997:
(A) New budget authority, $3,728,000,000.
(B) Outlays, $3,080,000,000.
(C) New direct loan obligations, $1,033,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $3,654,000,000.
(B) Outlays, $2,695,000,000.
(C) New direct loan obligations, $1,050,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $3,220,000,000.
(B) Outlays, $2,180,000,000.
(C) New direct loan obligations, $1,078,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $3,167,000,000.
(B) Outlays, $2,035,000,000.
(C) New direct loan obligations, $1,109,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $3,337,000,000.
(B) Outlays, $2,179,000,000.
(C) New direct loan obligations, $1,141,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $3,065,000,000.
(B) Outlays, $1,816,000,000.
(C) New direct loan obligations, $1,174,000,000.
(D) New primary loan guarantee commitments $0.
(5) Natural Resources and Environment (300):
Fiscal year 1997:
(A) New budget authority, $21,359,000,000.
(B) Outlays, $21,969,000,000.
(C) New direct loan obligations, $37,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $21,131,000,000.
(B) Outlays, $21,846,000,000.
(C) New direct loan obligations, $41,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $21,277,000,000.
(B) Outlays, $21,921,000,000.
(C) New direct loan obligations, $41,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $21,150,000,000.
(B) Outlays, $21,630,000,000.
(C) New direct loan obligations, $41,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $21,032,000,000.
(B) Outlays, $21,253,000,000.
(C) New direct loan obligations, $44,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $21,019,000,000.
(B) Outlays, $21,089,000,000.
(C) New direct loan obligations, $44,000,000.
(D) New primary loan guarantee commitments $0.
(6) Agriculture (350):
Fiscal year 1997:
(A) New budget authority, $12,617,000,000.
(B) Outlays, $10,778,000,000.
(C) New direct loan obligations, $7,810,000,000.
(D) New primary loan guarantee commitments $5,994,000,000.
Fiscal year 1998:
(A) New budget authority, $12,663,000,000.
(B) Outlays, $10,677,000,000.
(C) New direct loan obligations, $9,387,000,000.
(D) New primary loan guarantee commitments $6,765,000,000.
Fiscal year 1999:
(A) New budget authority, $12,481,000,000.
(B) Outlays, $10,529,000,000.
(C) New direct loan obligations, $10,808,000,000.
(D) New primary loan guarantee commitments $6,836,000,000.
Fiscal year 2000:
(A) New budget authority, $11,933,000,000.
(B) Outlays, $10,026,000,000.
(C) New direct loan obligations, $10,825,000,000.
(D) New primary loan guarantee commitments $6,909,000,000.
Fiscal year 2001:
(A) New budget authority, $10,889,000,000.
(B) Outlays, $9,081,000,000.
(C) New direct loan obligations, $10,708,000,000.
(D) New primary loan guarantee commitments $6,983,000,000.
Fiscal year 2002:
(A) New budget authority, $10,646,000,000.
(B) Outlays, $8,816,000,000.
(C) New direct loan obligations, $10,706,000,000.
(D) New primary loan guarantee commitments $7,060,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1997:
(A) New budget authority, $7,928,000,000.
(B) Outlays, $826,000,000.
(C) New direct loan obligations, $1,910,000,000.
(D) New primary loan guarantee commitments $198,096,000,000.
Fiscal year 1998:
(A) New budget authority, $9,878,000,000.
(B) Outlays, $5,381,000,000.
(C) New direct loan obligations, $1,900,000,000.
(D) New primary loan guarantee commitments $198,218,000,000.
Fiscal year 1999:
(A) New budget authority, $10,622,000,000.
(B) Outlays, $5,713,000,000.
(C) New direct loan obligations, $1,954,000,000.
(D) New primary loan guarantee commitments $198,427,000,000.
Fiscal year 2000:
(A) New budget authority, $12,421,000,000.
(B) Outlays, $6,686,000,000.
(C) New direct loan obligations, $2,015,000,000.
(D) New primary loan guarantee commitments $198,723,000,000.
Fiscal year 2001:
(A) New budget authority, $11,984,000,000.
(B) Outlays, $7,198,000,000.
(C) New direct loan obligations, $2,072,000,000.
(D) New primary loan guarantee commitments $198,876,000,000.
Fiscal year 2002:
(A) New budget authority, $12,325,000,000.
(B) Outlays, $7,837,000,000.
(C) New direct loan obligations, $2,134,000,000.
(D) New primary loan guarantee commitments $199,111,000,000.
(8) Transportation (400):
Fiscal year 1997:
(A) New budget authority, $43,944,000,000.
(B) Outlays, $39,307,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $44,651,000,000.
(B) Outlays, $38,616,000,000.
(C) New direct loan obligations, $16,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $43,544,000,000.
(B) Outlays, $36,014,000,000.
(C) New direct loan obligations, $16,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $44,240,000,000.
(B) Outlays, $35,526,000,000.
(C) New direct loan obligations, $17,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $44,854,000,000.
(B) Outlays, $34,788,000,000.
(C) New direct loan obligations, $17,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $45,582,000,000.
(B) Outlays, $34,440,000,000.
(C) New direct loan obligations, $18,000,000.
(D) New primary loan guarantee commitments $0.
(9) Community and Regional Development (450):
Fiscal year 1997:
(A) New budget authority, $8,733,000,000.
(B) Outlays, $10,409,000,000.
(C) New direct loan obligations, $1,231,000,000.
(D) New primary loan guarantee commitments $2,181,000,000.
Fiscal year 1998:
(A) New budget authority, $8,268,000,000.
(B) Outlays, $10,024,000,000.
(C) New direct loan obligations, $1,257,000,000.
(D) New primary loan guarantee commitments $2,229,000,000.
Fiscal year 1999:
(A) New budget authority, $8,556,000,000.
(B) Outlays, $9,464,000,000.
(C) New direct loan obligations, $1,287,000,000.
(D) New primary loan guarantee commitments $2,315,000,000.
Fiscal year 2000:
(A) New budget authority, $8,621,000,000.
(B) Outlays, $9,163,000,000.
(C) New direct loan obligations, $1,365,000,000.
(D) New primary loan guarantee commitments $2,369,000,000.
Fiscal year 2001:
(A) New budget authority, $8,610,000,000.
(B) Outlays, $8,671,000,000.
(C) New direct loan obligations, $1,404,000,000.
(D) New primary loan guarantee commitments $2,448,000,000.
Fiscal year 2002:
(A) New budget authority, $8,498,000,000.
(B) Outlays, $8,149,000,000.
(C) New direct loan obligations, $1,430,000,000.
(D) New primary loan guarantee commitments $2,496,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1997:
(A) New budget authority, $53,099,000,000.
(B) Outlays, $51,302,000,000.

