RECESS

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

Accordingly (at 12 o'clock and 50 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1330

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. LAHOOD] at 1:30 p.m.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 84, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1998

The SPEAKER pro tempore. The pending business is the question de novo of agreeing to the resolution (H. Res. 160) waiving points of order against the conference report to accompany the concurrent resolution (H. Con. Res. 84) establishing the congressional budget for the U.S. Government for fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

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

Mr. SERRANO. 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 vote was taken by electronic device, and there were—yeas 373, nays 47, not voting 14, as follows:

[Roll No. 165]

YEAS—373

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Fattah
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Upton
Vento
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—47

Becerra
Bonior
Borski
Brown (FL)
Clay
Conyers
DeFazio
Dellums
Filner
Hastings (FL)
Hilliard
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kilpatrick
Kucinich
Lampson
Lewis (GA)
Lipinski
Markey
Martinez
McCarthy (NY)
McDermott
McNulty
Miller (CA)
Mink
Nadler
Oberstar
Obey
Olver
Owens
Payne
Pelosi
Rahall
Rangel
Rush
Sanders
Stark
Stokes
Thompson
Tierney
Torres
Velazquez
Visclosky
Waters
Watt (NC)
Yates

NOT VOTING—14

Andrews
Barton
Farr
Goode
Greenwood
Istook
Jefferson
Johnson (CT)
Lantos
Meek
Pickering
Schiff
Souder
Turner

□ 1351

Messrs. OLVER, RUSH, and WATT of North Carolina changed their vote from ''yea'' to ''nay.''

Mr. JACKSON of Illinois changed his vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1525

Mr. PASCRELL. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1525.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 84, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1998

Mr. KASICH. Mr. Speaker, pursuant to House Resolution 160, I call up the conference report on the concurrent resolution (H. Con. Res. 84) establishing the congressional budget for the U.S. Government for fiscal year 1998 and setting forth appropriate budgetary levels for fiscal years 1999, 2000, 2001, and 2002.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 160, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of June 4, 1997, at page H3358.)

The SPEAKER pro tempore. The gentleman from Ohio [Mr. KASICH] and the gentleman from South Carolina [Mr. SPRATT] each will control 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. KASICH].

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

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

Mr. KASICH. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I rise for the purpose of engaging the chairman in a colloquy.

This budget resolution contains an intercity passenger rail reserve fund, which originated in the other body, whereby if there is a reduction in direct spending or an increase in revenues additional funding could be provided for intercity passenger rail on a deficit neutral basis.

Is this the chairman's understanding of the intercity passenger rail reserve fund?

Mr. KASICH. Yes, it is.

Mr. SHUSTER. The chairman is probably also aware the reserve fund in the budget resolution links additional funding for intercity passenger rail service to the enactment of authorizing legislation for Amtrak. The enactment of reforms for Amtrak is absolutely critical to the future of intercity rail in this country. Amtrak, as it is currently structured, cannot survive into the future.

My committee produced reform legislation in the last Congress that passed this House by a vote of 406 to 4. This legislation relieved Amtrak of burdensome statutory mandates, imposed caps on liability exposure, and restructured the Amtrak board of directors to make Amtrak more streamlined and able to make customer-based business decisions. Unfortunately, the other body never considered the legislation, so 2 years later Amtrak is still subject to onerous statutory requirements that prevent it from providing quality service at a reasonable cost.

In my view, it would be a grave disservice to the American taxpayers to provide additional funding for Amtrak if no legislation is enacted. That is why I want to be sure that if additional funding is provided to Amtrak through the reserve fund it will happen only if the reform legislation has been enacted.

Mr. KASICH. I agree entirely. Additional funding for Amtrak through the intercity passenger rail reserve fund established in the resolution should only be permitted if reform legislation is enacted. In my role as chairman of the House Committee on the Budget I will categorically refuse to release funds from the reserve fund for Amtrak if authorizing legislation reforming Amtrak has not been enacted into law or if the additional funds are not made contingent upon the enactment of such reforms.

Mr. SHUSTER. Mr. Speaker, I thank the distinguished chairman for his support.

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

Mr. KASICH. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Speaker, I rise to enter into a colloquy with the chairman of the Committee on the Budget.

As I read the budget resolution and the conference report, together with some additional documents that the Committee on the Budget and the administration have issued, there are three separate items concerning Superfund. The bipartisan budget agreement establishes a reserve fund to provide $200 million per year in mandatory spending for so-called orphan share spending for the Superfund program; is that correct?

Mr. KASICH. Mr. Speaker, the gentleman is correct.

Mr. OXLEY. Mr. Speaker, if the gentleman will continue to yield, it is my further understanding that in order to obtain the additional funding from the reserve fund, the budget resolution requires Congress to pass legislation providing for that additional mandatory spending; is that correct?

Mr. KASICH. The gentleman is correct.

Mr. OXLEY. Did the budget negotiators specifically contemplate that such legislation would be a comprehensive Superfund reform bill?

Mr. KASICH. Yes, section 204 of the conference report specifically states the additional funds will be available only after the authorizing committees report a Superfund reform bill.

Mr. OXLEY. I thank the gentleman. And did the negotiators also specifically contemplate a comprehensive Superfund reform bill when they wrote, in the addendum to the budget agreement, that ''Superfund appropriations will be at the President's level if policies can be worked out?''

Mr. KASICH. The Superfund appropriations will be at the President's level if policies can be worked out.

Mr. OXLEY. We in the Committee on Commerce interpret that as the need for a comprehensive reform bill.

Finally, the addendum states that the Superfund tax shall not be used as a revenue offset. Does that reflect an agreement among the negotiators that the Superfund taxes will not be used to pay for tax relief?

□ 1400

Mr. KASICH. The gentleman is correct. Superfund taxes cannot be used for tax relief, as specified in section 105 of the conference report.

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

Mr. KASICH. I yield to the gentleman from South Carolina.

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this budget resolution in order to balance the budget in 5 years caps discretionary spending and issues reconciliation directives to a number of House and Senate committees. These directives simply set forth targets that each committee must meet, but behind these reconciliation directives are major policy and procedural agreements.

Mr. KASICH. Mr. Speaker, I would ask the gentleman, could we get unanimous consent to submit this entire colloquy?

Mr. SPRATT. I believe in order to be effective, it has to be read aloud.

Mr. KASICH. Mr. Speaker, I ask unanimous consent that this entire colloquy language be put in the RECORD.

The SPEAKER pro tempore. A colloquy is not permitted to be entered into the RECORD.

Mr. KASICH. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, the Committee on the Budget leadership, the congressional leadership, and the White House have negotiated in earnest over the past 4 months. Our negotiations culminated in a document called the Bipartisan Budget Agreement of 1997, which is incorporated by reference in the committee report. In issuing reconciliation directives, what the resolution seeks is compliance with this agreement, and compliance is critical if we are to implement in good faith the bipartisan budget agreement of 1997.

To that end, I would like to engage the chairman of the Committee on the Budget in a colloquy to confirm his understanding of this bipartisan budget agreement and this budget resolution.

First, does the chairman remain committed to House consideration of two separate reconciliation bills, first, the spending bill, second, the bill providing for $85 billion in net tax reduction from 1998 to 2002?

I raise this question because the House reconciliation directive allows either two bills or a single omnibus bill, and on May 19, 1997, Chairman KASICH sent me a letter to clarify that provision. In that letter the gentleman from Ohio [Mr. KASICH] stated:

> The procedural obstacles in the Senate may preclude the consideration of two separate reconciliation bills. For that reason, the committee reported budget resolution includes a contingency for the consideration of a single bill. I remain firmly committed to considering and presenting to the President two separate reconciliation bills, as envisioned in the Bipartisan Budget Agreement, and will work in good faith with all parties to achieve that end.

I understand that the other body has now resolved the major procedural problem by granting unanimous consent to waive the so-called Byrd rule, a provision that might otherwise have precluded consideration of a separate tax reconciliation bill.

Mr. Speaker, I include for the RECORD the letter just referred to.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, May 19, 1997.

Hon. JOHN SPRATT,
Ranking Minority Member, Committee on the Budget, House of Representatives, Washington, DC.

DEAR MR. SPRATT: This letter is a follow-up to my comments at last Friday's mark up on the structure of the reconciliation process.

As you know, the budget resolution, as reported, establishes a structure for the consideration of two separate reconciliation bills in the House, the first for entitlement reform due on June 12 and the second for tax relief due on June 13.

The two-bill structure is consistent with the Bipartisan Budget Agreement which noted that ''It is the intention of the Leaders

that Congress shall present the revenue reconciliation bill to the President after the spending reduction reconciliation bill. This assumes a good faith effort by all parties to enable such a legislative process to succeed.''

Unfortunately, procedural obstacles in the Senate may preclude the consideration of two separate reconciliation bills. For that reason, the committee-reported budget resolution includes a contingency for the consideration of a single omnibus bill.

I remain fully committed to considering and presenting to the President the two separate reconciliation bills, as envisioned in the Bipartisan Budget Agreement, and will work in good faith with all parties to achieve that end.

Sincerely,

JOHN R. KASICH,
Chairman, Committee on the Budget.

Mr. KASICH. Mr. Speaker, reclaiming my time, the bipartisan budget agreement clearly states it is the intention of the leaders that Congress shall present the revenue reconciliation bill to the President after the spending reduction reconciliation bill. This assumes a good-faith effort by all parties to enable such a legislative process to succeed. I remain committed to House consideration of two separate bills, one for spending, another for tax cuts, as I stated in a letter to the gentleman from South Carolina [Mr. SPRATT]; however, the budget resolution does provide for the possibility of a one-bill reconciliation process and we consider this an option only if the good-faith efforts to proceed with two bills proves to be unsuccessful.

