

HOUSE OF REPRESENTATIVES—Thursday, June 11, 1992

The House met at 10 a.m.
The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

You have blessed us with all good gifts, gracious God, and with thankful hearts we express our gratitude. You have created us with opportunities to serve other people in their need, to share together in respect and affection, and to be faithful in the responsibilities we have been given. In this moment of prayer, we ask for the gifts of wisdom and discernment that in our words and in our actions we will do justice, love mercy, and walk humbly with You. Amen.

THE JOURNAL

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

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

Mr. WISE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

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

Mr. WISE. 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. 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 284, nays 112, not voting 38, as follows:

[Roll No. 182]

YEAS—284

Abercrombie	Boxer	Costello
Ackerman	Brewster	Cox (IL)
Anderson	Brooks	Coyne
Andrews (ME)	Broomfield	Cramer
Andrews (NJ)	Browder	Cunningham
Andrews (TX)	Brown	Darden
Annunzio	Bruce	DeLauro
Archer	Bryant	Dellums
Aspin	Bustamante	Derrick
Atkins	Byron	Dicks
AuCoin	Callahan	Dingell
Bacchus	Cardin	Donnelly
Barnard	Carper	Dooley
Bateman	Clement	Dorgan (ND)
Beilenson	Coleman (MO)	Downey
Bennett	Coleman (TX)	Dreier
Berman	Collins (IL)	Duncan
Bevill	Collins (MI)	Durbin
Bilbray	Combust	Dwyer
Blackwell	Condit	Dymally
Borski	Conyers	Early
Boucher	Cooper	Eckart

Edwards (CA)	Lehman (CA)	Rhodes
Edwards (TX)	Lent	Richardson
Emerson	Levin (MI)	Rinaldo
Engel	Levine (CA)	Ritter
English	Lewis (GA)	Roe
Erdreich	Lipinski	Roemer
Espy	Lloyd	Rose
Evans	Long	Rostenkowski
Ewing	Lowey (NY)	Rowland
Fascell	Luken	Roybal
Fazio	Manton	Russo
Feighan	Markey	Sabo
Fish	Martinez	Sangmeister
Flake	Matsui	Santorum
Foglietta	Mavroules	Sarpallus
Ford (MI)	Mazzoli	Sawyer
Ford (TN)	McCloskey	Scheuer
Frank (MA)	McCollum	Schiff
Frost	McCurdy	Schulze
Gedensson	McDermott	Schumer
Gephardt	McEwen	Serrano
Geren	McGrath	Sharp
Gibbons	McHugh	Shaw
Gillmor	McMillen (MD)	Sisisky
Gilman	McNulty	Skaggs
Glickman	Mfume	Skeen
Gonzalez	Miller (CA)	Skelton
Gordon	Mineta	Slatery
Gradison	Mink	Slaughter
Green	Moakley	Smith (FL)
Guarini	Mollohan	Smith (IA)
Gunderson	Montgomery	Smith (NJ)
Hall (TX)	Moody	Snowe
Hamilton	Moran	Solarz
Hammerschmidt	Mrazek	Spence
Harris	Murtha	Spratt
Hatcher	Myers	Staggers
Hayes (IL)	Nagle	Stallings
Hayes (LA)	Natcher	Stark
Hertel	Neal (MA)	Stenholm
Hoagland	Nowak	Stokes
Hochbrueckner	Oakar	Studds
Horn	Oberstar	Swett
Horton	Obey	Swift
Houghton	Olin	Synar
Hoyer	Olver	Tanner
Hubbard	Ortiz	Tauzin
Huckaby	Orton	Taylor (MS)
Hughes	Owens (NY)	Thomas (GA)
Hutto	Owens (UT)	Thomas (WY)
Hyde	Oxley	Thornton
Jefferson	Packard	Torres
Jenkins	Pallone	Torricelli
Johnson (SD)	Panetta	Towns
Johnson (TX)	Parker	Trafficant
Johnston	Pastor	Unsoeld
Jones (GA)	Patterson	Valentine
Jones (NC)	Payne (NJ)	Vander Jagt
Jontz	Payne (VA)	Vento
Kanjorski	Pease	Visclosky
Kaptur	Pelosi	Volkmer
Kasich	Penny	Walsh
Kennedy	Peterson (FL)	Waxman
Kennelly	Peterson (MN)	Weiss
Kildee	Petri	Wheat
Klecza	Pickett	Whitten
Koiter	Pickle	Wise
Kopetski	Poshard	Wolpe
Kostmayer	Pursell	Wyden
LaFalce	Rahall	Wylie
Lancaster	Ravenel	Yates
Lantos	Ray	Yatron
LaRocco	Reed	