(C) New direct loan obligations, $16,219,000,000.
(D) New primary loan guarantee commitments $15,469,000,000.
Fiscal year 1998:
(A) New budget authority, $54,914,000,000.
(B) Outlays, $53,764,000,000.
(C) New direct loan obligations, $19,040,000,000.
(D) New primary loan guarantee commitments $14,760,000,000.
Fiscal year 1999:
(A) New budget authority, $56,631,000,000.
(B) Outlays, $55,520,000,000.
(C) New direct loan obligations, $21,781,000,000.
(D) New primary loan guarantee commitments $13,854,000,000.
Fiscal year 2000:
(A) New budget authority, $57,968,000,000.
(B) Outlays, $56,675,000,000.
(C) New direct loan obligations, $22,884,000,000.
(D) New primary loan guarantee commitments $14,589,000,000.
Fiscal year 2001:
(A) New budget authority, $59,496,000,000.
(B) Outlays, $57,975,000,000.
(C) New direct loan obligations, $23,978,000,000.
(D) New primary loan guarantee commitments $15,319,000,000.
Fiscal year 2002:
(A) New budget authority, $61,089,000,000.
(B) Outlays, $59,302,000,000.
(C) New direct loan obligations, $25,127,000,000.
(D) New primary loan guarantee commitments $16,085,000,000.
(11) Health (550):
Fiscal year 1997:
(A) New budget authority, $130,271,000,000.
(B) Outlays, $129,859,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $187,000,000.
Fiscal year 1998:
(A) New budget authority, $137,102,000,000.
(B) Outlays, $136,870,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $94,000,000,000.
Fiscal year 1999:
(A) New budget authority, $146,449,000,000.
(B) Outlays, $146,486,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $155,462,000,000.
(B) Outlays, $155,232,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $163,952,000,000.
(B) Outlays, $163,535,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $174,717,000,000.
(B) Outlays, $174,167,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(12) Medicare (570):
Fiscal year 1997:
(A) New budget authority, $191,735,000,000.
(B) Outlays, $190,051,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $205,671,000,000.
(B) Outlays, $203,946,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $219,739,000,000.
(B) Outlays, $217,467,000,000.
(C) New direct loan obligations, $0
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $233,083,000,000.
(B) Outlays, $231,334,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $249,351,000,000.
(B) Outlays, $247,617,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $266,091,000,000.
(B) Outlays, $263,690,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(13) Income Security (600):
Fiscal year 1997:
(A) New budget authority, $231,135,000,000.
(B) Outlays, $238,848,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $243,312,000,000.
(B) Outlays, $247,097,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $252,613,000,000.
(B) Outlays, $256,017,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $266,923,000,000.
(B) Outlays, $268,708,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $273,393,000,000.
(B) Outlays, $273,190,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $288,716,000,000.
(B) Outlays, $286,757,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(14) Social Security (650):
Fiscal year 1997:
(A) New budget authority, $7,813,000,000.
(B) Outlays, $11,001,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $8,477,000,000.
(B) Outlays, $11,664,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $9,220,000,000.
(B) Outlays, $12,369,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $9,980,000,000.
(B) Outlays, $13,129,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $10,776,000,000.
(B) Outlays, $13,925,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $11,608,000,000.
(B) Outlays, $14,757,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1997:
(A) New budget authority, $39,074,000,000.
(B) Outlays, $39,570,000,000.
(C) New direct loan obligations, $935,000,000.
(D) New primary loan guarantee commitments $26,362,000,000.
Fiscal year 1998:
(A) New budget authority, $38,910,000,000.
(B) Outlays, $39,387,000,000.
(C) New direct loan obligations, $962,000,000.
(D) New primary loan guarantee commitments $25,925,000,000.
Fiscal year 1999:
(A) New budget authority, $39,420,000,000.
(B) Outlays, $39,603,000,000.
(C) New direct loan obligations, $987,000,000.
(D) New primary loan guarantee commitments $25,426,000,000.
Fiscal year 2000:
(A) New budget authority, $39,548,000,000.
(B) Outlays, $41,235,000,000.
(C) New direct loan obligations, $1,021,000,000.
(D) New primary loan guarantee commitments $24,883,000,000.
Fiscal year 2001:
(A) New budget authority, $39,803,000,000.
(B) Outlays, $38,655,000,000.
(C) New direct loan obligations, $1,189,000,000.
(D) New primary loan guarantee commitments $24,298,000,000.
Fiscal year 2002:
(A) New budget authority, $40,005,000,000.
(B) Outlays, $40,268,000,000.
(C) New direct loan obligations, $1,194,000,000.
(D) New primary loan guarantee commitments $23,668,000,000.
(16) Administration of Justice (750):
Fiscal year 1997:
(A) New budget authority, $22,127,000,000.
(B) Outlays, $19,930,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $22,302,000,000.
(B) Outlays, $21,162,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $23,186,000,000.
(B) Outlays, $22,241,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $23,235,000,000.
(B) Outlays, $22,944,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $22,119,000,000.
(B) Outlays, $22,461,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $22,143,000,000.

(B) Outlays, $22,085,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(17) General Government (800):
Fiscal year 1997:
(A) New budget authority, $13,655,000,000.
(B) Outlays, $13,362,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $13,661,000,000.
(B) Outlays, $13,522,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $13,311,000,000.
(B) Outlays, $13,299,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $13,149,000,000.
(B) Outlays, $13,346,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $13,086,000,000.
(B) Outlays, $13,046,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $13,147,000,000.
(B) Outlays, $13,104,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(18) Net Interest (900):
Fiscal year 1997:
(A) New budget authority, $282,011,000,000.
(B) Outlays, $281,971,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $287,083,000,000.
(B) Outlays, $286,933,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $289,332,000,000.
(B) Outlays, $289,032,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $289,637,000,000.
(B) Outlays, $289,162,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $292,873,000,000.
(B) Outlays, $292,190,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $297,178,000,000.
(B) Outlays, $296,252,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(19) Allowances (920):
Fiscal year 1997:
(A) New budget authority, −$0.
(B) Outlays, −$0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, −$6,000,000,000.
(B) Outlays, −$6,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, −$7,000,000,000.
(B) Outlays, −$7,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, −$8,500,000,000.
(B) Outlays, −$8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, −$9,000,000,000.
(B) Outlays, −$9,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, −$9,500,000,000.
(B) Outlays, −$9,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1997:
(A) New budget authority, −$43,258,000,000.
(B) Outlays, −$43,258,000,000.
(C) New direct loan obligations, $7,900,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, −$34,878,000,000.
(B) Outlays, −$34,878,000,000.
(C) New direct loan obligations, $1,350,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, −$33,685,000,000.
(B) Outlays, −$33,685,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, −$35,974,000,000.
(B) Outlays, −$35,974,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, −$37,759,000,000.
(B) Outlays, −$37,759,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, −$39,435,000,000.
(B) Outlays, −$39,435,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committees named in subsection (b) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(b)(1) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,082,000,000 in outlays for fiscal year 1997, $15,117,000,000 in outlays in fiscal years 1997 through 2001, and $18,852,000,000 in outlays in fiscal years 1997 through 2002.

(2) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $367,000,000 in outlays for fiscal year 1997, $2,428,000,000 in outlays in fiscal years 1997 through 2001, and $3,026,000,000 in outlays in fiscal years 1997 through 2002.

(3) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $10,717,000,000 in outlays for fiscal year 1997, $158,844,000,000 in outlays in fiscal years 1997 through 2001, and $226,598,000,000 in outlays in fiscal years 1997 through 2002.

(4) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $220,000,000 in outlays for fiscal year 1997, $2,454,000,000 in outlays in fiscal years 1997 through 2001, and $3,198,000,000 in outlays in fiscal years 1997 through 2002.