Mr. SPRATT. Mr. Speaker, I would also like to ask about targets for spending and tax cuts. The budget agreement and budget resolution call for $85 billion in net tax cuts over the 5-year period 1998 to 2002 to be enacted in the second reconciliation bill.

The first reconciliation bill includes entirely spending items, with two small exceptions, the increase in Federal employee retirement contributions, as technically a revenue increase, and the administration's proposal to tighten compliance with the earned income credit is actually scored as generating a small revenue increase as well as reduction in outlays.

Some have suggested that section 310(c) of the Congressional Budget Act could allow the first bill to include tax cuts offset by spending reductions that are deeper than those specified in the reconciliation directive. If so, tax cuts in the first bill, with $85 billion of tax cuts in the second bill, could bring net tax reduction to more than the $85 billion agreed upon in the first 5 years.

However one interprets section 310(c), I would maintain that it would breach the terms of the budget agreement to include tax cuts in the first reconciliation bill or to include tax cuts exceeding $85 billion over 5 years in the second bill. This would also breach the revenue floor set by this resolution and trigger a point of order.

Does the chairman agree that the budget agreement calls for $85 billion in net tax cuts over 5 years and that any greater amount would violate the agreement?

Mr. KASICH. Mr. Speaker, the House majority fully intends to fulfill the bipartisan budget agreement by providing $85 billion in net tax relief for the next 5 years and 250 in net tax relief over 10 years.

I would like to point out one possible exception. The text of the bipartisan budget agreement when speaking of $16 billion over 5 years to increase health care coverage for uninsured children says that the money could be used for Medicaid, for a program of cap mandatory grants to States or for other possibilities mutually agreeable.

Equally important, the agreement states that resources will be used in the most cost effective manner possible to expand coverage and services for low-income and uninsured children. To me, other possibilities do not exclude tax incentives or other tax provisions that assist in expanding health insurance coverage for our Nation's children.

I would further point out that the gentleman from South Carolina is correct that the $85 billion in net tax relief over 5 years and the $250 billion in net tax relief over 10 years does not include the revenue impact of the earned income tax credit reforms or changes in the contribution rates paid by Federal employees into their retirement programs.

Mr. SPRATT. Mr. Speaker, with respect to expanding health insurance coverage for uninsured children, I would like to note the following: First, the budget agreement specifies the $16 billion provided as outlay increases and refers to it as funding. Neither term implies a tax cut.

Second, the budget resolution treats the entire $16 billion provided as an outlay increase. And third, the phrase ''mutually agreeable'' refers to the parties who negotiate the agreement, the White House, the congressional leadership, the Committee on the Budget leadership.

Does the chairman understand the phrase ''mutually agreeable'' to mean these parties?

Mr. KASICH. Mr. Speaker, to me mutually agreeable means that the leaders of the Congress and the President must agree on the construction of a children's health initiative.

Mr. SPRATT. Mr. Speaker, there is one final issue that bears repetition even though you and I have been very clear on the matter.

The budget agreement and the budget resolution both include funds for five Presidential initiatives, $16 billion for children's health care coverage, to which we were just referring, $9.7 billion over 5 years to restore SSI and Medicaid benefits to legal immigrants already in the country who are or may become disabled, $1.5 billion for food stamps, $1.5 billion to ease the impact of increasing Medicare premiums on low-income beneficiaries, and $3 billion for welfare to work.

In each case, amounts have been allocated to the committees of jurisdiction and netted into the reconciliation targets for each committee. Although these committees have been given directives and targets that would allow them to spend these amounts, the agreement specifically provides additional resources solely for the stated purposes. The agreement in no way contemplates that this spending can be diverted to another program within a committee's jurisdiction or that it can be withheld to meet spending reductions that that committee is called upon to make.

This is my view. Is it also the view of the gentleman from Ohio [Mr. KASICH]?

Mr. KASICH. Mr. Speaker, in each of the cases, the gentleman from South Carolina [Mr. SPRATT] listed the additional resources provided for these programs are the only agreed upon purposes.

Mr. SPRATT. Mr. Speaker, is it understood that we are evenly dividing the time between us?

Mr. KASICH. Mr. Speaker, I ask unanimous consent that the remaining time, the total time to discuss the conference report, be equally divided between the gentleman from South Carolina [Mr. SPRATT] and myself.

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

There was no objection.

Mr. KASICH. So how much time do we have, Mr. Speaker?

The SPEAKER pro tempore. To clarify, the remaining time that the gentleman from Ohio [Mr. KASICH] has and the gentleman from South Carolina [Mr. SPRATT] has will be added together and split down the middle.

Mr. KASICH. Just like Solomon. How much time would that then give each side, Mr. Speaker?

The SPEAKER pro tempore. Each side has 24 minutes remaining.

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

Mr. Speaker, we are about to vote in this House on a conference report that would produce an agreed upon balanced budget, the first balanced budget we have seen since 1969. It will have historic levels of mandatory savings, approaching $700 billion over the next 10 years. It would extend the life of Medicare for 10 years, accompanied with structural changes of the program, including an adjustment of the reimbursement for managed care in Medicare that would allow rural Americans to have as much choice of the kind of health care they would like to receive as we get in urban areas.

Furthermore, it would change the payments to a prospective basis for home health care and skilled nursing facilities. It would also include in the premium the cost of the shift of home health care but, at the same time, allowing our poorest senior citizens to escape that burden.

But at the end of the day, the $700 billion in mandatory savings has never been accomplished before in the history of this House. At the same time,

those areas of spending, called the nondefense discretionary, the programs that run the operation of the Federal Government, will grow over the next 5 years at one-half percent. They have grown by 6 percent over the last 10 years. So we have had a significant reduction in the increase of that program, with those programs only growing by one-half percent.

At the same time, Mr. Speaker, of course contained in here is a tax cut that would be $135 billion over 5 years that could be used to provide a capital gains tax cut to provide incentives for people who take risks, a lowering of the cost of the death tax, allowing people who spent a lifetime building small businesses to be able to pass on what they have earned and worked for for a lifetime to their children at a lower rate of taxation by the Government. It would also provide for family tax credits, something that we believe would help to provide incentives to keep the American family together, to help reinforce the purposes of the American family, which is to build a stronger society. In addition, there will be tax relief for moms and dads and students who have had to spend an enormous amount of money on the cost of education.

Mr. Speaker, this agreement is underlaid by very conservative economics. This presumes that the economy will grow over the period of the next 5 years by a very conservative estimate of 2.1 percent. That presumes at some point the economy will grow faster. It also presumes at some point the economy will grow slower.

To put that in perspective, the Reagan program of the 1980s had a projected growth in order to get this budget under control of about 4.4 percent. This is a far more conservative foundation, only arguing that this economy would grow by 2.1 percent.

Furthermore, Mr. Speaker, I believe this agreement has bipartisan support and, therefore, will result in bipartisan enforcement. And in case any of my colleagues question it, as we know, we had a major fight here in the House of Representatives over transportation funding. Republicans and Democrats worked together to reject that amendment that we thought would begin to unravel this agreement. We were successful in being able to defeat that amendment in the U.S. Senate.

The President of the United States actually lobbied against the proposal by Senator KENNEDY and Senator HATCH to raise cigarette taxes to expand certain programs in the Federal agreement, and that was defeated.

I think we will have a commitment on both sides to try to enforce this, and I would ask my colleague from South Carolina [Mr. SPRATT], to really work hard diligently with me, as I know he will, in trying to enforce this agreement. I have got news for everybody, this is not an agreement only to be enforced against the Democrats. It is an agreement to be enforced against the Republicans as well.

We have reached an agreement, honorable people have reached an agreement. We have got to do our best to keep that agreement, even at times when it is uncomfortable and even at times when particular Members of both parties might get very upset about it. I came on this floor last night and had four or five chairmen tackle me as I got into the well telling me how difficult it was and how we needed to have change.

Frankly, Mr. Speaker, it is going to be necessary for us to maintain the integrity of this agreement. We need to do it as much as we can on a bipartisan basis. And frankly, our job is to call them like we see them, to make sure that we keep our word, and that is very, very important.

□ 1415

I know a lot of people in the country, a lot of the American people really wonder whether we can get a balanced budget under this agreement. The fact is there have been countless politicians who have promised it in the past. I think we have got the best opportunity that we have had at least during my career, because we have the specifics that will drive the policy changes that will begin saving money in the area of entitlements from the moment we pass those permanent changes in the law that will occur this year. I also believe the American people will see these tax cuts. There will in fact be an opportunity to give power back to people by putting more money in their pockets.

In my judgment, Mr. Speaker, it is important for the House, for Republicans and Democrats, to keep their word, to deliver a budget that the people have asked for in this country, accompanied by a return of their power and money, and influence. This is not the end of the day. Obviously we have tremendous challenges as it relates to the problems of Social Security, where in fact we are going to have to give Americans more control over their earnings and their investment opportunities. We are going to have to develop a more effective voucher program on Medicare, so in fact our seniors can have the same kind of choices that their adult children have. And clearly we are going to have to talk to the baby boomers about the concept of long-term managed care insurance and trying to move Medicaid into the area of help for the disabled and the children.