NAYS—112

Allard	Billey	Coble
Allen	Boehlert	Crane
Armey	Boehner	Dannemeyer
Baker	Bunning	DeLay
Balenger	Burton	Dickinson
Barrett	Camp	Doolittle
Barton	Campbell (CA)	Fawell
Bentley	Chandler	Fields
Bereuter	Clay	Franks (CT)
Billrakis	Clinger	Gallely

Gallo	Lowery (CA)	Roth
Gekas	Machtley	Roukema
Gilchrest	Marlenee	Saxton
Gingrich	Martin	Schaefer
Goodling	McCandless	Schroeder
Goss	McCrery	Sensenbrenner
Grandy	McDade	Shays
Hancock	McMillan (NC)	Shuster
Hansen	Meyers	Sikorski
Hastert	Michel	Smith (OR)
Hefley	Miller (OH)	Smith (TX)
Henry	Miller (WA)	Solomon
Herger	Molinari	Stearns
Hobson	Moorhead	Stump
Holloway	Morella	Sundquist
Hopkins	Murphy	Taylor (NC)
Inhofe	Nussle	Thomas (CA)
Jacobs	Paxon	Upton
James	Porter	Vucanovich
Johnson (CT)	Quillen	Walker
Klug	Ramstad	Weldon
Kolbe	Regula	Wolf
Kyl	Ridge	Young (AK)
Lagomarsino	Riggs	Young (FL)
Leach	Roberts	Zeliff
Lewis (CA)	Rogers	Zimmer
Lewis (FL)	Rohrabacher	
Lightfoot	Ros-Lehtinen	

NOT VOTING—38

Alexander	Dornan (CA)	Perkins
Anthony	Edwards (OK)	Price
Applegate	Gaydos	Rangel
Bonior	Hall (OH)	Sanders
Campbell (CO)	Hefner	Savage
Carr	Hunter	Tallon
Chapman	Ireland	Traxler
Coughlin	Laughlin	Washington
Cox (CA)	Lehman (FL)	Waters
Davis	Livingston	Weber
de la Garza	Morrison	Williams
DeFazio	Neal (NC)	Wilson
Dixon	Nichols	

□ 1025

Mr. SHAYS changed his vote from "yea" to "nay."

So the Journal was approved.
The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. McNULTY). Will the gentleman from Kentucky [Mr. HUBBARD] kindly come forward and lead the House in the Pledge of Allegiance.

Mr. HUBBARD led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that he will entertain up to five 1-minute statements on each side of the aisle.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

**BALANCED BUDGET
CONSTITUTIONAL AMENDMENT**

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

Mr. HUBBARD. Mr. Speaker, there are many reasons why we should pass a balanced budget amendment to the Constitution.

First, we begin the process of pulling this country out of potential economic chaos. Our Nation simply cannot continue to endure record deficits and an ever-deepening national debt.

This year our Federal Government will spend about \$3 for every \$2 it takes in.

Surely we are aware that we in Congress do not have the political courage to pass a balanced budget through legislation. We haven't done that during the 18 years I've been in the House of Representatives.

If this constitutional amendment takes effect by 1997 it will, of course, require approval by two-thirds majorities in the House and Senate and ratification by 38 States.

Even now we are telling the American people we can balance the budget with spending cuts alone. The truth is that balancing the budget will require both tax increases and spending cuts.

The public clearly is fed up with business as usual in Washington.

Our gross Federal debt is at \$4 trillion and rising.

Some who oppose a constitutional amendment today opposed the Gramm-Rudman approach to deficit reduction several years ago. Obviously, the 1985 Gramm-Rudman law didn't work to actually lower Federal spending.

The constitutional amendment approach is necessary, workable, and right.

Our current laws, our budget process, our authorization and appropriations bills simply do not require us to spend only the Federal dollars we take in as revenue.

We need a constitutional amendment to enforce the fiscal discipline which we now lack.