(5) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,600,000,000 in outlays for fiscal year 1997, $40,278,000,000 in outlays in fiscal years 1997 through 2001, and $50,900,000,000 in outlays in fiscal years 1997 through 2002.

(6) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $0 in outlays for fiscal year 1997, $357,000,000 in outlays in fiscal years 1997 through 2001, and $476,000,000 in outlays in fiscal years 1997 through 2002.

(7) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $84,000,000 in outlays for fiscal year 1997, $493,000,000 in outlays in fiscal years 1997 through 2001, and $649,000,000 in outlays in fiscal years 1997 through 2002.

(8) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $74,000,000 in outlays for fiscal year 1997, $308,000,000 in outlays in fiscal years 1997 through 2001, and $332,000,000 in outlays in fiscal years 1997 through 2002.

(9) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $19,000,000 in outlays for fiscal year 1997, $810,000,000 in outlays in fiscal years 1997 through 2001, and $885,000,000 in outlays in fiscal years 1997 through 2002.

(10) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $117,000,000 in outlays for fiscal year 1997, $2,378,000,000 in outlays in fiscal years 1997 through 2001, and $3,232,000,000 in outlays in fiscal years 1997 through 2002.

(11) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit, as follows: by $14,766,000,000 in fiscal year 1997, by $172,990,000,000 in fiscal years 1997 through 2001, and by $231,595,000,000 in fiscal years 1997 through 2002.

(c) DEFINITION.—For purposes of this section, the term ''direct spending'' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 5. SENSE OF CONGRESS ON DOMESTIC VIOLENCE AND FEDERAL ASSISTANCE.

(a) FINDINGS.—Congress finds that—

(1) domestic violence is the leading cause of physical injury to women; the Department of Justice estimates that over one million

violent crimes against women are committed by intimate partners annually;

(2) domestic violence dramatically affects the victim's ability to participate in the workforce; a University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work;

(3) domestic violence is often intensified as women seek to gain economic independence through attending school or training programs; batterers have been reported to prevent women from attending these programs or sabotage their efforts at self-improvement;

(4) nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of AFDC recipients are current or past victims of domestic violence;

(5) over half of the women surveyed stayed with their batterers because they lacked the resources to support themselves and their children; the surveys also found that the availability of economic support is a critical factor in poor women's ability to leave abusive situations that threaten them and their children; and

(6) proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) no welfare reform provision shall be enacted by Congress unless and until Congress considers whether such welfare reform provisions will exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence; and

(2) any welfare reform measure enacted by Congress shall require that any welfare-to-work, education, or job placement programs implemented by the States will address the impact of domestic violence on welfare recipients.

SEC. 6. SENSE OF CONGRESS ON IMPACT OF LEGISLATION ON CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Congress should not adopt or enact any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured.

(b) LEGISLATIVE ACCOUNTABILITY FOR IMPACT ON CHILDREN.—In the event legislation enacted to comply with this resolution results in an increase in the number of hungry, homeless, poor, or medically uninsured by the end of fiscal year 1997, Congress shall revisit the provisions of such legislation which caused such increase and shall, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

SEC. 7. SENSE OF CONGRESS REGARDING TAX CUTS.

It is the sense of Congress that changes in tax laws which promote job creation, economic growth, and increased savings and investment should be enacted and be offset by changes which close tax loopholes and eliminate corporate welfare.

SEC. 8. SENSE OF CONGRESS REGARDING THE DEBT.

It is the sense of Congress that eliminating the deficit by producing a balanced budget is only the first step toward the ultimate goal of reducing and eventually eliminating the public debt.

SEC. 9. SENSE OF CONGRESS REGARDING TRUST FUND SURPLUSES.

It is the sense of Congress that—

(2) all recent-year Federal budgets, as well as both fiscal year 1996 budget resolutions reported out by the Committees on the Budget of the House of Representatives and the Senate, have masked the magnitude of annual deficits by counting various trust fund surpluses; and

(2) upon reaching a balance in the Federal budget, the Government should move toward balance without consideration of trust fund surpluses.

SEC. 10. SENSE OF CONGRESS REGARDING BALANCED BUDGET ENFORCEMENT.

It is the sense of Congress that, in order to ensure that a balanced budget is achieved by fiscal year 2002 and that the budget remains in balance thereafter, title XIV of H.R. 2530 establishing strict budget enforcement mechanisms should be enacted. Such language would—

(1) require the Federal Government to reach a balanced Federal budget by fiscal year 2002 and remain in balance thereafter;

(2) establish procedures for developing honest, accurate, and accepted budget estimates;

(3) require that the President propose annual budgets that would achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, using accurate assumptions;

(4) require the Committees on the Budget of the House of Representatives and the Senate to report budget resolutions that achieve a balanced Federal budget by fiscal year 2002 and for each year thereafter, using accurate assumptions; and

(5) require Congress and the President to take action if the deficit targets in this resolution are not met.

SEC. 11. SENSE OF CONGRESS REGARDING MEDICARE REFORM.

It is the sense of Congress that any legislation reforming medicare should reflect the policies and distribution of savings contained in H.R. 2530. Specifically, that legislation should—

(1) reform policies for medicare risk contracting to expand the choice of private options available to all medicare beneficiaries, including individuals in rural areas;

(2) contain regulatory reforms to facilitate the creation of provider-sponsored networks;

(3) contain reasonable reductions in the growth of payments to providers that do not threaten the availability or quality of care;

(4) require higher income medicare beneficiaries to pay a greater portion of medicare premiums without establishing a new bureaucracy for the collection of premiums;

(5) expand coverage of preventive benefits under medicare;

(6) provide a demonstration project for Medical Savings Accounts for medicare beneficiaries; and

(7) prohibit managed care plans from charging medicare beneficiaries additional premiums beyond the part B premium.

SEC. 12. SENSE OF CONGRESS REGARDING MEDICAID REFORM.

It is the sense of Congress that any legislation changing the medicaid program pursuant to this resolution should—

(1) continue guaranteed coverage for low-income children, pregnant women, the elderly, and the disabled;

(2) continue the guarantee of an adequate benefits package for all medicaid beneficiaries;

(3) provide States with greater flexibility in the delivery of services and administration of the program;

(4) contain a financing mechanism in which the Federal Government fully shares in changes in program costs resulting from changes in caseload;

(5) require States to maintain current levels of financial effort to preserve the current joint Federal-State partnership in meeting the costs of this program;

(6) continue current restrictions on the use of provider taxes and donations and other illusory State financing schemes;

(7) continue Federal minimum standards for nursing homes;

(8) continue Federal rules that prevent wives or husbands from being required to impoverish themselves in order to obtain and keep medicaid benefits for their spouse requiring nursing home care; and

(9) continue coverage of medicaid premiums and cost sharing for low-income seniors.

SEC. 13. SENSE OF CONGRESS REGARDING WELFARE REFORM.