But we have got a huge challenge as baby boomers begin to retire. The Committee on the Budget is going to conduct a series of hearings about the coming wave. We will have to move forward with more creative and more innovative and more imaginative plans and programs, but this is a very big first step. If we can get this done, Mr. Speaker, then I believe we communicate to the American people that we are capable of handling a myriad of very sensitive programs in a very responsible way, gaining the support of the American people that as we move to enact more bold initiatives affecting entitlement programs that affect their lives, they will have a higher level of confidence that we can get it right.

Furthermore, I do not believe this is the end of the day on the issue of tax cuts. I think there will be a lot more to be said about this issue, that in fact the Republicans will continue to push for more growth-oriented tax cuts, more tax cuts that enforce the American family but, bottom line, that reflect the values of rewarding people for hard work and investment and risk-taking and at the same time create the power in the pockets of the American people. We believe that is where the power ought to be.

For about 40 or 50 years Americans gave up a lot of their power, money and influence in the name of justice and progress, and frankly a lot of justice and progress was achieved in the United States. But many of us have gotten the sense, in fact the vast majority of Americans have gotten the sense over the last decade that frankly it is time to shrink the Government and let the American people have more power and more influence to heal the problems in their neighborhoods, in their States, in their communities and in their families. That is going to be the watchword, Mr. Speaker.

But I think we should celebrate today an agreement that will in fact bring about that balanced budget in a real way, with tax cuts provided, and something that represents a first step toward hope that at the end of the day the next generation, in fact, is going to have a beautiful America, consisting of the same kind of opportunities that we had as young men and young women. At the same time I believe, Mr. Speaker, this is the first step toward beginning to deal significantly with entitlement programs that really have resulted in less savings, less productivity, less wage increases, and have placed a tremendous burden on the American family.

Mr. Speaker, this is not the end of the day but it is a very, very bright start; really, frankly, more than that first glorious sunrise. The sun is above that right now. It has actually risen above the mountains, but we have got a way to go before we can ensure to everybody that the next generation of Americans are going to have the kind of security that we all pray that they will.

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

Mr. SPRATT. Mr. Speaker, I yield myself such time as I may consume. I would simply like to say that the gentleman stated as well as possibly could be stated the spirit of this agreement. I walked us through a tedious colloquy about compliance with different fine points in the agreement and important points in the agreement, but the gentleman stated it well when he stated that we all have to work together, Democrats and Republicans alike, to

see that this agreement is fulfilled in the form that it is intended as we pass a budget resolution.

Mr. Speaker, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

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

Mrs. CLAYTON. Mr. Speaker, I rise in support of the budget resolution agreement. An agreement is a compromise, a settlement, a consensus. An agreement does not necessarily provide all that we want but it does provide some things we want.

This agreement is no different from that. It does provide a balanced budget in 5 years that is good for the Nation, but it continues to have very harsh provisions that allow access to food stamps for hungry people only 3 months out of 3 years. That provision will prove to be bad for the Nation.

The agreement provides an additional $16 billion over 5 years which will mean health insurance for 5 million children who are currently uninsured, and that is good. These additional moneys will help us, certainly, to have healthy children.

But the agreement does not extend health coverage for another 5 million children that would be left out, Mr. Speaker, and, worse, the agreement hurts hospitals in rural communities, although I know that the chairman does not think so. The agreement hurts hospitals in rural communities that face increases in their Medicaid disproportionate share hospital payments. We must work on this issue beyond this conference report.

This agreement is good for education, a national priority. The $35 billion investment in education tax cuts, the increase of $300 in Pell grants and the expansion of Head Start go a long way to feed the minds of our American children.

This agreement is also charitable to this Nation's hard-working families. The $500 per child tax credit, the welfare-to-work credit, and the establishment of additional empowerment zones and enterprise communities are important. Those will go a long way to boost our economy. But the agreement is bad for those who want to work and cannot find a job.

I do look forward in the Committee on Agriculture next week to passing language governing the $1.5 billion increase in funds to allow States to exempt up to 15 percent of their food stamp load. But those funds and the $3 million in additional funds for welfare-to-work simply will not go far enough. Many who find themselves without work, without income, many without the ability to feed their families certainly need help. Again, we must continue to work on this issue beyond this resolution.

Mr. Speaker, indeed there are things we like about this. There are many things we do not. We will work, Mr. Speaker, to make sure that those who are left out of this compromise be a part of the American dream.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the conference agreement, and I want to congratulate the gentleman from Ohio [Mr. KASICH], the chairman, and the gentleman from South Carolina [Mr. SPRATT], the ranking member, for their ability to bring forward a conference report on the budget that carries out the spirit of the bipartisan agreement.

The key to our ability to balance the budget in 5 years and protect the priorities that are important to the American people is the fact that we have had Democrats and Republicans working together in a bipartisan manner in the best interests of our country. But now it is time for the committees to act. That is going to be more difficult.

Let me say on an optimistic note that yesterday the Committee on Ways and Means Subcommittee on Health met on the Medicare provisions and voted by unanimous vote on the Medicare provisions providing for $115 billion of savings. Democrats and Republicans working together, we have a good Medicare proposal to include in the budget reconciliation. I would urge all the committees to work together in a bipartisan way.

Let me just say a word of caution. We have already seen in regards to legal immigrants that we have not had that type of working together between Democrats and Republicans on the committee of jurisdiction. I am deeply concerned that we have Democrats and Republicans working together to make sure that the revenues stay true to the agreement, that we do not have more revenue lost than the $85 billion net over the 5-year period and $250 billion over the 10-year period. We do not want exploding deficits. But unless we have Democrats and Republicans working on the bill that come forward in reconciliation to make sure that is the case, then I am afraid we will not enjoy the same type of bipartisan support that we see here today.

My word of caution is let us follow the example that we have seen to date and work together in a true bipartisan manner on all the ingredients of budget reconciliation. If we continue to work together as Democrats and Republicans, we will have a good budget reconciliation bill that will be in the best interests of the American people.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BENTSEN].

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

Mr. BENTSEN. Mr. Speaker, I rise in support of this conference report and in support of the bipartisan agreement to balance the Federal budget.

What a long way we have come since 1995 and 1996, to have an agreement that got a majority of both caucuses of the House and of the other body to support it. This is a bill which strikes the right balance between fiscal responsibility and making those investments which are needed to address the challenges facing our Nation, especially in the areas of children's health care, education and environmental protection.

But this agreement is only the first step. Now we must write reconciliation and appropriation bills to implement it. Our challenge is now to remain faithful to the agreement in writing the implementing legislation and to act in the same bipartisan good faith that has brought us to this point. And, as my colleague from Maryland just spoke, we must resist any temptation to undermine the agreement with extreme provisions or to fudge the numbers.

In particular, I would like to talk briefly about the Medicaid reconciliation language. I think we need to be very cautious with respect to disproportionate share as it affects heavily impacted hospitals, including our children's hospitals, and as it relates to protecting lower income elderly with the change in home health care to part B.

Overall, Mr. Speaker, I think this is a budget in the right direction. It is one where we showed that we could compromise and try and reach the goals that both parties seek. I am eager to see it come to conclusion, and hopeful that we can all support the reconciliation and appropriations bills in the same way we have this outline.

Mr. SPRATT. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. SHERMAN].

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

Mr. SHERMAN. Mr. Speaker, I rise to support the budget resolution and the conference agreement. Like any agreement or compromise, it is imperfect, but it does provide some very essential elements. It provides that we will balance the budget by the year 2002, and as the chairman pointed out, it reaches that conclusion based on conservative economic assumptions.

I believe that a balanced budget will do more to spur business in this country than any of the business incentive proposals that may have arisen on the Republican side of the aisle, and will do more to help the poor than any of the Great Society programs that are popular on this side of the aisle.

It does not mess with the cost of living increases promised to Social Security recipients, and leaves the calculation of the CPI in the hands of the Bureau of Labor Statistics.

Finally, and I want to bring this to the attention of the House, this budget agreement is particularly good for the environment, particularly when it comes to the acquisition of environmentally important lands. As Tony Beilenson's successor, when I found myself on the Committee on the Budget, I wanted to focus on an issue that

was not making the biggest headlines but where I thought I could have an impact, and I wanted to focus on making funds available for parklands acquisition.

I want to thank the President for making parklands acquisition a priority. When the budget agreement came to the Committee on the Budget, I put forward an amendment that would specify that $700 million of additional funds would be spent to acquire environmentally sensitive lands and that those funds would be spent in 1998.

□ 1430

I want to thank the chairman, who in a bipartisan fashion urged the support of that amendment, I want to thank the ranking member who prevailed in the conference, who fought to include that amendment in the conference report, and I want to urge my colleagues to support the conference agreement because it moves us forward. It quadruples the funds available, 1997 to 1998, for the acquisition of environmentally sensitive lands.

We need to balance the budget, and we also need to balance the use of our lands between economic activity and preservation for posterity. This budget moves in that direction.

Mr. SPRATT. Mr. Speaker, I yield 2½ minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Speaker, how many times have each of us heard from the people we represent, ''Why can't you guys just get together in Washington and balance the budget?'' I have heard it scores of times. Of course, there is nothing easy about getting together to balance the budget. That budget reflects innumerable spending priorities. There is wide difference of opinion between the parties in terms of some of those priorities. That budget contemplates the entire Tax Code of this country. Of course there is broad disagreement within this Chamber among Members in terms of how the Tax Code ought to be structured.