PUBLIC DEBT CLOCK FOR CAPITOL

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

Mr. CLINGER. Mr. Speaker, over the past few days, we have heard metaphor after metaphor trying to explain the magnitude of our national debt. The Members of this House and the people of this Nation have been told that we are drowning in a sea of red ink, that the interest on our debt is enough to fund the budgets of many countries, and that we add to that debt at a rate of over \$1 billion a day.

But \$400 billion per year is so large a sum that many in this Chamber believe

it to be something surreal. Ah, but \$11,500 per second, everyone can relate to that.

Think about it: Just during the time I have been speaking, we have added almost \$700,000 to the deficit.

Mr. Speaker, today, I am introducing a bill to let the Members of the House know exactly how much we are adding to the deficit on a minute-by-minute basis. This legislation will direct the Architect of the Capitol to design, construct, and install a public debt clock in the basement rotunda of the Cannon House Office Building, similar to the one situated in Times Square, New York City, the money to be raised by voluntary contributions.

This clock will tick off our ever growing public debt, and every time we leave our offices to vote, we will see the exact consequences of our actions. Day after day, hour after hour, minute after minute, the House of Representatives will be reminded that a deadly scythe is hanging over the Nation and only we can make the hard choices necessary to defeat it.

□ 1030

**AMERICA NEEDS THE MONEY
HERE**

Mr. TRAFICANT. Mr. Speaker, America is bankrupt. The deficit is nearing \$500 billion a year, \$500 billion. Things are so bad, Clinton is playing the sax. Perot is playing politics, and Congress is debating a constitutional amendment to balance the budget.

President Bush wants to give Boris Yeltsin \$12 billion. I think it is time for Congress to tell the President to shove that \$12 billion up his deficit.

We are bankrupt. We need the money over here.

**ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE**

The SPEAKER pro tempore (Mr. MCNULTY). I would remind our friends in the gallery, we are delighted to have them here but they are to refrain from responding either positively or negatively to any statements made on the floor.

VINT HILL FARMS STATION

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

Mr. ALLEN. Mr. Speaker, in June 1942, when the United States was still reeling and responding from the devastation and treachery of the Pearl Harbor attack, a 700-acre tract of land was purchased near Warrenton, VA, by the U.S. Army. Throughout the remainder of World War II, Vint Hill Farms Station became one of our country's most important and productive intelligence

gathering assets. During its 50-year history of outstanding service to Americans and our vital interests, Vint Hill Farms Station has distinguished itself serving our Nation's intelligence needs during the Korean and Vietnam conflicts, military actions in Grenada and Panama, as well as last year's victory in the Persian Gulf.

Nearly 4,000 army and civilian personnel continue today the distinguished tradition of excellence at Vint Hill Farms. It is home to the U.S. Army Materiel Command and the Army Communications-Electronics Command who serve with extraordinary competence, compelling devotion to duty, and unparalleled achievement.

I ask that my colleagues join me in saluting the soldiers, employees, and their families at the U.S. Army's Vint Hill Farms Station on the occasion of their golden anniversary celebration.

INTRODUCTION OF THE LONG-TERM CARE INSURANCE STANDARDS AND CONSUMER PROTECTION ACT OF 1992

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, many Americans are purchasing a product which fairly and effectively protects their assets in case they need expensive nursing home or home care services in their later years. However, many other Americans are being encouraged to throw their money away. In fact, many elderly Americans are being outright swindled, and they often can do absolutely nothing about it. As far as I am concerned, this must stop immediately.

Long-term care insurance is a very tricky, relatively new product. The policies and benefits which are being offered are still evolving and are experiencing growing pains. This explains some of the shortcomings of this market and I anticipate that these kinks will be worked out over time.

But additionally, there are other problems which stem from insurers, agents, and regulators not taking steps which they already recognize would satisfy important needs of consumers. Still other problems stem from deliberate disregard for consumer interests and needs.

Thus, today I am introducing the Long-Term Care Insurance Standards and Consumer Protection Act of 1992 to remedy some of these inadequacies and fill the gaps which serve no one's best interests. It focuses entirely on the private insurance market, and includes no provisions for a publicly financed program, in order to institute reforms in the near future, and save tens of thousands of Americans from falling into traps that they currently face.

The bill calls for standardization of terms and definitions to enable consumers to better understand policy benefits and compare policies from one insurer to the next. It also standardizes eligibility criteria for the receipt of benefits and outlaws the fingerprint gatekeepers which some insurers have used to deny claims. It establishes agent training and certification requirements and prohibits the shady practices which have plagued consumers and drawn negative attention to this product.