It is the sense of Congress that any legislation reforming welfare programs pursuant to this resolution should—

(1) impose tough work requirements on able-bodied recipients;

(2) provide sufficient resources for job training, child care, and other programs necessary to help welfare recipients make the transition from welfare to work;

(3) require States to maintain levels of financial support sufficient to operate an effective program;

(4) contain effective counter-cyclical mechanisms to assist States facing economic downturns or increases in population;

(5) include provisions holding States accountable for the use of Federal funds and the effectiveness of State programs;

(6) contain strong child support provisions; and

(7) maintain the integrity of the food stamp program as a national safety net.

H. CON. RES. 178

OFFERED BY: MR. PAYNE OF NEW JERSEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 2: Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1997: $1,140,900,000,000.
Fiscal year 1998: $1,216,000,000,000.
Fiscal year 1999: $1,777,300,000,000.
Fiscal year 2000: $1,345,000,000,000.
Fiscal year 2001: $1,407,900,000,000.
Fiscal year 2002: $1,483,500,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1997: $40,500,000,000.
Fiscal year 1998: $67,500,000,000.
Fiscal year 1999: $78,900,000,000.
Fiscal year 2000: $93,200,000,000.
Fiscal year 2001: $96,800,000,000.
Fiscal year 2002: $109,700,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 1997: $1,338,600,000,000.
Fiscal year 1998: $1,400,600,000,000.
Fiscal year 1999: $1,448,500,000,000.
Fiscal year 2000: $1,508,000,000,000.
Fiscal year 2001: $1,548,700,000,000.

Fiscal year 2002: $1,618,600,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1997: $1,325,000,000,000.
Fiscal year 1998: $1,391,100,000,000.
Fiscal year 1999: $1,436,500,000,000.
Fiscal year 2000: $1,483,000,000,000.
Fiscal year 2001: $1,525,000,000,000.
Fiscal year 2002: $1,589,200,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1997: $184,100,000,000.
Fiscal year 1998: $175,100,000,000.
Fiscal year 1999: $159,200,000,000.
Fiscal year 2000: $138,000,000,000.
Fiscal year 2001: $117,300,000,000.
Fiscal year 2002: $105,700,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1997: $5,417,500,000,000.
Fiscal year 1998: $5,651,100,000,000.
Fiscal year 1999: $5,864,000,000,000.
Fiscal year 2000: $6,058,600,000,000.
Fiscal year 2001: $6,212,600,000,000.
Fiscal year 2002: $6,344,300,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1997: $41,432,000,000.
Fiscal year 1998: $39,420,000,000.
Fiscal year 1999: $42,470,000,000.
Fiscal year 2000: $43,895,000,000.
Fiscal year 2001: $44,292,000,000.
Fiscal year 2002: $46,718,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1997: $267,340,000,000.
Fiscal year 1998: $266,819,000,000.
Fiscal year 1999: $266,088,000,000.
Fiscal year 2000: $267,079,000,000.
Fiscal year 2001: $267,982,000,000.
Fiscal year 2002: $269,051,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):

Fiscal year 1997:
(A) New budget authority, $240,300,000,000.
(B) Outlays, $237,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $800,000,000.

Fiscal year 1998:
(A) New budget authority, $233,300,000,000.
(B) Outlays, $235,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 1999:
(A) New budget authority, $227,400,000,000.
(B) Outlays, $228,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2000:
(A) New budget authority, $223,400,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2001:
(A) New budget authority, $219,500,000,000.
(B) Outlays, $216,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

Fiscal year 2002:
(A) New budget authority, $219,500,000,000.
(B) Outlays, $216,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $200,000,000.

(2) International Affairs (150):

Fiscal year 1997:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $15,800,000,000.
(C) New direct loan obligations, $4,342,000,000.
(D) New primary loan guarantee commitments $18,251,000,000.

Fiscal year 1998:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $4,417,000,000.
(D) New primary loan guarantee commitments $18,628,000,000.

Fiscal year 1999:
(A) New budget authority, $18,500,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $4,518,000,000.
(D) New primary loan guarantee commitments $19,030,000,000.

Fiscal year 2000:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $4,618,000,000.
(D) New primary loan guarantee commitments $19,406,000,000.

Fiscal year 2001:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $4,739,000,000.
(D) New primary loan guarantee commitments $19,858,000,000.

Fiscal year 2002:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $4,891,000,000.
(D) New primary loan guarantee commitments $20,431,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1997:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 1999:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $15,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2000:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2002:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

(4) Energy (270):

Fiscal year 1997:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $1,033,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, $3,000,000,000.
(B) Outlays, $1,800,000,000.
(C) New direct loan obligations, $1,050,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 1999:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,000,000,000.
(C) New direct loan obligations, $1,078,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 2000:
(A) New budget authority, $3,100,000,000.
(B) Outlays, $1,700,000,000.
(C) New direct loan obligations, $1,109,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $1,800,000,000.
(C) New direct loan obligations, $1,141,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 2002:
(A) New budget authority, $3,000,000,000.
(B) Outlays, $1,500,000,000.
(C) New direct loan obligations, $1,179,000,000,000.
(D) New primary loan guarantee commitments $0.

(5) Natural Resources and Environment (300):

Fiscal year 1997:
(A) New budget authority, $22,500,000,000.
(B) Outlays, $22,200,000,000.
(C) New direct loan obligations, $27,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 1998:
(A) New budget authority, $22,800,000,000.
(B) Outlays, $21,900,000,000.
(C) New direct loan obligations, $41,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 1999:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $41,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 2000:
(A) New budget authority, $20,700,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $41,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $20,500,000,000.
(C) New direct loan obligations, $44,000,000.
(D) New primary loan guarantee commitments $0.

Fiscal year 2002:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $20,400,000,000.
(C) New direct loan obligations, $44,000,000.
(D) New primary loan guarantee commitments $0.

(6) Agriculture (350):

Fiscal year 1997:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $10,900,000,000.
(C) New direct loan obligations, $7,810,000,000.
(D) New primary loan guarantee commitments $5,994,000,000.

Fiscal year 1998:
(A) New budget authority, $11,100,000,000.

