

Budget, in the Chamber this evening. I would like to point out a few facts to my colleagues.

I know that these are issues of importance to all of us, and I think it is useful to be reminded that as of March 1, the first day of this month, 1999, the Federal national debt was \$5.62 trillion. That debt is increasing. In fact, it increased in 1999 by \$95 billion in all of our trust funds. The total interest that we paid last year on the national debt was almost 15 percent of the total budget, about \$243 billion.

Mr. Speaker, now is the optimum time to take the steps necessary to reduce the national debt. Our economy, although not necessarily the Kansas economy, is strong and Federal revenues stand ready for debt reduction. On the very near horizon, however, we face a challenge of financing the retirement of the baby boom generation. If we can get our fiscal house in order now, we can meet this challenge. But if we delay, our children will face the dual burden of servicing a large national debt, along with facing the liabilities to Social Security and Medicare. We do not have surpluses as far out as we can see.

Mr. Speaker, as the chart indicates, the national debt grows, and by the year 2040, because of that generation of retirees, the national debt increases to 200 percent of the gross domestic product. We need to take advantage of this opportunity to begin the process of paying down our national debt. Paying down the debt can lower interest rates. Student loans, car loans, home mortgages and farm debts can all be less burdensome with lower interest rates that the borrowing from the Federal Government would generate.

Last week, the gentleman from Mississippi (Mr. PICKERING) and I introduced H.R. 948, the Debt Down Payment Act, and I spent some time on the floor, an extended amount of time on the floor, explaining this legislative attempt to my colleagues. This bill establishes a 10-year plan for reducing the debt held by the public. It would reduce it by \$2.4 trillion; an average annual payment on the debt of \$240 billion; no new spending; saves \$729 billion in interest payments over 10 years. \$729 billion. And it removes the Social Security trust fund from the revenues that we calculate our surplus to provide some honesty, not only to the American people but especially to ourselves.

This bill establishes a gradually reduced limit for public debt held over the next 10 years, and by the year 2000, this debt limit would be lowered to \$3.5 trillion, requiring a first year debt reduction of \$100 billion.

Our Nation's most respected economists remind us of the importance of paying down the national debt and the opportunity that provides to shore up Social Security.

In just 13 years, payment from the Social Security trust fund will exceed the incoming revenue to the Social Security trust fund. By reducing debt today, we can do something that will make it easier to meet the needs of the next generation's retirement, and by removing the Social Security trust fund revenues from the annual surplus calculations, we will gain a more accurate understanding of where we stand financially.

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I have been pleased by recent reports the Senate budget proposal may include a similar proposal toward reducing the debt. By establishing statutory debt limits on publicly held debt we can hold our collective feet to the fire by locking in gradual debt reduction. Debt reduction should be a central component of our budget plans, and I urge my colleagues in both chambers to insist that the 2000 budget proposal include a long-term plan to pay down our national debt. Let us agree today to put an end to treating our national budget like a bad credit card spending. Let us agree to pay more than the monthly minimum and stop spending 15 percent of our budget on interest payments.

We are like those people with the credit card who just keep spending. We do not even hardly make the minimum payment. We pay the interest, but we have no plan to ever pay the principle, and today we ought to take the steps toward establishing a plan to do just that. We are at a crossroads. Let us make the legacy that we leave to the next generation one of economic hope and prosperity.

#### RESOLUTION OF THE NAGORNO KARABAGH CONFLICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I wanted to take this opportunity tonight to welcome the visiting President of the Nagorno Karabagh Republic, Mr. Arkady Ghoukasian. President Ghoukasian is visiting our Nation's capital this week as part of a trip that also includes stops in California and New York, and accompanying the President on his first visit to the United States is Ms. Naira Melkoumian, the Foreign Minister of the Nagorno Karabagh Republic.

Yesterday I took part in a meeting with President Ghoukasian and Foreign Minister Melkoumian that was attended by several of my colleagues in the House from both parties. The President also held private meetings with several other Members of the House and the Senate and representatives of the Armenian Assembly of America and the Armenian National Committee

of America also took part in those meetings. The President also had meetings with the State Department and met with some of Washington's leading think tanks and the media.

Mr. Speaker, Nagorno Karabagh is a region in the Caucasus Mountains of the former Soviet Union that has now and always has historically been populated by Armenians. Unfortunately, Nagorno Karabagh's independence has not been given recognition by the United States or the international community. Neighboring Azerbaijan continues to claim Nagorno Karabagh's territory. A bloody war was fought over this region, and the Karabagh Armenians successfully defended their homeland. A cease-fire was declared in 1994, which has more or less held despite ongoing violations by Azerbaijan, but a final resolution of the conflict has been elusive.

Mr. Speaker, the United States is a leader in the effort to help the parties to this conflict achieve a just and lasting resolution of the conflict. The U.S. is a co-chair along with France and Russia of the Minsk Group, of the Organization for Security and Cooperation in Europe established to resolve this dispute.

The United States and our Minsk Group partners last year put forward a new plan known as the Common-State proposal for resolving the conflict. Armenia and Nagorno Karabagh have both agreed to accept the proposal as a basis for negotiations despite serious reservations, but Azerbaijan's response to the constructive proposal by the United States and our partners has been a flat no.