The bill also takes steps to limit rises in premiums and postclaims underwriting, and it sharply increases the amount of information that consumers and regulators would receive about the market and specific policies. It would also ensure that all policies have certain protective features, such as rights to return the policy within 30 days if not satisfied, to upgrade to better policies, to receive nonforfeiture benefits, to purchase protection against inflation, and to designate representatives in case an elderly policyholder forgets to pay premiums. At the same time, my bill would preserve for insurers the flexibility to package benefits in creative, effective, and attractive ways.

Perhaps most significantly, this bill gives consumers a true voice in the process. It establishes a system, modeled after the structure established by Congress for MediGap insurance in the OBRA 1990 legislation, whereby States would have the primary regulatory role. But it goes further by ensuring the role that consumers would play in the promulgation of standards and the enforcement of their rights.

The Subcommittee on Commerce, Consumer Protection and Competitiveness, which I chair, will be holding a hearing on my bill and others on Thursday, June 18. Last year, on October 24, we held a hearing on the long-term care insurance industry and the current paltry efforts to regulate them, which illuminated many of the shortcomings that this bill aims to cure.

The hearing not only pointed out problem areas, but also stressed that many of them occur with alarming frequency. It is already clear that action cannot be delayed. Every day that long-term care insurance is sold in absence of necessary reforms, more groundwork is laid which is likely to fester into full-blown problems in the years to come. Many insurers and agents are entirely scrupulous, but there also are ones who are not. Unless we can put an end to abuses, the whole long-term care insurance field will suffer.

Mr. Speaker, as Ms. Janet Shikles of the General Accounting Office testified at our October 24 hearing, "I think the potential for abuse here is much, much greater than in the MediGap area." Congress acted responsibly by establishing concrete reforms for the

MediGap market last year. With long-term care insurance, the stakes are even greater. Let's embrace our duty to serve and protect America's older and elderly people. I encourage my colleagues to join me in moving forward on this just and necessary effort by co-sponsoring the Long-Term Care Insurance Standards and Consumer Protection Act of 1992.

ROSS PEROT ON THE ISSUES

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

Mr. WALKER. Mr. Speaker, there was an interesting call-in with Ross Perot on television this morning. We learned a few things.

The balanced budget amendment to the Constitution. He is against it. We need another Gramm-Rudman, he said. Good luck. It worked so well before.

On polls, he said they are simply weather forecasts. How about the poll he took before getting into the campaign, he was asked. That was not him, he said. That was an associate. Of course, he paid for it.

On the dairy program, what the farmer needs is a better price for his product, Perot said. True enough. But how would we get there? By stopping Washington bureaucrats from becoming lobbyists. No kidding. That is what he said.

And how about saving \$20 billion by taking the rich off Social Security? It is meant to be voluntary and only apply to people like him, he said. Only billionaires, I guess. And how about his criticism of Vice President QUAYLE for using the Murphy Brown issue when he himself had criticized Doogie Howser. Not the same, he said. His criticism was before he became a candidate. But wait a minute. He supposedly is still not a candidate.

And on free parking, he said Government officials should not get it because he cannot park free at airports. No, he just gets the taxpayer to spend \$300 million to buy him a whole airport. Very interesting.

LET US MAKE THE HARD CHOICES

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

Mr. JACOBS. Mr. Speaker, I hear it argued in the case of the constitutional provision to prevent Government borrowing that the provision will not make the hard choices. This is true. It will only leave the country with no choice but to make the hard choices about how to spend what we ourselves have earned, rather than what our children one day will earn.

If we make the hard choice to force the hard choices, our children will grow up in gratitude to their Nation and their parents.

THE BALANCED BUDGET AMENDMENT

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

Mr. HEFLEY. Mr. Speaker, 200 years ago, Thomas Jefferson wrote that if he could add just one amendment to the Constitution, it would be a prohibition against Congress borrowing money. Such an amendment, he reasoned, would defend the American people from the tyranny of government. A balanced budget amendment, in effect, would keep the Federal Government within the bounds outlined in the Constitution.

Unfortunately, Mr. Jefferson never got his amendment and the Government we have now is the personification of Jefferson's fears—a bloated and ineffective mass that stretches its constitutional authority to the limit.

Not surprisingly, as the sizes of the Government and the Federal deficit have grown, the call for enacting a balanced budget amendment has gained momentum, despite strong opposition from the Democratic leadership in Congress.