(B) Outlays, $10,000,000,000.
(C) New direct loan obligations, $9,387,000,000.
(D) New primary loan guarantee commitments $6,765,000,000.
Fiscal year 1999:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $8,800,000,000.
(C) New direct loan obligations, $10,808,000,000.
(D) New primary loan guarantee commitments $6,836,000,000.
Fiscal year 2000:
(A) New budget authority, $10,200,000,000.
(B) Outlays, $8,300,000,000.
(C) New direct loan obligations, $10,825,000,000.
(D) New primary loan guarantee commitments $6,909,000,000.
Fiscal year 2001:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $7,100,000,000.
(C) New direct loan obligations, $10,708,000,000.
(D) New primary loan guarantee commitments $6,983,000,000.
Fiscal year 2002:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $10,706,000,000.
(D) New primary loan guarantee commitments $7,060,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1997:
(A) New budget authority, $8,400,000,000.
(B) Outlays, $1,300,000,000.
(C) New direct loan obligations, $1,910,000,000.
(D) New primary loan guarantee commitments $198,096,000,000.
Fiscal year 1998:
(A) New budget authority, $10,200,000,000.
(B) Outlays, $5,700,000,000.
(C) New direct loan obligations, $1,900,000,000.
(D) New primary loan guarantee commitments $198,218,000,000.
Fiscal year 1999:
(A) New budget authority, $11,000,000,000.
(B) Outlays, $6,000,000,000.
(C) New direct loan obligations, $1,954,000,000.
(D) New primary loan guarantee commitments $198,427,000,000.
Fiscal year 2000:
(A) New budget authority, $12,900,000,000.
(B) Outlays, $7,100,000,000.
(C) New direct loan obligations, $2,015,000,000.
(D) New primary loan guarantee commitments $198,723,000,000.
Fiscal year 2001:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $7,600,00,000.
(C) New direct loan obligations, $2,072,000,000.
(D) New primary loan guarantee commitments $198,876,000,000.
Fiscal year 2002:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $2,134,000,000.
(D) New primary loan guarantee commitments $199,111,000,000.
(8) Transportation (400):
Fiscal year 1997:
(A) New budget authority, $42,300,000,000.
(B) Outlays, $39,000,000,000.
(C) New direct loan obligations, $15,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $43,300,000,000.
(B) Outlays, $38,100,000,000.
(C) New direct loan obligations, $16,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $43,900,000,000.
(B) Outlays, $36,800,000,000.
(C) New direct loan obligations, $16,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $44,600,000,000.
(B) Outlays, $33,900,000,000.
(C) New direct loan obligations, $17,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $45,300,000,000.
(B) Outlays, $33,800,000,000.
(C) New direct loan obligations, $17,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $46,100,000,000.
(B) Outlays, $33,700,000,000.
(C) New direct loan obligations, $18,000,000.
(D) New primary loan guarantee commitments $0.
(9) Community and Regional Development (450):
Fiscal year 1997:
(A) New budget authority, $11,000,000,000.
(B) Outlays, $11,200,000,000.
(C) New direct loan obligations, $1,230,000,000.
(D) New primary loan guarantee commitments $2,187,000,000.
Fiscal year 1998:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $1,257,000,000.
(D) New primary loan guarantee commitments $2,229,000,000.
Fiscal year 1999:
(A) New budget authority, $2,000,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $1,287,000,000.
(D) New primary loan guarantee commitments $2,315,000,000.
Fiscal year 2000:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $1,365,000,000.
(D) New primary loan guarantee commitments $2,369,000,000.
Fiscal year 2001:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $1,404,000,000.
(D) New primary loan guarantee commitments $2,448,000,000.
Fiscal year 2002:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $1,430,000,000.
(D) New primary loan guarantee commitments $2,496,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1997:
(A) New budget authority, $62,900,000,000.
(B) Outlays, $61,800,000,000.
(C) New direct loan obligations, $16,219,000,000.
(D) New primary loan guarantee commitments $15,469,000,000.
Fiscal year 1998:
(A) New budget authority, $64,900,000,000.
(B) Outlays, $63,700,000,000.
(C) New direct loan obligations, $69,700,000,000.
(D) New primary loan guarantee commitments $14,760,000,000.
Fiscal year 1999:
(A) New budget authority, $68,200,000,000.
(B) Outlays, $66,400,000,000.
(C) New direct loan obligations, $21,781,000,000.
(D) New primary loan guarantee commitments $13,854,000,000.
Fiscal year 2000:
(A) New budget authority, $70,500,000,000.
(B) Outlays, $68,700,000,000.
(C) New direct loan obligations, $22,884,000,000.
(D) New primary loan guarantee commitments $14,589,000,000.
Fiscal year 2001:
(A) New budget authority, $71,800,000,000.
(B) Outlays, $69,700,000,000.
(C) New direct loan obligations, $23,978,000,000.
(D) New primary loan guarantee commitments $15,319,000,000.
Fiscal year 2002:
(A) New budget authority, $73,000,000,000.
(B) Outlays, $71,100,000,000.
(C) New direct loan obligations, $25,127,000,000.
(D) New primary loan guarantee commitments $16,085,000,000.
(11) Health (550):
Fiscal year 1997:
(A) New budget authority, $140,900,000,000.
(B) Outlays, $140,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $187,000,000.
Fiscal year 1998:
(A) New budget authority, $154,200,000,000.
(B) Outlays, $153,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $94,000,000.
Fiscal year 1999:
(A) New budget authority, $168,300,000,000.
(B) Outlays, $167,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $183,000,000,000.
(B) Outlays, $182,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $198,800,000,000.
(B) Outlays, $198,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $215,500,000,000.
(B) Outlays, $214,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(12) Medicare (570):
Fiscal year 1997:
(A) New budget authority, $199,800,000,000.
(B) Outlays, $198,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $218,800,000,000.
(B) Outlays, $217,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $239,200,000,000.
(B) Outlays, $236,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $259,700,000,000.
(B) Outlays, $258,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:
(A) New budget authority, $282,500,000,000.
(B) Outlays, $780,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $307,500,000,000.
(B) Outlays, $305,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(13) Income Security (600):
Fiscal year 1997:
(A) New budget authority, $236,700,000,000.
(B) Outlays, $244,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $253,700,000,000.
(B) Outlays, $255,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $261,400,000,000.
(B) Outlays, $267,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $282,000,000,000.
(B) Outlays, $281,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $283,200,000,000.
(B) Outlays, $287,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $305,200,000,000.
(B) Outlays, $302,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(14) Social Security (650):
Fiscal year 1997:
(A) New budget authority, $7,800,000,000.
(B) Outlays, $11,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $9,200,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $13,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1997:
(A) New budget authority, $39,600,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $935,000,000.
(D) New primary loan guarantee commitments $26,362,000,000.
Fiscal year 1998:
(A) New budget authority, $40,200,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $982,000.
(D) New primary loan guarantee commitments $25,925,000,000.
Fiscal year 1999:
(A) New budget authority, $42,100,000,000.
(B) Outlays, $42,200,000,000.
(C) New direct loan obligations, $987,000,000.
(D) New primary loan guarantee commitments $25,426,000,000.
Fiscal year 2000:
(A) New budget authority, $43,100,000,000.
(B) Outlays, $44,700,000,000.
(C) New direct loan obligations, $1,021,000,000.
(D) New primary loan guarantee commitments $24,883,000,000.
Fiscal year 2001:
(A) New budget authority, $44,000,000,000.
(B) Outlays, $42,800,000,000.
(C) New direct loan obligations, $1,189,000,000.
(D) New primary loan guarantee commitments $24,298,000,000.
Fiscal year 2002:
(A) New budget authority, $45,100,000,000.
(B) Outlays, $45,400,000,000.
(C) New direct loan obligations, $1,194,000,000.
(D) New primary loan guarantee commitments $23,668,000,000.
(16) Administration of Justice (750):
Fiscal year 1997:
(A) New budget authority, $23,400,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $24,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $25,400,000,000.
(B) Outlays, $24,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $25,500,000,000.
(B) Outlays, $25,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $24,700,000,000.
(B) Outlays, $25,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $24,100,000,000.
(B) Outlays, $24,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(17) General Government (800):
Fiscal year 1997:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $14,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $14,700,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $14,700,000,000.
(B) Outlays, $14,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $15,100,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $15,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(18) Net Interest (900):
Fiscal year 1997:
(A) New budget authority, $281,400,000,000.
(B) Outlays, $281,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $285,600,000,000.
(B) Outlays, $285,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, $287,300,000,000.
(B) Outlays, $287,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, $286,800,000,000.
(B) Outlays, $286,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, $289,500,000,000.
(B) Outlays, $289,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, $293,500,000,000.
(B) Outlays, $293,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(19) Allowances (920):
Fiscal year 1997:
(A) New budget authority, −$0.
(B) Outlays, −$0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, −$0.
(B) Outlays, −$0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1999:
(A) New budget authority, −$0.
(B) Outlays, −$0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, −$0.
(B) Outlays, −$0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