So there is nothing easy about getting together to balance the budget. But on the other hand, the facts surrounding our tackling this task this year have made it, if not now, never.

Four years ago, nearly $300 billion deficit; this year looking at a deficit in the range of $68 billion. We are almost there, just that final push required.

And so I salute the budget chairman in the House, budget chairman in the Senate, commitment of majority leadership in the Congress working with the President to reach this balanced budget reflecting agreements worked out between the parties, between the philosophies, on how to bridge the gap and finally get the job done.

As has been mentioned before, no agreement is perfect. I certainly would have written this differently. But on the other hand, I do think it is a reasonable balancing of interests, reasonable compromising of perspectives, and it leads us to a balanced budget.

Today is only, in a way, the ratification of the agreement, the committing of the promise for a balanced budget plan. The actual doing of the plan rests before the respective committees of jurisdiction, most particularly the Committee on Ways and Means, as this goes forward. It is in this respect the final tale of this bill will be told. Will it work, will it hold, or will it fall apart as the committees of jurisdiction simply refuse to live within the bounds of this agreement?

We are all going to have to swallow hard, both sides, members of every committee of jurisdiction, in abiding by the terms of this agreement, but failure to do so would be deeply disappointing to the people of this country. For too long they have asked us to work together to balance the budget, and we have told them no, we have not gotten the job done. Now we can get it done, and I am very pleased to urge a yes vote on this agreement.

Mr. SHAYS. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. PITTS].

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

Mr. PITTS. Mr. Speaker, I rise today in support of the balanced budget agreement of 1997. With the passage of this agreement today, we can move to the task of enacting the balanced budget plan. This agreement is a good first step toward the goals of balancing our budget, providing permanent tax relief for American families and reducing the size and scope of the Federal Government.

Mr. Speaker, I believe today that the American families deserve a break, a tax break, and the balanced budget plan will give American families some of the tax relief they deserve. Our congressional leaders and the President have come up with a plan which will give Americans $135 billion in tax relief over 5 years and $250 billion over 10 years in tax relief.

The tax relief package in this budget ensures that all Americans win. With it we can provide relief for families with children with a per child tax credit, the opportunity for people to keep their family farms and businesses with death tax relief, incentives for job creation and economic growth with capital gains tax relief, incentives for savings and investment with IRA expansion and relief for families who send their kids to college.

Some on the other side say that is too much. They claim American families can actually afford to pay more to Washington. I say they cannot. I urge the liberals to join their President in supporting real permanent tax relief for the American family by supporting this balanced budget agreement.

Mr. Speaker, not only does this conference report give tax relief, it reduces the size and scope of the Federal Government. In current dollars Washington will spend less than over the next 5 years in nondefense discretionary spending than it has since 1969. That is the last time Washington balanced its books.

The congressional leaders and the Presidents have worked together to create a plan which will save the taxpayers $961 billion over the next 10 years. Mr. Speaker, I urge passage of this important balanced budget agreement.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

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

Mr. STENHOLM. Mr. Speaker, I rise in support of this conference resolution. I commend the gentleman from Ohio [Mr. KASICH], the chairman, and the gentleman from South Carolina [Mr. SPRATT], the ranking member, for the work they have put into this resolution in setting the numbers into order for bringing about a balanced budget in 2002. That is something that certainly I and most Members of this body, both sides of the aisle, have agreed to in principle.

Two concerns I express today, and it has been gratifying to me to hear from the gentleman from Ohio [Mr. KASICH] as well as from the gentleman from South Carolina [Mr. SPRATT] the importance of enforcing these numbers. It is one thing today to pass this beginning, and that is the budget agreement that we have today. The proof of the pudding will be in the eating, though, and that is whether or not we actually make it to those numbers, and only by enforcing not only discretionary spending levels, but also entitlement spending levels and the tax cut levels, because if we cut more taxes than we have agreed to in this, the deficit will go up and we will not achieve that which we have said we intend to do today.

So I am very glad to hear the spirit in which both sides of the aisle, at least on the budget committees, have agreed that we will see to it that each bill, the tax bill and the other enforcement bills, will stand to the test of whether or not they meet these numbers so that we can all celebrate in 2002 by actually getting to that promised land of a balanced budget.

Again, I close by saying I commend the chairman for his work in this endeavor, the gentleman from South Carolina [Mr. SPRATT], other Members who have been responsible for getting us to this point. I look forward to rolling up my sleeves now through a long hot summer and seeing that we actually do that which we say we are doing today.

Mr. KASICH. Mr. Speaker, I yield 2½ minutes to the gentleman from Wisconsin [Mr. NEUMANN], a member of the committee.

Mr. NEUMANN. Mr. Speaker, it is my great privilege to rise in support of this budget agreement today and to talk about just how important it is for the future of this great country that we live in.

A lot of people forget that it was back in the late 1980's that we had Gramm-Rudman-Hollings, and they promised the people that we were going to get to a balanced budget, and they went along for about a year, and then they gave up on that promise up and deficits went up, and then they made a new promise. It was Gramm-Rudman-Hollings of 1987, and they went along for about a year, and then they gave up on that promise and they missed their targets.

A lot of folks forget that we are in the third year of a 7-year plan to balance the Federal budget. For 3 years now the Republican Party after the takeover in 1994 has been talking about getting to a balanced budget by 2002, and we are in the third year. First 2 years are in the bank. They are done, and we are not only on track, we are ahead of schedule, and we are now passing our third budget resolution, I am happy to say, with support from both sides of the aisle. In a bipartisan way, working together, we have come to see how good this can be for the future of the country.

Because, see, our theory was this. The theory was if the Government borrowed less money out of the private sector; that is, we controlled the growth of Government spending, the deficit came down; Government borrowed less money out of the private sector, that meant there would be more money available in the private sector. With more money available, the interest rates would stay down, and if the interest rates stayed down, we expected then that people would buy more houses and cars and other things because the interest rates were low, and when they bought houses and cars, other people would go to work building those houses and cars, and that would mean the welfare rolls would come down and those folks would start paying taxes in what worked better than anyone ever imagined. There are job opportunities, unemployment is down. The deficit, in fact, is $100 billion below what we projected just 2 short years ago.

And under this budget resolution that we are working with today, we are on track to balance by the year 2000. Medicare is restored for a decade. The American people get to keep more of their own money, and I think this is real significant.

I talked to some friends back in Janesville, Wisconsin, and they may not understand what CBO and OMB and all of these numbers really mean, but I said to them they have got one headed off to college, would a college tax tuition credit help? They said it sure will. And there are 2 kids that are still home in their house; they get $1,000 for those 2 kids, $500 per child. Do they understand the meaning of the $500 per child and the college tax credit, and they sure understood those things. To a family earning 40 or $50,000 a year, keeping $2,500 more in their pockets, in their home, instead of sending it out here to Washington, they understood that real well, and that is the significance of this budget agreement. We are not only balancing the budget, but we are letting the American people keep more of their own money.

And the picture gets even brighter. In this budget resolution we may even hit a balanced budget by the year 2000, and think what that means for the future of this great Nation.

So the chairman, congratulations on the great work, and as always to the people on the other side of the aisle.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman for his kindness. He knows I rise in opposition to this budget resolution. The remarks from the gentleman from Wisconsin [Mr. NEUMANN] about how well we are doing economically and what path we are on, I wish someone from that side had said such kind words back in 1993 when we passed the legislation that led us onto that path.

Yes, there are some good things in this budget deal, but this budget is a bad deal for the residents of my city of San Diego, and it is a bad deal for America.

Yes, it is a balanced budget, but it is balanced on the backs of our Nation's veterans, children, the elderly, and working families. It is a bad deal that puts a deep freeze on funding for our Nation's veterans, and I speak here as a member of the Committee on Veterans' Affairs. It cuts real dollars from the Department of Veterans' Affairs.

Mr. Speaker, if this is such a good deal, why are so many veterans organizations opposed to it: Paralyzed Veterans of American, AmVets, Blinded Veterans Association, Disabled American Veterans, Military Order of the Purple Heart, Veterans of Foreign Wars, Vietnam Vets of America?

These organizations know that this deal reneges on the promise America has made to our veterans. It cuts pensions for the neediest of veterans, freezes funding for veterans hospitals for the next 5 years and permanently cuts compensation for service-connected disabled veterans.

What happened to the promise that America made with our Nation's veterans? That promise has been forgotten in this deal.

The budget agreement compromises these promises to the past, it ignores our commitments to the future. It underfunds the Nation's infrastructure needs by billions of dollars and dramatically cuts investments in our Nation's future workers. Head Start, summer jobs, and education funding overall are cut while billions of dollars in corporate welfare are kept safe and sound. It makes the transition from welfare to work more difficult, and half of the Nation's 10 million uninsured children remain uninsured in this budget while lavish tax cuts are doled out to those making over a half million a year.

Americans deserve a better deal, a real balanced budget through kept promises, shared sacrifices, and necessary investments in the future. Today's budget resolution fails that test.

Mr. SHAYS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas [Ms. GRANGER].

Ms. GRANGER. Mr. Speaker, today we are taking an important step toward making the balanced budget agreement a reality. While approval of the conference agreement is just one step toward a balanced budget, this agreement is a giant step for America's future.

The last time we balanced the budget was 1969, the year my first child was born. I proudly watched that young man walk down the aisle to receive his Doctor of Jurisprudence just 3 weeks ago. That means my oldest child has not seen a balanced budget from this Federal Government since the day he was born.