LAST TIME AROUND

Two years ago the House of Representatives rejected a BBA by just seven votes. At the time, the President and congressional leaders were engaged in round-the-clock budget negotiations designed to reduce the deficit over the next 5 years by \$500 billion.

The congressional participants of those negotiations were vehemently opposed to the BBA, stating that it would tilt the balance of power, trivialize the Constitution, and abdicate Congress' responsibility to set fiscal policy. What we need, they argued, is the strength and determination to make the tough choices.

REALLY BIG NUMBERS

Two years later, those tough choices never materialized. Instead of reducing the deficit, the budget agreement actually increased it. In fact, since the 1990 budget agreement was signed into law, the Federal debt has grown by over \$700 billion.

According to the National Taxpayers Union, the national debt has increased 1,240 percent since 1960, 620 percent since 1975, 329 percent since 1980, and 114 percent since 1985. In other words, we've doubled our Federal debt in the last 6 years.

Just the interest on the Federal debt will total \$316 billion next year. That is going to be the largest item in the Federal budget, 105 percent of our Social Security payments, 27 percent of all Federal revenues, and 61 percent of all individual income taxes.

Going back to Jefferson's time, the Federal Government would have to borrow \$40,000 every minute for the last 200 years to equal our current \$4 trillion debt. Looking to the future, every

American born in the next 100 years will begin life with \$10,000 debt as their birthright.

OPPOSITION TO THE AMENDMENT

Despite these overwhelming numbers, some groups still oppose the BBA. There are those who fear a balanced budget amendment will tie the hands of Congress and force it to cut some programs in order to fund others. They fear that Congress will have to set priorities and then stick with them.

Ironically, this is the best argument for the balanced budget amendment. The fact that so many special interest groups object to the balanced budget amendment because it would restrict Congress' ability to make funding decisions and make the budget process less flexible just reinforces the need for the amendment.

One particular group concerned about the BBA are America's seniors, who worry that a BBA will force reductions in Social Security benefits. These concerns are misplaced. The biggest threat to Social Security is not the BBA, but rather today's record-high deficit that threatens the economic and fiscal viability of the program. By reducing the deficit, the BBA will actually protect the future of Social Security.

Second, there are those groups who question the effectiveness of a balanced budget amendment. They claim it is just a feel-good measure which will fail to reduce the deficit and will add lots of unnecessary detail to the Constitution.

The Constitution is already full of detail and there is nothing trivial about mandating that Congress live within its means. Furthermore, this group of BBA opponents should confer with the first group of BBA opponents; their arguments are contradictory.

Finally, some conservatives oppose the BBA because it will encourage tax increases. They fear the balanced budget amendment will provide Washington's big spenders with a constitutional mandate to raise taxes.

These concerns ignore the safeguards included in three of the four possible BBA's. These safeguards include making it more difficult to pass tax increases, caps on total outlays, and more stringent requirements to raise the debt ceiling.

CONCLUSION

Mr. Speaker, let us end this deficit madness. Let us live up to the Jeffersonian idea of limited and responsible Government and allow future generations of Americans to decide for themselves what they want to do with their earnings. While the balanced budget amendment is not the final answer to our fiscal problems, it will provide a measure of discipline that doesn't exist now. For that reason, I applaud this effort and strongly support the balanced budget amendment.

SOME 352 REASONS TO SUPPORT THE BALANCED BUDGET AMENDMENT

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

Mr. RAY. Mr. Speaker, over the past few days, we have heard many reasons why we should or should not vote for an amendment to the Constitution requiring a balanced budget.

This morning, I would like to share with my colleagues 352 very important reasons why we must pass such an amendment.

This is a group of students brought to Washington by the Columbus, GA, area Lions Clubs in April. Unfortunately, each one of these young people is already responsible for 15,200 dollars' worth of our \$3.8 trillion national debt.

Let us not drive our children deeper into debt. Vote for the Stenholm amendment today. These 352 great reasons are counting on you.

THE KYL-ALLEN AMENDMENT

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

Mr. KYL. Mr. Speaker, in just 1 minute we are going to begin the debate on the first of the four alternatives that we will have an opportunity to vote on today to balance the Federal budget. Not much is known, I believe, about the Kyl-Allen proposal, which is the first one to be voted upon.

I want to just tell my colleagues two quick things about it, and I ask them to listen carefully to the explanation of the debate.