Fiscal year 2001:
(A) New budget authority, −$0.
(B) Outlays, −$0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, −$0.
(B) Outlays, −$0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1997:
(A) New budget authority, −$43,300,000,000.
(B) Outlays, −$43,300,000,000.
(C) New direct loan obligations, $7,900,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, −$33,500,000,000.
(B) Outlays, −$33,500,000,000.
(C) New direct loan obligations, $8,838,000,000.
(D) New primary loan guarantee commitments $8,838,000,000.
Fiscal year 1999:
(A) New budget authority, −$31,100,000,000.
(B) Outlays, −$31,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2000:
(A) New budget authority, −$3,600,000,000.
(B) Outlays, −$3,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2001:
(A) New budget authority, −$32,600,000,000.
(B) Outlays, −$32,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 2002:
(A) New budget authority, −$33,800,000,000.
(B) Outlays, −$33,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committee named in subsection (b) shall report its recommendations to the House.

(b) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues by $40,500,000,000 in fiscal year 1997, by $377,000,000,000 in fiscal years 1997 through 2001, and by $486,600,000,000 in fiscal years 1997 through 2002.

SEC. 5. SENSE OF CONGRESS ON DOMESTIC VIOLENCE AND FEDERAL ASSISTANCE.

(a) FINDINGS.—Congress finds that—

(1) domestic violence is the leading cause of physical injury to women; the Department of Justice estimates that over one million violent crimes against women are committed by intimate partners annually;

(2) domestic violence dramatically affects the victim's ability to participate in the workforce; a University of Minnesota survey reported that one-quarter of battered women surveyed had lost a job partly because of being abused and that over half of these women had been harassed by their abuser at work;

(3) domestic violence is often intensified as women seek to gain economic independence through attending school or training programs; batterers have been reported to prevent women from attending these programs or sabotage their efforts at self-improvement;

(4) nationwide surveys of service providers prepared by the Taylor Institute of Chicago, document, for the first time, the interrelationship between domestic violence and welfare by showing that between 50 percent and 80 percent of AFDC recipients are current or past victims of domestic violence;

(5) over half of the women surveyed stayed with their batterers because they lacked the resources to support themselves and their children; the surveys also found that the availability of economic support is a critical factor in poor women's ability to leave abusive situations that threaten them and their children; and

(6) proposals to restructure the welfare programs may impact the availability of the economic support and the safety net necessary to enable poor women to flee abuse without risking homelessness and starvation for their families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) no welfare reform provision shall be enacted by Congress unless and until Congress considers whether such welfare reform provisions will exacerbate violence against women and their children, further endanger women's lives, make it more difficult for women to escape domestic violence, or further punish women victimized by violence; and

(2) any welfare reform measure enacted by Congress shall require that any welfare-to-work, education, or job placement programs implemented by the States will address the impact of domestic violence on welfare recipients.

SEC. 6. SENSE OF CONGRESS ON IMPACT OF LEGISLATION ON CHILDREN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that Congress should not adopt or enact any legislation that will increase the number of children who are hungry, homeless, poor, or medically uninsured.

(b) LEGISLATIVE ACCOUNTABILITY FOR IMPACT ON CHILDREN.—In the event legislation enacted to comply with this resolution results in an increase in the number of hungry, homeless, poor, or medically uninsured by the end of fiscal year 1997, Congress shall revisit the provisions of such legislation which caused such increase and shall, as soon as practicable thereafter, adopt legislation which would halt any continuation of such increase.

H. CON. RES. 178

OFFERED BY: MR. SABO

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 3: Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1997.

The Congress determines and declares that the concurrent resolution on the budget for fiscal year 1997 is hereby established and that the appropriate budgetary levels for fiscal years 1998 through 2002 are hereby set forth.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:
Fiscal year 1997: $1,092,400,000,000.
Fiscal year 1998: $1,146,400,000,000.
Fiscal year 1999: $1,195,600,000,000.
Fiscal year 2000: $1,244,600,000,000.
Fiscal year 2001: $1,309,400,000,000.
Fiscal year 2002: $1,389,900,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:
Fiscal year 1997: −$7,929,000,000.
Fiscal year 1998: −$2,150,000,000.
Fiscal year 1999: −$2,741,000,000.
Fiscal year 2000: −$7,219,000,000.
Fiscal year 2001: −$1,721,000,000.
Fiscal year 2002: $16,024,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:
Fiscal year 1997: $1,325,000,000,000.
Fiscal year 1998: $1,374,600,000,000.
Fiscal year 1999: $1,413,100,000,000.
Fiscal year 2000: $1,454,700,000,000.
Fiscal year 2001: $1,496,300,000,000.
Fiscal year 2002: $1,528,300,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:
Fiscal year 1997: $1,321,000,000,000.
Fiscal year 1998: $1,375,700,000,000.
Fiscal year 1999: $1,408,100,000,000.
Fiscal year 2000: $1,447,200,000,000.
Fiscal year 2001: $1,466,100,000,000.
Fiscal year 2002: $1,498,400,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:
Fiscal year 1997: $228,500,000,000.
Fiscal year 1998: $229,300,000,000.
Fiscal year 1999: $212,400,000,000.
Fiscal year 2000: $202,600,000,000.
Fiscal year 2001: $156,700,000,000.
Fiscal year 2002: $108,500,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:
Fiscal year 1997: $5,441,500,000,000.
Fiscal year 1998: $5,713,700,000,000.
Fiscal year 1999: $5,964,900,000,000.
Fiscal year 2000: $6,204,600,000,000.
Fiscal year 2001: $6,395,300,000,000.
Fiscal year 2002: $6,542,900,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:
Fiscal year 1997: $45,451,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:
Fiscal year 1997: $172,005,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):
Fiscal year 1997:
(A) New budget authority, $254,300,000,000.
(B) Outlays, $260,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $229,000,000.
Fiscal year 1998:
(A) New budget authority, $258,500,000,000.
(B) Outlays, $256,300,000,000.
Fiscal year 1999:
(A) New budget authority, $263,800,000,000.
(B) Outlays, $257,800,000,000.
Fiscal year 2000:
(A) New budget authority, $270,300,000,000.
(B) Outlays, $263,300,000,000.
Fiscal year 2001:
(A) New budget authority, $279,400,000,000.
(B) Outlays, $266,600,000,000.
Fiscal year 2002:
(A) New budget authority, $287,800,000,000.
(B) Outlays, $278,200,000,000.

(2) International Affairs (150):
Fiscal year 1997:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $4,067,000,000.
(D) New primary loan guarantee commitments $18,624,000,000.

