

and historic head start moving in this critical direction.

Bringing the salmon back will not be an easy task, but it is an achievable goal. We need to make sure that our salmon dollars are delivered into the right hands, and that they are spent appropriately.

RESPONSIBLE BUDGETING AND THE BEST USE OF THE BUDGET SURPLUS

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

Mr. HOLT. Mr. Speaker, last year the House budget resolution was so controversial that House and Senate Republicans never even convened a conference. This year the budget resolution, as passed by the House, is as unrealistic as last year's plan, and even more irresponsible. Some in Congress, because of their fixation on exploding tax cuts, have presented unworkable appropriations bills, and they do nothing to extend the solvency of social security and Medicare.

As opposed to the fiscal responsibility demonstrated by Democrats, the budget passed by the majority party returns us to the unrealistic fiscal policies of the 1980s. Although it claims to shore up social security, to finance a large tax cut, to dramatically increase defense spending and keep government spending down, the truth is much different. The majority's budget, as in the resolution, simply cannot keep all the promises made.

Democrats, on the other hand, have aimed to produce future economic growth through debt reduction and investments, exactly the mix of priorities that a successful business would adopt in good times.

Republicans have voted to reserve virtually the entire bounty of economic growth and fiscal discipline for tax cuts that will likely benefit only those who are already doing very well in the current economy. It is simple. The majority budget resolution may well burden future generations because of tax cuts and spending obligations made today, and they rely on surplus projections well into the future.

What does this mean for the people we represent? Little will be left for our urgent needs. Our national need to invest in social security and Medicare solvency, in education, in research and development, and in the environment will remain unmet.

The budget resolution that was passed by the House yesterday does not do enough for Americans when it comes to investing in education. It will not help hire more teachers, it will not help districts modernize their schools. It takes money away from higher education.

If we are going to prepare our children for the future, we have to do bet-

ter. We have to make education a priority.

The problems go beyond education. Consider, for a moment, the implications of our budget resolution on the environment. America's public lands, wildlife, fish, and plants are assets that belong not just to us but to our children. We must allow for an increase in funding for protecting the environment and improving our communities. What will our children say if priceless resources disappear to suburban sprawl? Will future generations have the opportunity to see ancient forests or wildlife in their natural habitat?

Furthermore, we need to do more to support and encourage research and development. As a scientist, I understand the importance of increasing funding for both the National Science Foundation and for the National Institutes of Health. Today's research is at the threshold of major scientific advancement, which can dramatically improve the quality of life for the American people.

All of us have seen the benefits, the actual benefits and the potential benefits of research. Whether it is new discoveries to help fight AIDS and breast cancer, initiatives to improve our understanding of how ecosystems interact, or investing in teacher training to help students get the mathematics and science skills they need to succeed in today's and tomorrow's society, each action leads us to the doorstep of breakthroughs in improving the quality of life.

We need to make a stronger commitment to the future, and increasing funding for research and development should be part of that commitment. We simply need to make an investment now. It will benefit all of us and future generations. Waiting until later only delays the improvements in quality of life.

The President has proposed that we use the surplus to strengthen social security and Medicare, and to extend the lives of those programs. I will continue to work with other Members of Congress to use the surplus to pay down our national debt, to strengthen social security and Medicare, to encourage investments in education, and to meet our other long-term needs for environmental protection and research and development.

AMERICA NEEDS TO SET BUDGET PRIORITIES AND FOCUS ON PAYING DOWN THE NATIONAL DEBT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Washington (Mr. SMITH) is recognized for 60 minutes as the designee of the minority leader.

Mr. SMITH of Washington. Mr. Speaker, yesterday we took the first step on a long process of passing a

budget this year, and a very important budget it will be as it will lay out priorities as we move into the next century. It will in fact be the last budget of the 20th century. As we move forward, we need to set our priorities.

This will be a long process as we go through the summer and into the fall in deciding what those priorities should be in passing a budget. I rise today to emphasize the importance of fiscal discipline, fiscal responsibility, and paying down our debt as we move through that process. I feel that should be the number one priority of this body in the budget process and for the future, as it is what can best help the people of this country.

We still have a significant financial problem. The news has gotten better in recent years. We have reduced the yearly size of the deficit, and we actually have the possibility of moving towards a surplus. All of that is good news, and many people on both sides of the aisle and many Congresses through the past 6 or 7 years can rightfully take credit for that, but the job is not done. I worry a great deal as I listen to the debate and listened to the debate this past week on the budget resolution that people have lost sight of that fact. We are talking about surplus politics, and I think we do so prematurely.

To begin with, we still incorrectly, from an economic standpoint, count the surplus in the social security trust fund as income to the Treasury, and use that surplus to claim an overall surplus when in fact we have an overall deficit.

Last year's numbers make this point clearly. We had a \$100 billion surplus in the social security trust fund. The rest of the budget actually ran a \$30 billion deficit, so presto, we have the \$70 billion surplus that everybody has been talking about, it does not really exist, but that surplus in the social security trust fund is already obligated. We have to pay it back, plus interest to the Treasury, so that the trust fund can pay out the social security benefits that all of us, or all of us hopefully some day, that many of us, are due. So it is not money we can count as a surplus. To count it that way is to spend it twice. When we spend money twice, we wind up in debt as far as we are.

The second critical point in this is we still have an overall debt. That \$70 billion surplus, mythical though it may be, even within the grounds of that myth is only a 1-year surplus, with quotations around it. The overall debt continues to grow. It is approaching \$6 trillion.

On a yearly basis we pay \$215 billion to service that debt. That is 15 percent of the budget, 15 percent of our budget, and \$250 billion that basically goes simply to pay off past excess. It does nothing to meet our obligations at present or in the future, and it should be reduced.