□ 1445

My twins, a son and daughter, have never seen a balanced budget in their lifetimes.

Our children do not remember a balanced budget, so they do not know what difference it will make in their lives; but they are not alone, because millions of Americans have forgotten what it is like for the Federal Government to treat their money responsibly.

Today I would like to take a moment just to remind us. I have had a lot of different jobs in my life, and each position has taught me why this opportunity to finally produce a balanced budget is really important. I was the mayor of Fort Worth, TX, and as the mayor I learned that local communities need more power and less mandates from Washington. A balanced budget we will consider today will return power, money, and decisions back to families and communities.

I also founded two insurance companies, and as a small businesswoman I discovered that new jobs and opportunities can only be created with a growing economy. By forcing the Government to balance its books, a balanced budget will yield more than 4 million new jobs over 10 years and raise incomes by 16 percent. And this balanced budget includes a capital gains tax cut to unleash a rising tide of new jobs, higher incomes, and raised hopes. The capital gains tax reduction of this balanced budget will make the American dream a reality for millions of people.

I also was a public school teacher. I taught for 9 years, and I know there is nothing more important than education. By eliminating the deficit, a balanced budget will lower the cost of a student loan by nearly $9,000. A college education will be more affordable to young men and women across the United States.

But my most important job convinced me the most critical reason why a balanced budget is so important, and that is my role as the mother of three

children. By reforming entitlements and providing a child tax credit, this balanced budget will make sure that America looks toward the future. It will make my sons and daughter, and your children, have the same kind of opportunities that people in this Congress have had.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Speaker, I do not wish to oversell this budget agreement. There is certainly much to criticize in the agreement. Some of the previous speakers have dwelt on these shortcomings, but I would like to begin my remarks by pointing out some of the positive qualities of this agreement.

First and foremost, it is bipartisan. There are many Democrats and there are many Republicans who will not vote for this agreement. But conversely, the majority in both Caucuses will no doubt be supporting the agreement, and it will pass by a substantial margin in this body.

That is important because we need a budget agreement that will survive the next election, whoever may be the majority in this body, and bipartisanship is critical if we are going to make some of the tough decisions and expect to make them stick for the length of time necessary to reach our goal; namely, eliminating the deficit.

Second, this budget agreement does rely on realistic economic assumptions, forecasts about what the economy will do, forecasts about the demands that will be placed upon the Federal Government for programs that are already well-established. It is critical that we have realistic assumptions, because altogether too often this country has based its so-called budget agreements on phoney assumptions, smoke and mirrors, and what we have seen is an unraveling of what was supposed to have been dramatic corrective action.

Third, this budget agreement does contain reforms and limitations on spending and on programs. This is not easy. There are many who are affected by these cutbacks in programs, and I think that we owe an explanation to these folks. Yet at the same time, we know that we cannot have long-term solvency in Federal operations without making some tough decisions. Yet, we must make these decisions in such a way that we know that in the outyears we can live with them. We will not see a future administration repudiate the agreement.

So these are positive attributes that I wish to emphasize, and at a later point I am sure we will have a chance to revisit some of the downside considerations.

Mr. SHAYS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Speaker, I thank my colleague for yielding me this time. I would also like to congratulate the chairman and the ranking committee member for the work that they have done on this process, because I think what they have really enabled us to do is that they have taken away the debate about the size of Government, at least for the next 2 to 4 years; they have enabled us to develop a path to getting to a surplus budget.

We can start the discussion on how to pay down the debt. But they are also going to liberate all of the authorizing committees to really focus on solving the problems facing this country within the context and the framework of this budget, so that we can take a look at how more effectively and more efficiently we can address and solve the problems facing this country.

Specifically, the other committee that I serve on, the Committee on Education and the Workforce, we can now go back and take a look at the 760 education programs that we have, the 40 different agencies that are working on educating our kids, the $100 billion that we spend each and every year and say, how can we improve education in America? In meeting with our ranking member, the gentlewoman from Hawaii [Mrs. MINK], we have already agreed that we can go forward and we can eliminate the 100 programs that have not been funded over the last number of years.

We know that we can work on consolidating programs. I expect that we are going to be able to work together on focusing on how to get parents more involved in the education process of our children, how we can get more dollars to the classroom.

We can take a look at why are we losing 30 to 40 cents of every dollar we spend in education, why are we losing it in the bureaucracy, so that we can definitely have more effective plans to deliver safe schools, so that we can move control back to the local level.

We can answer the question of why a local school may only get 6 percent of their dollars from Washington, but 40 to 50 percent of their paperwork, so that we can focus on developing an emphasis on basic academics in the classroom.

Education needs a major focus. We now have the framework to get that done. I thank the ranking member and the chairman for giving us this opportunity.

Mr. SHAYS. Mr. Speaker, I yield myself 2 minutes.

I would just say to my colleagues, I am amazed at this debate. I think of how far we have come. As far as the press is concerned, there is no story here, because Republicans and Democrats are not fighting like little kids. When Republicans and Democrats get together and help save this country for future generations, no story here.

Mr. Speaker, I think of this Chamber in 1989, when the gentleman from Ohio [Mr. KASICH] introduced an amendment to start to balance our budget, get our country's financial house in order. Each year he took on that effort. It is the culmination, since 1989, what we are seeing today with the work on a bipartisan basis, with the help of the gentleman from South Carolina [Mr. SPRATT] and others. I just first want to congratulate him for what he has done over these many years, with such good nature and freshness.

We are going to get our country's financial house in order and balance the Federal budget, and I think we are going to do it in less than 5 years with this agreement. We are going to save our trust funds for not just future generations, but for present generations, because Medicare is running out of money as we speak. Our plan will save it for the next 10 years. We are going to transform this caretaking society into a caring society. We are not just ending welfare and moving mothers into work, we are ending corporate welfare, we are ending welfare for farmers as well in this budget agreement.

We are moving from a caretaking society to a caring society, and in the process we are moving the power and the money and the influence back home where it belongs.

This agreement is not everything everyone wants it to be, but it does the basic things that both sides felt were important. We want it to slow the growth of entitlements and save our trust funds and we are doing that. We wanted tax cuts, meaningful tax cuts in particular areas, and we are doing that.

The other side in particular, and the President of the United States wanted some priorities for domestic spending, education, health care, and we are doing that.

So hats off to both sides of the aisle. Congratulations, in my judgment, on a job well done. Our work is cut out for us in the next few years to make sure we all live up to it.

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

Mr. SPRATT. Mr. Speaker, having no further requests for time, I will close for our side.

Mr. Speaker, this is the last lap in a long race. I came here in 1983, and we were just beginning to recognize and struggle with the long-term implications of the deficit then. There was Gramm-Rudman-Hollings, there was a budget summit in 1990, there was a Deficit Reduction Act in 1993. And in every one of those cases, which I supported deficit reduction, the best that we could say, the best that we could reach for was a partial effort. We did not even pretend in any of those cases to have a solution in the short term for the deficit we face down the road.

Today we are able to say credibly to the country and to our colleagues in the Congress, we are within reach of a balanced budget. Within the next 5 years, we can get it done, because today in truth we stand on the shoulders of those who came before us and acted before us in 1990. It cost us some of the people who supported what we did then. The results were largely

eclipsed by a recession, but it was significant. Among other things, we put on the statute book to this country two rules: the pay-go rule, which essentially says, if we want to expand or liberalize entitlements, we either have to pay for it or identify commensurate spending cuts elsewhere in another entitlement program; and the discretionary spending caps, which have worked. They have not been breached since 1991.

In 1993 we came back, because in 1990 the budget summit had not really yielded measurable significant results. We laid out a 5-year plan to cut the deficit, we hoped, by half; we barely claimed we would do that much. We extended the discretionary spending caps for 5 years, we reduced entitlement spending, and we were brazen enough, brave enough, some would say, to raise taxes.

The result was not, as some predicted, a disaster in the economy. The economy took note of what we did, the financial markets were pleased, revenues began picking up, interest rates started down, the inflation rates stabilized; and guess what? The revenues of the Federal Government began to pick up again. We restored the revenue basis of this Government.

For example, corporate income taxes have risen by $71 billion between 1992 and 1996, up more than 70 percent, and that is part of the reason, at the end of the last fiscal year, fiscal year 1996, the deficit was $107.8 billion, down 65 percent from the deficit predicted in 1993 when President Bush left office. That is substantial progress, and that is why I say we have come several laps, and we are not at the last lap. We are really talking about an effort today that is only partially the same size as the two previous efforts in 1990, and particularly in 1993.

Because we are within reach, and because we did this in a bipartisan way, this is as much a budget agreement as a balanced budget agreement. We have set this goal realistically and conservatively, and I think credibly before us, and I think we will achieve it if the economy does not go south on us. But at the same time, we have recognized that the country has other problems and the Government has other pressing priorities than just balancing the budget. And we do not make a lot of room for these other priorities, but we do recognize, for example, that middle income American families are struggling with the way and whether or not they can pay for their children's education. We are going to bring them more tax relief in the bill that we are authorizing in this budget resolution and anything that has been done in the last 20 to 25 years.

A couple of years ago we tried to enact universal health care, and we bit off more than we could chew. We have decided to back up and take it step by step, incrementally. We did Kennedy-Kassebaum last year. This year in this bill we set aside $16 billion over the next 5 years in order to implement measures so that America's children, mostly in working families who do not enjoy the benefit and security of health insurance coverage, can have health insurance coverage, another incremental step toward providing health insurance coverage by Americans who need it.