Mr. Speaker, the U.S. non-recognition of Nagorno Karabagh creates issues about who in the State Department should meet with President Ghoukasian or other representatives of Nagorno Karabagh, and last week I was joined by 19 of my colleagues on a bipartisan basis in writing to Deputy Secretary of State Strobe Talbott asking that in his capacity as the American co-chair of the Minsk Group he personally meet with Mr. Ghoukasian during his visit to our Nation's capital. Unfortunately, Secretary Talbott was not in Washington at the time of President Ghoukasian's visit, and President Ghoukasian met instead with Donald Keyser who is special negotiator for Nagorno Karabagh and the NIS regional conflicts. Mr. Keyser I should say is doing a fine job in trying to win the confidence of the parties to the conflict, but I believe it is important to stress the need for the highest level contacts possible which are appropriate and provide a sign of goodwill that would help encourage progress in the negotiations. President Ghoukasian's status as the elected leader of one of the parties to the conflict argues in of according him high-level recognition, and indeed our two Minsk Group partners, France and Russia, provide a

stronger degree of recognition for the Karabagh government than the United States does.

Last month a bipartisan group of Members of Congress and our staffs met with Special Negotiator Keyser. At that meeting and in our follow-up letter to Secretary Talbott we urged that the United States stay the course in terms of the compromise Commonwealth approach, and, as I mentioned, this approach has been accepted by Armenian Nagorno Karabagh as a basis for direct negotiations, but thus far Azerbaijan has rejected this approach. We hope that this rejection will not be the last word, and we urge the administration to take proactive steps to reverse Azerbaijan's rejection.

Mr. Speaker, last week I testified before the Subcommittee on Foreign Operations of the House Committee on Appropriations on the fiscal year 2000 legislation, and I called for assistance to both the Republic of Armenia and the Republic of Nagorno Karabagh and to offer some proposals for how we can advance the peace process through this legislation. The subcommittee, I should say, has been extremely attentive to the concerns of Armenia, Nagorno Karabagh and the entire Caucasus region, and thanks to the subcommittee U.S. humanitarian assistance is flowing to Nagorno Karabagh. I urged the Subcommittee on Foreign Operations to express its strong support for the U.S. position in the Minsk Group negotiations on Nagorno Karabagh, and I hope the subcommittee will adopt language calling on the State Department to stay the course and to press Azerbaijan to come back to the negotiating table. There are strong indications that Azerbaijan believes that it can maintain its rejectionist policy by playing the oil card given the interest in developing petroleum resources in the Caspian Sea although recent test drilling indicates less than expected quantities of oil are causing some major American oil companies to pull out of Azerbaijan.

And there have also been troubling statements from Azerbaijan's President Aliyev that he considers renewal of military conflict a viable option for settling the dispute.

Mr. Speaker, if I could just submit the rest of my statement for the RECORD, I just want to say it is very important that we send a message to Azerbaijan that their intransigence in opposing the Minsk Group proposal is a matter of concern here in Washington.

Finally, I am concerned about the aid numbers for Armenia and Azerbaijan that were included in the Administration's budget request, which provide for a decrease in aid to Armenia, and an increase in aid to Azerbaijan. This is strange, since Armenia (as well as Nagorno Karabagh) has accepted the compromise proposal supported by the U.S., while Azerbaijan has rejected it. But the Administration budget proposed cutting aid to Armenia while increas-

ing aid to Azerbaijan. The unfortunate message to Azerbaijan is that their intransigence in opposing the Minsk Group proposal is not a matter of concern here in Washington. That is not the signal we should be sending.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.

Mr. CARDIN, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. SMITH of Washington, for 5 minutes, today.

Mr. HOEFFEL, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

(The following Members (at the request of Mr. SWEENEY) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, today.

Mr. DEMINT, for 5 minutes, today.

#### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 447. An act to deem as timely filed, and process for payment, the applications submitted by the Dodson School Districts for certain Impact Aid payment for fiscal year 1999.

#### BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on this day present to the President for his approval, a bill of the House of the following title:

H.R. 882. To nullify any reservation of funds during fiscal year 1999 for guaranteed loads under the Consolidated Farm and Rural Development Act for qualified beginning farmers or ranchers, and for other purposes.

#### ADJOURNMENT

Mr. PALLONE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until Monday, March 15, 1999, at 2 p.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

975. A letter from the Administrator, Farm Service Agency, Department of Agriculture, transmitting the Department's final rule—Implementation of Preferred Lender Program and Streamlining of Guaranteed Loan Regulations (RIN: 0560-AF38) received February 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

976. A communication from the President of the United States, transmitting a request for an FY 1999 supplemental appropriation for the Department of the Interior; (H. Doc. No. 106-39); to the Committee on Appropriations and ordered to be printed.

977. A letter from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting the Department's final rule—Risk-Based Capital Standards: Construction Loans on Presold Residential Properties; Junior Liens on 1- to 4-Family Residential Properties; and Investments in Mutual Funds. Leverage Capital Standards: Tier 1 Leverage Ratio [Docket No. 98-125] (RIN: 1550-AB11) received February 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

978. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Rule 701—Exempt Offerings Pursuant to Compensatory Arrangements [Release No. 33-7645; File No. S7-5-98] (RIN: 3235-AH21) received February 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

979. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Revision of Rule 504 of Regulation D, the "Seed Capital" Exemption [Release No. 33-7644; S7-14-98] (RIN: 3235-AH35) received February 26, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

980. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of Presidential Determination No. 99-16 in connection with the U.S. contribution to the Korean Peninsula Energy Development Organization ("KEDO"); to the Committee on International Relations.

981. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 620 of the Gulf of Alaska [Docket No. 981222314-8321-02; I.D. 021699B] received February 22, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

982. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area; Air Clearance Restrictions at the Entrance to Lakeside Yacht Club and the Northeast Approach to Burke Lakefront Airport in Cleveland Harbor, OH [CGD09-97-002] (RIN: 2115-AE84) received February 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

983. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulation; Lower Grand River, LA [CGD08-99-008] (RIN: 2115-AE47) received February 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

984. A letter from the General Counsel, Department of Transportation, transmitting