I think you will like it. If, for example, you support the line-item veto, you will want to support Kyl-Allen because it is the only of the four alternatives that gives the President the line-item veto authority for two purposes. First of all, to help enforce this provision. And second, to bring the President into the equation to be an equal player with the Congress in this endeavor.

The second feature of it is to limit spending to 19 percent of the gross national product. The reason for that is to encourage the Congress to support progrowth economic policies so that as our gross national product grows, revenues to the Treasury grow. And therefore, the Congress will have sufficient funds to expend on all the programs that we support.

Those are two very good features to our proposal, which are somewhat different from the others. I hope that they will support the Kyl-Allen proposal.

□ 1040

PROPOSING AN AMENDMENT TO THE CONSTITUTION TO PROVIDE FOR A BALANCED BUDGET

THE SPEAKER pro tempore (Mr. MCNULTY). Pursuant to House Resolution 450, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (H.J. Res. 290).

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 joint resolution, (H.J. Res. 290) proposing an amendment to the Constitution to provide for a balanced budget for the United States Government and for greater accountability in the enactment of tax legislation, with Mr. THORNTON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, June 10, 1992, all time for general debate had expired.

Without objection, the joint resolution is considered as having been read under the 5-minute rule.

There was no objection.

The text of House Joint Resolution 290 is as follows:

H.J. RES. 290

Resolved,

ARTICLE —

SECTION 1. Prior to each fiscal year, the Congress and the President shall agree on an estimate of total receipts for the fiscal year by enactment of a law devoted solely to that subject. Total outlays for that year shall not exceed the level of estimated receipts set forth in such law, unless three-fifths of the whole number of each House of Congress shall provide, by a rollcall vote, for a specific excess of outlays over estimated receipts.

SECTION 2. The limit on the debt of the United States held by the public shall not be increased unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which total outlays do not exceed total receipts.

SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

SECTION 5. The provisions of this article may be waived for any fiscal year in which a declaration of war is in effect.

SECTION 6. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

SECTION 7. This article shall take effect beginning with fiscal year 1995 or with the second fiscal year beginning after its ratification, whichever is later.

The CHAIRMAN. No amendments to the joint resolution are in order except the following amendments, which shall

be considered only in the following order, which shall not be subject to amendment, and which shall be debatable for 60 minutes, equally divided and controlled by the proponent and an opponent of the amendment:

First, an amendment in the nature of a substitute offered by the gentleman from New York [Mr. FISH] or his designee;

Second, an amendment in the nature of a substitute offered by the gentleman from Texas [Mr. BARTON] or his designee;

Third, an amendment in the nature of a substitute offered by the gentleman from Texas [Mr. BROOKS] or his designee;

Fourth, an amendment in the nature of a substitute, which shall consist of the text of any comparable joint resolution as passed by the Senate; and

Fifth, an amendment in the nature of a substitute offered by the gentleman from Texas [Mr. STENHOLM] or his designee;

If more than one of the amendments in the nature of a substitute is adopted, only the last amendment adopted shall be considered as having been finally adopted and reported back to the House.

AMENDMENT IN THE NATURE OF A SUBSTITUTE
OFFERED BY MR. KYL

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

The CHAIRMAN. The Chair would ask, is the gentleman designated by the gentleman from New York [Mr. FISH]?

Mr. KYL. I am the gentleman's designee for this purpose, Mr. Chairman.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. KYL: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

"ARTICLE —

"SECTION 1. Except as provided in this article, outlays of the United States Government for any fiscal year may not exceed its receipts for that fiscal year.

"SECTION 2. Except as provided in this article, the outlays of the United States Government for a fiscal year may not exceed 19 percent of the Nation's gross national product for that fiscal year.

"SECTION 3. The Congress may, by law, provide for suspension of the effect of sections 1 or 2 of this article for any fiscal year for which three-fifths of the whole number of each House shall provide, by a rollcall vote, for a specific excess of outlays over receipts or over 19 percent of the Nation's gross national product.

"SECTION 4. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal.

"SECTION 5. The President shall have power, when any Bill, including any vote, resolution, or order, which contains any item of spending authority, is presented to him pursuant to section 7 of Article I of this Constitution, to separately approve, reduce, or disapprove any spending provision, or part of any spending provision, contained therein.