□ 1500

We went back to welfare reform. We took some of the hard and harsh edges off, particularly as they impact legal immigrants in this country. We did some things that needed to be done and could not have been done unless we did it in a bipartisan way. I am proud of the fact that these accomplishments can be accounted for by this agreement.

A lot of people, some commentators, some editorial writers, have said, can all of this be done? Can you really go after these ends and other policy goals and at the same time balance the budget? What about this $25 billion a year in extra revenues that you added at the last minute to make this agreement possible?

In truth if we look, as the gentleman from Ohio [Mr. KASICH] said, at the underlying economic assumptions, the economic forecast that underlies this budget, most of the premises are very basic and very conservative. For example, in no year over the next 5 years do we assume growth exceeding 2.3 percent. Compared to what is happening now, that is a very conservative assumption.

This agreement has not come easily. We have been at work at it for the last 4 months, long days, late nights, weekends, some bitter dissension. But I will say this: Throughout all of the negotiation, we have maintained a spirit of common purpose, cordiality, and civility which will serve us well now that we go into the implementation phase.

The gentleman from Ohio was correct to anticipate that there will be struggles, there will be problems as we deal with the authorizing committee and the Committee on Appropriations and try to bring them to fruition in the form it is conceived in this budget resolution. That is the big challenge before us. But if we maintain that same spirit of civility, cordiality, and common purpose, we can do it. We can put them to bed. We can carry it out as intended, and we can balance the budget in 5 fiscal years.

Mr. Speaker, I urge my colleagues to support this bill.

Mr. Speaker, I include for the RECORD a letter from Senator ROTH, chairman of the Finance Committee, and the gentleman from Texas, [Mr. ARCHER], the chairman of the Committee on Ways and Means, with respect to the tax bill.

The letter referred to is as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, June 4, 1997.

Hon. PETE V. DOMENICI,
Chairman, Senate Budget Committee, Washington, DC.

Hon. JOHN R. KASICH,
Chairman, House Budget Committee, Washington, DC.

DEAR PETE AND JOHN: Our Committees will soon begin marking up tax legislation to meet the reconciliation directives of the 1998 Budget Resolution. We will meet the Resolution's instructions of reducing revenues by $85 billion over the five year period 1998–2002 and by no more than $20.5 billion in 2002.

Furthermore, we can assure you that, consistent with the May 15, 1997 letter from the Speaker of the House and the Majority Leader of the Senate to the President which stated, ''It was agreed that the net tax cut shall be $85 billion through 2002 and not more than $250 billion through 2007,'' the ten year net revenue loss in the tax reconciliation bill will not exceed $250 billion.

Sincerely,

WILLIAM V. ROTH,
Chairman, Finance Committee.

BILL ARCHER,
Chairman, Ways and Means Committee.

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

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

Mr. Speaker, the next speaker is my dear friend, the gentleman from Ohio, Mr. DAVE HOBSON. He has been of enormous help to me through this program, really since 1993. I have personally been working on this since 1989. But the gentleman came on the committee, along with my dear friend, the gentleman from Connecticut, Mr. CHRIS SHAYS and the gentleman from New Jersey, Mr. BOB FRANKS, and they were all particularly special, particularly my friend, the gentleman from Ohio, Mr. DAVE HOBSON, who would take my calls at 1:30 in the morning. I would wake him up, try to get his advice in certain areas. We had a lot of struggles and we have developed some very deep friendships on this committee as a result of this effort.

I want to suggest to the people here in the House and to the Speaker that what is remarkable about this debate is I thought that this was going to be like game one against Utah, where we would have to sink a basketball at the buzzer, and in that famous pose of Michael Jordan at the end, he just gave him that hand. We thought it would be a buzzer-beater to balance the budget. What we are seeing happening is a sea change in the attitude of the House of Representatives. Frankly, it is a sea change we are seeing in the Congress. It is one to embrace, it is one to be joyful about, it is one to celebrate, rather than the fighting, the dynamics of this whole debate of change to an era of less government and more power back to the people.

Mr. Speaker, I yield the balance of my time to the very distinguished gentleman from Ohio [Mr. HOBSON].

The SPEAKER pro tempore (Mr. BONILLA). The gentleman from Ohio [Mr. HOBSON] is recognized for 3 minutes.

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

Mr. HOBSON. Mr. Speaker, this is an exciting day for this Chamber and this country. This plan that we are going to approve today is one more example of our Congress keeping its promises to the people of this country. We said we would balance the budget and save Medicare, and we are. We said we would cut taxes, and we are. These are the things that this Congress came to Washington to do, and we are making good on our promises to the American people by passing this conference report today. The House and Senate worked closely on this budget, and the administration is also on board. Frankly, this is the way we should be doing legislation. This is the way people want us to do legislation, by people coming together, putting aside our partisan differences, and passing legislation that is good for the country as a whole, both today and tomorrow.

I just had my fourth grandchild, and I know a lot of times other people's grandchildren are not the most exciting things to hear about, but they are to them. But frankly, without this balanced budget plan, my grandchild will face a very tough future. Without this balanced budget, Government is going to go on spending and go on racking up more debt and mortgaging her future.

But we are going to put a stop to that right now. Like every American family and business, the Federal Government is now going to have to live within this budget, with less Government spending. We will see more job creation, more money for investment, and more private sector growth.

This budget also preserves one of our most important programs, Medicare. Millions of Americans have been spared crushing poverty because Medicare was there to share the cost of health care for seniors. But without some reform, this 30-year-old program was going to go out of date and Medicare would be doomed. This budget prevents medicare bankruptcy and also gives seniors new health care options. As a new senior myself, I do not mind that much. As a grandfather, I am interested in making sure my grandchildren get the benefit from Medicare also when it comes their time.

The Earth is not going to shake when we pass this conference report and the heavens will not part, as nice as the weather is outside. But in 20 or 30 years we just might hear people talking in such terms when they recollect the importance, frankly, of what we are going to do here in a few minutes. It is just one more example of this Congress doing what it said it would do to make our country a better place for everyone to live in.

I urge the passage of this conference report, and I want to thank both my chairman, the gentleman from Ohio [Mr. KASICH], my special friend; our staff, who has done a great job; all the members of the Committee on the Budget; and the gentleman from South Carolina [Mr. SPRATT] and his staff.

This has been one of the few times in recent memory when we have had a true bipartisan agreement, an agreement with ourselves and the President, and frankly, one we can all be very proud of, not only now but in the future. So let us all go out and pass this conference report, and move forward so all of our children and grandchildren are going to have the future we want them to have.

Mr. STUMP. Mr. Speaker, veterans health care needs are critically important to the VA Committee. We will maintain a close watch on the impact of this year's budget development on veterans health care concerns. The administration's budget was a package flawed from the beginning. According to the Congressional Budget Office, the President's proposal did not balance. The administration also predicated a substantial portion of their veterans health care budget on an untested and risky legislative proposal allowing VA to retain and use third-party receipts.

I want to make that clear—it was an administration proposal that recommended a switch from fully appropriated funding of veterans health care to the use of third-party receipts. I have always supported using third-party receipts as a supplement, not a substitute, for veterans health care funding. Our committee believed that reliance upon keeping insurance receipts as part of the budget this year was premature. However, the budget agreement ignored our concerns, so we're going to do what we can to make this proposal work.

According to an analysis which came to light after the agreement was announced, there is a $2.2 billion difference between proposed discretionary spending, mainly in VA health care, and what had been proposed in the President's budget for veterans.

Approximately $1.1 billion is due to use of the CBO baseline projections for discretionary veterans spending—a technical estimating difference.

The other $1.1 billion issue to agreements made by the negotiators to protect spending for certain priorities of the President.

During budget negotiations, the administration asked that spending for certain programs—not including veterans health care—be protected from future reductions. For instance, in 1998, the President insisted that of about $258 billion in projected spending for nondefense discretionary spending, approximately $127 billion be protected for categories such as international affairs, natural resources and environment, transportation, and education, training, employment and social services. The Budget Agreement includes $33.6 billion in funding over 5 years for the President's domestic initiatives such as assistance to immigrants, nutrition assistance, welfare to work, children's health, Federal land acquisition, environmental reserve, and an offset for low-income Medicare premiums.

Under the agreement, total spending for veterans benefits and services would rise very slightly over the next 5 years, from $40.5 billion in 1998 to $42.6 billion in 2002, a 5-percent total increase over this period—compared with almost a 13-percent increase in overall Federal spending authority over the same period.

Spending for discretionary programs, mainly veterans health care, would remain at between $18 and $19 billion, while spending for mandatory benefits, mainly veterans compensation and pension benefits, would increase from $23.3 to $24.6 billion.

Ultimately, I support the budget agreement as one that is good for the country. This is a package that at least permits the advancement of the critically important third-party receipts issue. The bottom line is that discretionary spending levels were largely dictated by the President's negotiators, who worked overtime to protect his priorities. Since this budget—unlike the President's—actually eliminates the deficit in 2002, the rest of the discretionary categories, including veterans, had to pay the price for these decisions. However, the Appropriations Committee still has the flexibility within the discretionary caps to change the VA spending levels. thus, it is just as important as ever to work with the Appropriations Committee to see that veterans health care and other needs are met, and I intend to work to that end.

Mr. EVANS. Mr. Speaker, I know of no other group who loves our country more than our Nation's veterans. They have answered our country's call, proudly worn our Nation's uniform and gone into harm's way when asked to do so.