Fiscal year 1998:
(A) New budget authority, $14,500,000,000.
(B) Outlays, $14,900,000,000.
Fiscal year 1999:
(A) New budget authority, $13,900,000,000.
(B) Outlays, $14,500,000,000.
Fiscal year 2000:
(A) New budget authority, $14,300,000,00.
(B) Outlays, $13,600,000,000.
Fiscal year 2001:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $14,100,000,000.
Fiscal year 2002:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $14,900,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1997:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $16,600,000,000.
Fiscal year 1999:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $16,000,000,000.
Fiscal year 2000:
(A) New budget authority, $14,600,000,000.
(B) Outlays, $15,100,000,000.
Fiscal year 2001:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,500,000,000.
Fiscal year 2002:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $16,600,000,000.
(4) Energy (270):
Fiscal year 1997:
(A) New budget authority, $3,200,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,620,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $3,700,000,000.
(B) Outlays, $2,700,000,000.
Fiscal year 1999:
(A) New budget authority, $3,000,000,000.
(B) Outlays, $2,300,000,000.
Fiscal year 2000:
(A) New budget authority, $2,700,000,000.
(B) Outlays, $1,900,000,000.
Fiscal year 2001:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,100,000,000.
Fiscal year 2002:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,100,000,000.
(5) Natural Resources and Environment (300):
Fiscal year 1997:
(A) New budget authority, $21,900,000,000.
(B) Outlays, $22,200,000,000.
(C) New direct loan obligations, $36,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $22,300,000,000.
Fiscal year 1999:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $22,100,000,000.
Fiscal year 2000:
(A) New budget authority, $20,900,000,000.
(B) Outlays, $21,500,000,000.
Fiscal year 2001:
(A) New budget authority, $21,800,000,000.
(B) Outlays, $21,800,000,000.
Fiscal year 2002:
(A) New budget authority, $23,000,000,000.
(B) Outlays, $22,600,000,000.
(6) Agriculture (350):
Fiscal year 1997:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,100,000,000.
(C) New direct loan obligations, $7,605,000,000.
(D) New primary loan guarantee commitments, $8,150,000,000.
Fiscal year 1998:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $10,700,000,000.
Fiscal year 1999:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $10,200,000,000.
Fiscal year 2000:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $9,400,000,000.
Fiscal year 2001:
(A) New budget authority, $10,600,000,000.
(B) Outlays, $8,700,000,000.
Fiscal year 2002:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $8,900,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1997:
(A) New budget authority, $8,600,000,000.
(B) Outlays, $1,900,000,000.
(C) New direct loan obligations, $5,536,000,000.
(D) New primary loan guarantee commitments $97,707,000,000.
Fiscal year 1998:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $6,500,000,000.
Fiscal year 1999:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $6,800,000,000.
Fiscal year 2000:
(A) New budget authority, $12,900,000,000.
(B) Outlays, $8,100,000,000.
Fiscal year 2001:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $8,200,000,000.
Fiscal year 2002:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $8,500,000,000.
(8) Transportation (400):
Fiscal year 1997:
(A) New budget authority, $42,200,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $415,000,000.
(D) New primary loan guarantee commitments $571,000,000.
Fiscal year 1998:
(A) New budget authority, $36,200,000,000.
(B) Outlays, $38,600,000,000.
Fiscal year 1999:
(A) New budget authority, $33,200,000,000.
(B) Outlays, $36,900,000,000.
Fiscal year 2000:
(A) New budget authority, $30,900,000,000.
(B) Outlays, $34,600,000,000.
Fiscal year 2001:
(A) New budget authority, $34,200,000,000.
(B) Outlays, $33,700,000,000.
Fiscal year 2002:
(A) New budget authority, $37,900,000,000.
(B) Outlays, $35,300,000,000.
(9) Community and Regional Development (450):
Fiscal year 1997:
(A) New budget authority, $9,200,000,000.
(B) Outlays, $10,600,000,000.
(C) New direct loan obligations, $1,952,000,000.
(D) New primary loan guarantee commitments $2,885,000,000.
Fiscal year 1998:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $10,300,000,000.
Fiscal year 1999:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $9,900,000,000.
Fiscal year 2000:
(A) New budget authority, $7,800,000,000.
(B) Outlays, $9,300,000,000.
Fiscal year 2001:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,700,000,000.
Fiscal year 2002:
(A) New budget authority, $9,400,000,000.
(B) Outlays, $8,300,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1997:
(A) New budget authority, $53,300,000,000.
(B) Outlays, $51,300,000,000.
(C) New direct loan obligations, $21,770,000,000.
(D) New primary loan guarantee commitments $19,114,000,000.
Fiscal year 1998:
(A) New budget authority, $54,500,000,000.
(B) Outlays, $53,700,000,000.
Fiscal year 1999:
(A) New budget authority, $56,300,000,000.
(B) Outlays, $55,000,000,000.
Fiscal year 2000:
(A) New budget authority, $58,000,000,000.
(B) Outlays, $56,700,000,000.
Fiscal year 2001:
(A) New budget authority, $60,700,000,000.
(B) Outlays, $58,900,000,000.
Fiscal year 2002:
(A) New budget authority, $63,400,000,000.
(B) Outlays, $61,400,000,000.
(11) Health (550):
Fiscal year 1997:
(A) New budget authority, $136,900,000,000.
(B) Outlays, $136,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $140,000,000.
Fiscal year 1998:
(A) New budget authority, $144,400,000,000.
(B) Outlays, $144,800,000,000.
Fiscal year 1999:
(A) New budget authority, $151,200,000,000.
(B) Outlays, $151,700,000,000.
Fiscal year 2000:
(A) New budget authority, $158,800,000,000.
(B) Outlays, $159,100,000,000.
Fiscal year 2001:
(A) New budget authority, $164,900,000,000.
(B) Outlays, $163,900,000,000.
Fiscal year 2002:
(A) New budget authority, $176,100,000,000.
(B) Outlays, $174,600,000,000.
(12) Medicare (570):
Fiscal year 1997:
(A) New budget authority, $193,100,000,000.
(B) Outlays, $191,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $209,300,000,000.
(B) Outlays, $207,600,000,000.
Fiscal year 1999:
(A) New budget authority, $222,600,000,000.
(B) Outlays, $220,300,000,000.
Fiscal year 2000:
(A) New budget authority, $236,600,000,000.
(B) Outlays, $234,800,000,000.
Fiscal year 2001:
(A) New budget authority, $252,700,000,000.
(B) Outlays, $250,900,000,000.
Fiscal year 2002:
(A) New budget authority, $272,300,000,000.
(B) Outlays, $269,900,000,000.
(13) Income Security (600):
Fiscal year 1997:
(A) New budget authority, $231,600,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $37,000,000.
Fiscal year 1998:
(A) New budget authority, $244,100,000,000.
(B) Outlays, $247,100,000,000.
Fiscal year 1999:
(A) New budget authority, $255,600,000,000.
(B) Outlays, $256,600,000,000.
Fiscal year 2000:
(A) New budget authority, $271,300,000,000.
(B) Outlays, $270,700,000,000.
Fiscal year 2001:
(A) New budget authority, $280,000,000,000.
(B) Outlays, $277,800,000,000.