"When the President exercises this power, he shall signify in writing such portions of the Bill he has approved and which portions he has reduced. These portions, to the extent not reduced, shall then become a law. The President shall return with his objections any disapproved or reduced portions of a Bill to the House in which the Bill originated. The Congress shall separately reconsider each such returned portion of the Bill in the manner prescribed for disapproved Bills in section 7 of Article I of this Constitution. Any portion of a Bill which shall not have been returned or approved by the President within 10 days (Sundays excepted) after it shall have been presented to him shall become a law, unless the Congress by their adjournment prevent its return, in which case it shall not become a law.

"SECTION 6. Items of spending authority are those portions of a Bill that appropriate money from the Treasury or that otherwise authorize or limit the withdrawal or obligation of money from the Treasury. Such items shall include, without being limited to, items of appropriations, spending authorizations, authority to borrow money on the credit of the United States or otherwise, dedications of revenues, entitlements, uses of assets, insurance, guarantees of borrowing, and any authority to incur obligations.

"SECTION 7. Sections 1, 2, 3, and 4 of this article shall apply to the third fiscal year beginning after its ratification and to subsequent fiscal years, but not to fiscal years beginning before October 1, 1996. Sections 5 and 6 of this article shall take effect upon ratification of this article.

Mr. KYL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. The gentleman from Arizona [Mr. KYL] will be recognized for 30 minutes.

Is there a Member opposed?

Mr. OBERSTAR. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Arizona.

The CHAIRMAN. The gentleman from Minnesota [Mr. OBERSTAR] will be recognized for 30 minutes in opposition, and will control the time.

The Chair recognizes the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the amendment I have at the desk—the balanced budget-spending limitation amendment—has been cosponsored by the gentleman from Virginia, GEORGE ALLEN. It is similar to the freestanding resolution, House Joint Resolution 143, which I introduced last year, and which has been cosponsored by 112 Members of this body.

Mr. Chairman, the Kyl-Allen amendment does three things: First, it requires a balanced Federal budget. Second, it limits Federal spending to 19 percent of gross national product [GNP], the average level of revenue the Federal Government has collected over the last 25 years. Third, it provides the President with line-item veto authority in order to enforce the foregoing requirements.

The amendment allows the balanced budget and spending limitation requirements to be waived by a three-fifths vote of each House for a given year and for a specified excess of outlays over receipts or over 19 percent of GNP. We do this in recognition of the fact that national emergencies—military as well as economic—may arise from time to time that will require additional spending.

The Kyl-Allen amendment would, in effect, put the Federal Government on an allowance. By telling the Government how much it could spend—up to 19 percent of GNP—our amendment would force the Government to be more cost conscious and to prioritize its spending. And, it would prevent Congress from balancing the budget by massive tax increases.

By tying Federal spending to GNP, the Kyl-Allen amendment also gives Congress the incentive to enact pro-growth economic policies.

Kyl-Allen seeks to create a bigger pie of Federal spending to go around. Instead of constantly trying to divide limited resources among an ever increasing number of groups within our society, Kyl-Allen will force Congress to support initiatives to stimulate economic growth. The result will be not only a healthier economy—more jobs and better wages—but more money for Congress to devote to the programs it determines are important.

According to Dr. James M. Buchanan, the 1986 Nobel laureate in economic sciences:

Reducing government as a share of GNP from its current level of 25 percent to, say, 20 percent would generate roughly a two percent increase in the rate of growth in GNP. And back-of-the-envelope arithmetic suggests that by the early 2000s, and forever beyond, the real value of the programs financed by government would be larger than they would be under the regime that keeps government's share at 25 percent.

Mr. Chairman, Kyl-Allen will ensure a balanced budget.

It will promote economic growth.

It will impose discipline by giving the President a line-item veto.

Mr. Chairman, I urge my colleagues to support the Kyl-Allen amendment.

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

Mr. OBERSTAR. Mr. Chairman, I yield 5 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Chairman, I rise in opposition to this amendment. I am also opposed to a constitutional

amendment to require Congress and the President to enact a balanced budget except if 60 percent of the House and Senate vote to ignore the Constitution and other provisions added by the Kyl amendment. I find it exceedingly difficult to understand the argument that a constitutional amendment is needed so badly that it provides for a escape hatch with a mere 60-percent vote. This 60 percent vote escape will be an incentive to a great deal of unwanted mischief. The end result will not be the balanced budget goal which this amendment seeks.

I believe that the President and the Congress have not had an opportunity to really face this issue in all honesty.