Mr. Speaker, I believe most veterans support a balanced Federal budget which is fair and honest. This should come as no surprise to anyone. Again and again veterans have signaled their willingness to do their fair share to achieve this important goal. While veterans are clearly willing to do their fair share, our Federal budget should not be balanced on the backs of those men and women who have served our country honorably and well.

For many, their military service meant great hardship and sacrifice. Our Nation's veterans should not be asked to bear an unfair burden in balancing the budget—but that is exactly what is being asked of America's veterans today.

Earlier this year, the House Committee on Veterans Affairs considered the budget proposed for veterans. At that time, our committee expressed strong reservations about the budget proposed for veterans health care. That proposal called for a 5-year freeze in appropriations for veterans health care. To offset the devastating impact of this freeze, the Department of Veterans Affairs was to be given the opportunity to retain receipts it was able to collect from third-parties, such as insurance companies, for care which VA provided to some veterans.

After careful consideration and deliberation, our committee concluded, ''in our view, there is too much uncertainty about the reliability of VA's projected third-party collections to hinge the provision of health care on these projections.'' Mr. Speaker, my view remains unchanged.

The budget plan before us jeopardizes the ability of VA to provide health care to veterans who have honorably served our Nation. Our Nation has a moral obligation to meet the health care needs of these veterans. Indeed, we have a special obligation to those veterans who have a service-connected disability and those veterans who otherwise would not receive the health care they need.

Many veterans' service organizations understandably have decided to oppose the budget resolution before us. I understand the Veterans of Foreign Wars, the American Legion,

Paralyzed Veterans of America, Vietnam Veterans of America, and the Disabled American Veterans are among the major veterans organizations to speak out in opposition to this budget resolution.

I believe their opposition is easily understood. Freezing appropriations for veterans health care and making VA health care delivery dependent on third-party collections clearly jeopardizes the health care benefits our veterans have earned. This policy simply asks too much of veterans who have already answered this Nation's call. Our veterans are right to oppose this budget resolution.

Mr. CASTLE. Mr. Speaker, I rise in support of House Concurrent Resolution 84, the fiscal year 1998 budget resolution that outlines the parameters under which this Congress will balance the Federal budget and reduce the deficit to zero by the year 2002. This is a truly historic achievement that proves that when we work in a bipartisan fashion, we can achieve our goals of a smaller Government, lower spending, lower taxes, and a balanced budget that our constituents elected us to achieve. There is no such thing as a perfect agreement, but this plan is the best agreement we could develop, and is a tremendous step forward not only for the Congress, but more importantly, for the American people. This agreement demonstrates that by working in a bipartisan fashion, we have the capacity to govern and to compromise—and to listen to the voice of our constituents, which has clearly called for fiscal restraint.

Though our constituents have become increasingly cynical about Government, this agreement will help restore confidence in the institutions and processes of government, and it represents a triumph of the political system and a fulfillment of the voters' 1996 command to Congress to solve our budget problems in a bipartisan fashion. Passing the first balanced budget since man walked on the Moon, for all its faults, is a solid and constructive beginning.

We need to look no further than the States to find evidence of precedent for this balanced budget accord. In almost every State where a balanced budget requirement exists, their economies are rated ''excellent'' or ''very good''. The States have set the trend for this, and it is time the Federal Government began to operate in a similar manner and live within its means.

Our constituents will benefit unlike at any time in recent history if we truly place ourselves on a path to a balanced budget. The economic impact that the balanced budget agreement will have manifests itself to the typical family by lowering interest rates by up to 2 percent, raising investment returns, lowering credit card and car loan rates, reducing mortgage payments, lowering consumer product costs, and creating more jobs.

In March, when the budget talks seemed to be breaking down, I introduced a balanced budget outline that showed that we could achieve a balanced budget essentially by splitting the difference between the President's 1998 budget and the 1997 Republican budget plan. I am pleased that this budget agreement reflects many of the goals and principles I outlined by using budget principles like a deficit reduction glidepath to zero with the deficit declining each year, reforming entitlement programs that preserve and protect Medicare and Medicaid, using Congressional Budget Office economic estimates, assumptions and scoring; introducing no new taxes; and forwarding tax cuts that are affordable and permanent—I forwarded a net tax cut of $77 billion; the agreement is for a net $85 billion tax cut.

Though we have a good starting point, we must remain steadfast in our desire to ensure that this budget agreement translates into a budget that does not inflate the deficit or tax cuts, and does not undermine the carefully crafted plan before us. I am concerned that we are including tax cuts without the assurance of a balanced budget, and am also concerned that stronger budget enforcement mechanisms were not included to ensure that the budget reaches balance by 2002. Though this legislation continues ''pay-go'' budget rules and discretionary spending caps, there are a number of other additional enforcement mechanisms that should have been included that would assure us that spending and revenue fulfill their estimates in the agreement so that deficit targets will be met and the budget can finally be balanced.

Congress must not rest on the initial success of this agreement, but must move forward—using the same framework used to reach this accord—to better address the long-term concerns of further entitlement and budget reform. We have some time to prepare, but we must begin that work soon. I am proud to have played a part in facilitating this agreement and to have the opportunity to see that it is properly implemented, that important Federal priorities continue to be met, and that the budget reconciliation process includes additional budget enforcement mechanisms that will place us, more firmly than ever, on a course to a balanced budget by 2002.

Mr. MILLER of California. Mr. Speaker, I rise in opposition to the conference report. Although there are other reasons to oppose this budget agreement, I did want to highlight the progress that the conferees have made in regard to the provision of funds for the acquisition of lands for our national system of parks, refuges, forests, and public lands.

In recent years the administration has failed to request, and the Congress has failed to appropriate, adequate funding for Federal and State land acquisition for conservation and recreation. Despite a growing backlog of needs and willing sellers who desire that their lands be used for public purposes, the Land and Water Conservation Fund Act has not been used as intended for conservation purposes. Oil and gas revenues from offshore leasing, which are by law dedicated to the fund, have been coming at a rate of $900 million annually, accumulating to total of over $12 billion in the current fiscal year. Yet the amount appropriated in fiscal year 1997 for the National Park Service, Fish and Wildlife Service, Forest Service, and Bureau of Land Management was only $179 million. The popular State Grant Program, which has been used to build recreation facilities across the country, has been zeroed out entirely.

Land acquisition is a vital part of our efforts to safeguard public health and enhance the environmental assets of the Nation. Many municipal drinking systems depend on pristine watersheds for clean water which can be protected by acquisition of forested lands. Threats to fish and wildlife species can be mitigated by acquiring prime refuge habitat. Acquisition for park enhancement can contribute to growth of the recreation industry, which already provides many more land-dependent jobs than logging, grazing, and mining. Tens of millions of fishermen and hunters depend on access to clean public waters and productive public lands.

The conference report has responded to these needs by including the President's budget requests for land acquisition, State assistance, and Everglades restoration as protected domestic discretionary priorities. The Interior Appropriations Subcommittee deserves a greater section 602(b) allocation of funds than it has received in the past, for these and other important priorities.

In addition, the budget agreement includes $700 million over and above the President's requests for priority land acquisition. I applaud Chairman KASICH for this commitment of resources. This offers a much more sensible alternative to the complicated asset and land exchanges that have been proposed by the administration to acquire the Headwaters Redwood Forest in California and to protect Yellowstone National Park ecosystem by eliminating the threat of pollution from the New World mine. We have seen extraordinary success in Alaska with over 500,000 acres of land acquisition and conservation easements acquired by using funds provided through the *Exxon Valdez* settlement trust. The resources provided by the budget agreement can and should be used to duplicate that success across the country. This is a good step forward toward better utilization of the Land and Water Conservation Fund in the future.

Mr. KASICH. Mr. Speaker, I submit for printing in the CONGRESSIONAL RECORD a table displaying the policy assumptions in the reconciliation instructions set forth in the conference report accompanying House Concurrent Resolution 84.

RECONCILIATION ASSUMPTIONS BY AUTHORIZING COMMITTEE

(In billions of dollars)

Function	Proposal	1998	1999	2000	2001	2002	1998-2002
	AGRICULTURE						
600	Food stamps	0.300	0.300	0.300	0.300	0.300	1.500
	Subtotal, Agriculture	0.300	0.300	0.300	0.300	0.300	1.500
	BANKING AND FINANCIAL SERVICES						
370	FHA single family assignment program	-0.136	-0.145	-0.147	-0.128	-0.110	-0.666
600	Assisted housing	0.000	-0.088	-0.218	-0.294	-0.324	-0.924
	Subtotal, Banking and Financial Services	-0.136	-0.233	-0.365	-0.422	-0.434	-1.590
	COMMERCE						
270	Lease excess SPR capacity	0.000	-0.001	-0.002	-0.004	-0.006	-0.013
550	Medicaid	-0.237	-1.771	-2.651	-3.901	-6.565	-15.125
550	Medicare low-income assistance	0.200	0.300	0.300	0.300	0.400	1.500
550	Children's Health Initiative*	2.500	2.700	3.200	3.700	3.900	16.000
570	Medicare *	-6.500	-16.800	-22.700	-29.000	-40.000	-115.000
950	Spectrum Auctions	0.000	-3.500	-3.500	-4.500	-14.800	-26.300
	Subtotal, Commerce	-4.037	-19.072	-25.353	-33.405	-57.071	-138.938
	EDUCATION AND THE WORKFORCE						
500	Repeal appropriations. under Smith-Hughes	-0.001	-0.007	-0.007	-0.007	-0.007	-0.029
500	Student Loans	-0.241	-0.240	-0.151	-0.081	-1.050	-1.763
600	Welfare-to-Work grants*	0.700	0.700	1.000	0.600	0.000	3.000
	Subtotal, Economic and Educational Opportunities	0.458	0.453	0.842	0.512	-1.057	1.208