Fiscal year 2002:
(A) New budget authority, $296,600,000,000.
(B) Outlays, $292,900,000,000.
(14) Social Security (650):
Fiscal year 1997:
(A) New budget authority, $7,800,000,000.
(B) Outlays, $10,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $8,500,000,000.
(B) Outlays, $11,600,000,000.
Fiscal year 1999:
(A) New budget authority, $9,200,000,000.
(B) Outlays, $12,300,000,000.
Fiscal year 2000:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $13,000,000,000.
Fiscal year 2001:
(A) New budget authority, $10,800,000,000.
(B) Outlays, $13,900,000,000.
Fiscal year 2002:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $14,800,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 1997:
(A) New budget authority, $39,000,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $2,344,000,000.
(D) New primary loan guarantee commitments $24,548,000,000.
Fiscal year 1998:
(A) New budget authority, $37,900,000,000.
(B) Outlays, $38,700,000,000.
Fiscal year 1999:
(A) New budget authority, $36,600,000,000.
(B) Outlays, $37,000,000,000.
Fiscal year 2000:
(A) New budget authority, $35,200,000,000.
(B) Outlays, $37,100,000,000.
Fiscal year 2001:
(A) New budget authority, $37,300,000,000.
(B) Outlays, $36,000,000,000.
Fiscal year 2002:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,800,000,000.
(16) Administration of Justice (750):
Fiscal year 1997:
(A) New budget authority, $23,500,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $24,500,000,000.
(B) Outlays, $24,400,000,000.
Fiscal year 1999:
(A) New budget authority, $25,500,000,000.
(B) Outlays, $24,800,000,000.
Fiscal year 2000:
(A) New budget authority, $25,500,000,000.
(B) Outlays, $25,500,000,000.
Fiscal year 2001:
(A) New budget authority, $24,800,000,000.
(B) Outlays, $25,700,000,000.
Fiscal year 2002:
(A) New budget authority, $24,100,000,000.
(B) Outlays, $25,000,000,000.
(17) General Government (800):
Fiscal year 1997:
(A) New budget authority, $15,500,000,000.
(B) Outlays, $14,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $14,900,000,000.
Fiscal year 1999:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $14,900,000,000.
Fiscal year 2000:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,200,000,000.
Fiscal year 2001:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,300,000,000.
Fiscal year 2002:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,000,000,000.
(18) Net Interest (900):
Fiscal year 1997:
(A) New budget authority, $282,300,000,000.
(B) Outlays, $282,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, $289,400,000,000.
(B) Outlays, $289,400,000,000.
Fiscal year 1999:
(A) New budget authority, $293,900,000,000.
(B) Outlays, $293,900,000,000.
Fiscal year 2000:
(A) New budget authority, $296,600,000,000.
(B) Outlays, $296,600,000,000.
Fiscal year 2001:
(A) New budget authority, $301,900,000,000.
(B) Outlays, $301,900,000,000.
Fiscal year 2002:
(A) New budget authority, $307,500,000,000.
(B) Outlays, $307,500,000,000.
(19) Allowances (920):
Fiscal year 1997:
(A) New budget authority, −$500,000,000.
(B) Outlays, −$500,000,000.
(C) New direct loan obligations, $106,000,000.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, −$0.
(B) Outlays, −$0.
Fiscal year 1999:
(A) New budget authority, −$0.
(B) Outlays, −$0.
Fiscal year 2000:
(A) New budget authority, −$0.
(B) Outlays, −$0.
Fiscal year 2001:
(A) New budget authority, −$12,900,000,000.
(B) Outlays, −$16,500,000,000.
Fiscal year 2002:
(A) New budget authority, −$36,800,000,000.
(B) Outlays, −$36,800,000,000.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1997:
(A) New budget authority, −$43,300,000,000.
(B) Outlays, −$43,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments $0.
Fiscal year 1998:
(A) New budget authority, −$35,400,000,000.
(B) Outlays, −$35,400,000,000.
Fiscal year 1999:
(A) New budget authority, −$35,100,000,000.
(B) Outlays, −$35,100,000,000.
Fiscal year 2000:
(A) New budget authority, −$38,200,000,000.
(B) Outlays, −$38,200,000,000.
Fiscal year 2001:
(A) New budget authority, −$41,000,000,000.
(B) Outlays, −$41,000,000,000.
Fiscal year 2002:
(A) New budget authority, −$62,200,000,000.
(B) Outlays, −$62,200,000,000.

SEC. 4. RECONCILIATION.

(a) Not later than June 21, 1996, the House committees named in subsection (b) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(b)(1) The House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $2,062,000,000 in outlays for fiscal year 1997, $14,816,000,000 in outlays in fiscal years 1997 through 2001, and $18,457,000,000 in outlays in fiscal years 1997 through 2002.

(2) The House Committee on Banking and Financial Services shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $3,346,000,000 in outlays for fiscal year 1997, $2,755,000,000 in outlays in fiscal years 1997 through 2001, and $3,143,000,000 in outlays in fiscal years 1997 through 2002.

(3) The House Committee on Commerce shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $5,717,000,000 in outlays for fiscal year 1997, $128,862,000,000 in outlays in fiscal years 1997 through 2001, and $207,698,000,000 in outlays in fiscal years 1997 through 2002.

(4) The House Committee on Economic and Educational Opportunities shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $633,000,000 in outlays for fiscal year 1997, $4,923,000,000 in outlays in fiscal years 1997 through 2001, and $6,040,000,000 in outlays in fiscal years 1997 through 2002.

(5) The House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $840,000,000 in outlays for fiscal year 1997, $7,236,000,000 in outlays in fiscal years 1997 through 2001, and $9,086,000,000 in outlays in fiscal years 1997 through 2002.

(6) The House Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending sufficient to increase outlays, as follows: $51,000,000 in outlays for fiscal year 1997, and reduce outlays by $84,000,000 in outlays in fiscal years 1997 through 2001, and $147,000,000 in outlays in fiscal years 1997 through 2002.

(7) The House Committee on National Security shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $79,000,000 in outlays for fiscal year 1997, $472,000,000 in outlays in fiscal years 1997 through 2001, and $1,753,000,000 in outlays in fiscal years 1997 through 2002.

(8) The House Committee on Resources shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $112,000,000 in outlays for fiscal year 1997, $372,000,000 in outlays in fiscal years 1997 through 2001, and $391,000,000 in outlays in fiscal years 1997 through 2002.

(9) The House Committee on Transportation and Infrastructure shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $42,000,000 in outlays for fiscal year 1997, $255,000,000 in outlays in fiscal years 1997 through 2001, and $363,000,000 in outlays in fiscal years 1997 through 2002.

(10) The House Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending sufficient to reduce outlays, as follows: $148,000,000 in outlays for fiscal year 1997, $3,870,000,000 in outlays in fiscal years 1997 through 2001, and $5,284,000,000 in outlays in fiscal years 1997 through 2002.

(11) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase the deficit, as follows: by $1,024,000,000 in fiscal year 1997, and decrease the deficit by $64,619,000,000 in fiscal years 1997 through 2001, and by $117,820,000,000 in fiscal years 1997 through 2002.

(c) DEFINITION.—For purposes of this section, the term ''direct spending'' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.