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RECONCILIATION ASSUMPTIONS BY AUTHORIZING COMMITTEE

(In billions of dollars)

Function	Proposal	1998	1999	2000	2001	2002	1998-2002
	GOVERNMENT REFORM AND OVERSIGHT						
Direct Spending:							
370	FECA reimbursement to Postal Service	-0.035	-0.034	-0.033	-0.032	-0.031	-0.165
950	Agency contributions to CSRS	-0.597	-0.591	-0.586	-0.582	-0.577	-2.933
	Subtotal, Government Reform and Oversight	-0.632	-0.625	-0.619	-0.614	-0.608	-3.098
Deficit Reduction:							
rev	Increase employee retirement contribution	0.000	-0.214	-0.423	-0.571	-0.621	-1.829
	Subtotal, Government Reform and Oversight	0.000	-0.214	-0.423	-0.571	-0.621	-1.829
	TRANSPORTATION AND INFRASTRUCTURE						
800	Asset sales	0.000	0.000	0.000	0.000	-0.540	-0.540
400	Extend vessel tonnage fees	0.000	-0.049	-0.049	-0.049	-0.049	-0.196
	Subtotal, Transportation and Infrastructure	0.000	-0.049	-0.049	-0.049	-0.589	-0.736
	VETERANS AFFAIRS						
700	Withholding for VA overpaid benefits*	-0.090	0.000	0.000	0.000	0.000	-0.090
700	Extend VA income verification (pensions) *	0.000	-0.004	-0.008	-0.012	-0.016	-0.040
700	Extend OBRA home loan provisions	-0.011	-0.228	-0.227	-0.224	-0.219	-0.909
700	Medical care income verification *	0.000	-0.018	-0.019	-0.019	-0.020	-0.076
700	Extend medical care collections	0.000	-0.232	-0.241	-0.252	-0.262	-0.987
700	Medical care administrative cost	-0.118	-0.123	-0.128	-0.133	-0.139	-0.641
700	Extend nursing home pension provisions	0.000	-0.129	-0.203	-0.131	-0.174	-0.637
700	Loan sales enhancements	-0.005	-0.005	-0.005	-0.005	-0.005	-0.025
700	Round Down Compensation COLA	-0.023	-0.051	-0.088	-0.101	-0.128	-0.391
	Subtotal, Veterans Affairs	-0.247	-0.790	-0.919	-0.877	-0.963	-3.796

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RECONCILIATION ASSUMPTIONS BY AUTHORIZING COMMITTEE

(In billions of dollars)

Function	Proposal	1998	1999	2000	2001	2002	1998-2002
	WAYS AND MEANS						
Direct Spending:							
550	Children's Health Initiative*	2.500	2.700	3.200	3.700	3.900	16.000
550	Assistance to immigrants (Medicaid portion)	0.400	0.400	0.300	0.300	0.300	1.700
570	Medicare *	-6.500	-16.800	-22.700	-29.000	-40.000	-115.000
600	Earned Income Credit (outlays)	0.000	-0.010	-0.028	-0.029	-0.030	-0.097
600	Raise unemployment. ceiling	0.000	0.000	-0.200	-0.208	-0.216	-0.624
600	Assistance to immigrants	1.800	1.800	1.700	1.400	1.300	8.000
600	Welfare-to-work grants*	0.700	0.700	1.000	0.600	0.000	3.000
600	Administrative Fees on State SSI Supplements	-0.035	-0.075	-0.080	-0.090	-0.100	-0.380
700	Withholding for VA overpaid benefits*	-0.090	0.000	0.000	0.000	0.000	-0.090
700	Medical care income verification *	0.000	-0.018	-0.019	-0.019	-0.020	-0.076
700	Extend VA income verification (pensions) *	0.000	-0.004	-0.008	-0.012	-0.016	-0.040
	Subtotal, Ways and Means - Direct Spending	-1.225	-11.307	-16.835	-23.358	-34.882	-87.607
Revenue:							
rev	Earned Income Credit (revenue)	0.000	-0.003	-0.008	-0.008	-0.008	-0.027
rev	Net tax relief	7.400	11.300	22.400	23.400	20.500	85.000
	Subtotal, Ways and Means - Revenue	7.400	11.297	22.392	23.392	20.492	84.973

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RECONCILIATION ASSUMPTIONS BY AUTHORIZING COMMITTEE

(In billions of dollars)

Function	Proposal	1998	1999	2000	2001	2002	1998-2002
	TOTAL						
Direct Spending:							
	Total	-5.519	-31.323	-42.998	-57.913	-95.304	-233.057
	Dual Assignments	-3.390	-13.422	-18.527	-24.731	-36.136	-96.206
	Total less dual assignments	-2.129	-17.901	-24.471	-33.182	-59.168	-136.851
Revenue:							
	Total	7.400	11.083	21.969	22.821	19.871	83.144
	Dual Assignments	0.000	0.000	0.000	0.000	0.000	0.000
	Total less dual assignments	7.400	11.083	21.969	22.821	19.871	83.144
	Items Which Are Assumed But Not Reconciled						
	COMMERCE						
	Extend Nuclear Regulatory Commission Fees	0.000	-0.325	-0.336	-0.347	-0.359	-1.367
	Items to Be Allocated When Legislation is Reported						
	COMMERCE AND TRANSPORTATION						
	Environmental Reserve Fund	0.200	0.200	0.200	0.200	0.200	1.000

Only FY 1998, 2002, and 1998 - 2002 amounts are reconciled.

* Denotes items reconciled to more than one committee

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

Mr. KASICH. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 327, nays 97, not voting 10, as follows:

[Roll No. 166]

YEAS—327

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Christensen
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cook
Cooksey
Costello
Cramer
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLauro
DeLay
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Etheridge
Everett
Ewing
Fattah
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hilleary
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Inglis
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kelly
Kennelly
Kildee
Kim
Kind (WI)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek
Menendez
Metcalf
Mica
Miller (FL)
Minge
Molinari
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Upton
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (PA)
Weller
Wexler
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—97

Barton
Becerra
Blumenauer
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Chenoweth
Clay
Coburn
Conyers
Cox
Coyne
Crane
Crapo
Cubin
Davis (IL)
DeFazio
DeGette
Delahunt
Dellums
Dixon
Engel
Evans
Filner
Frank (MA)
Ganske
Gephardt
Gutierrez
Hastings (FL)
Hill
Hilliard
Hinchey
Hunter
Hyde
Istook
Jackson (IL)
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kilpatrick
King (NY)
Klug
Kucinich
Largent
Lewis (GA)
Lipinski
Markey
McCollum
McDermott
McGovern
McNulty
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Nadler
Oberstar
Obey
Olver
Owens
Paul
Payne
Pelosi
Pombo
Rahall
Rangel
Rohrabacher
Roybal-Allard
Rush
Salmon
Sanders
Sanford
Scarborough
Scott
Serrano
Shadegg
Shuster
Slaughter
Stark
Stearns
Stokes
Thompson
Tierney
Torres
Towns
Traficant
Velazquez
Waters
Watt (NC)
Waxman
Weldon (FL)
Weygand
Yates

NOT VOTING—10

Andrews
Deutsch
Diaz-Balart
Farr
Goode
Jefferson
Lantos
Pickering
Schiff
Turner

□ 1529

The Clerk announced the following pair: On this vote:

Mr. Turner for, with Mr. Jefferson against.

Messrs. CRAPO, MOAKLEY, and COYNE changed their vote from ''yea'' to ''nay.''

Messrs. STUMP, MARTINEZ, and SKELTON changed their vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DIAZ-BALART. Mr. Speaker, on rollcall No. 166, House Concurrent Resolution 84—conference report on the budget—I was absent. Had I been present, I would have voted ''yes.''

□ 1530

GENERAL LEAVE

Mr. HOBSON. 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 84.

The SPEAKER pro tempore (Mr. BONILLA). Is there objection to the request of the gentleman from Ohio?

There was no objection.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1998 AND 1999

The SPEAKER pro tempore (Mr. BONILLA). Pursuant to House Resolution 159 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. 1757.

□ 1530

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. 1757) to consolidate international affairs agencies, to authorize appropriations for the Department of State and related agencies for fiscal years 1998 and 1999, and for other purposes, with Mr. LAHOOD (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, the amendment offered by the gentlewoman from Florida [Ms. BROWN] had been disposed of.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 159, proceedings will now resume on those amendments on which further proceedings were postponed in the following order:

The perfecting amendment offered by the gentleman from California [Mr. CAMPBELL] to the amendment offered by the gentleman from New Jersey [Mr. SMITH]; and a recorded vote on the amendment by the gentleman from New Jersey [Mr. SMITH], if requested.

Proceedings on the other postponed amendments will resume at a later time.

The Chair will reduce to 5 minutes the time for the electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. CAMPBELL TO THE AMENDMENT OFFERED BY MR. SMITH OF NEW JERSEY

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California [Mr. CAMPBELL] to the amendment offered by the gentleman from New Jersey [Mr. SMITH] on which further proceedings were postponed and on which the noes prevailed by voice vote.