First, if we really wanted to balance the budget we do not need to do it by amending the Constitution. We have to do it with a serious proposal from the President and from the leaders of this discharge petition as to exactly what is to be cut in order to bring the budget into balance. It is this element which is missing from this debate. What will you agree to cut? Social Security? Medicare? Medicaid? Veterans benefits? Housing assistance? Student financial assistance? Farm subsidies? B-2 bombers? SDI? Space station? Super-colliding super conductor? Until we know what you propose to cut, it is unrealistic to assume the people in the country will stand up and cheer this mindless abdication of our responsibility to govern. To adopt this constitutional amendment is to capitulate to hysteria without knowing what the consequences will be and the untold harm and suffering that this action will cause.

Second, the argument that was made all day yesterday is that Congress has failed to act to bring the budget under control and that the deficit projected at nearly \$400 billion will bankrupt this country.

Let me say that the cry for this constitutional amendment seems to be based on the size of the deficit.

Have we taken a critical look at exactly what this deficit is? I recently asked the CBO to provide me with literature on this matter. I know that when the California Constitution and other State constitutions call for a balanced budget it typically refers to the operating budget. The Capital budget is provided for separately and usually allows for borrowing with certain limitations.

In 1967 during the Vietnam war President Johnson with his budget advisers created the unified budget concept. The unified budget does not make any distinction between operating and capital expenses, and thus the deficit includes long-term capital investments which yield economic rates of return equal or greater than private capital. To lump into one unified budget, capital investments in infrastructure and in research and in education is acceptable for its

simplicity, but if this type of unified budget yielding a larger deficit because it includes capital costs, is to be the basis for a constitutional straitjacket, it then must be rejected because it threatens the very essence of the principle of Federal investment and economic growth.

An analysis that I have just seen states that the fiscal year 1993 budget without capital costs would have an operating deficit of \$95 billion. It shows an estimated deficit of \$351.9 billion. With capital outlays listed as \$218 billion taken out, research and development at \$75 billion taken out, and education and training at \$42.5 billion removed, it would leave an operating budget deficit of \$95.8 billion.

It is time for the Congress to reconstitute the budget in a way that most citizens understand. In our own family budget we make our paycheck pay for our daily living expenses but we don't expect to pay up our mortgage in 1 year.

It is time for Congress to clearly state what capital investments which have a long-term value in excess of 10, 20, or even 30 years. As in the State budgetary process and in the way we handle our own family budgets these capital costs should be budgeted separately. Capital costs clearly justify borrowing. We borrow to buy a home.

The American people do not have a clear understanding about what we mean by our unified budget. They do not know that the budget deficit includes capital construction costs. I am certain that if they did, they would not want it included in the required balanced budget amendment.

What I believe the American people want is for us to make sure that the operating expenses of the Federal Government match up to the revenues. I believe with equal certainty that they would support investments in our Nation's future in the form of borrowing for capital improvements, needed infrastructure, mass transit systems, airports, sewer systems, water systems, parks, and other permanent improvements to the communities in which we live and which enhance our economic future and our quality of life.

Mr. Chairman, I urge this amendment and the main resolution be voted down.

□ 1050

Mr. KYL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Chairman, I am convinced that for 134 centuries of our history to have a balanced budget amendment to the Constitution would have been folly; based on the last 25 years of "me generation" politics, not to put a restraint on legislators would be folly.

Of the four approaches under consideration today, what distinguishes the Kyl-Allen amendment is that it is the

only one to couple balancing the budget with a restraint on spending. Frankly, a restraint on spending is more important than a balanced budget amendment. We can have a budget in balance at 30 or 40 percent of gross domestic product [GDP] and it would be a disaster. The budget could be slightly out of whack at 19 percent of GDP and the economy would be far better off.

A combination approach—a balanced budget amendment coupled with a restraint on spending and a line-item veto—is the optimal approach. It is the best housing policy, the best small business program, the best young farmer initiative.

The effect on the economy of implementation of such restraints on Congress will be to cause banks to use their deposit base to make loans to individuals and businesses for growth instead of to buy Treasury bills for stability.

Here, I would stress that even with the reduction of interest rates over the last year and a half, rates are still at historically high levels in relation to inflation. Real interest rates can only be reduced if the cost of government is reduced.

Finally, although not precisely quantifiable, it is clear the fiscal deficit is directly linked to the trade deficit. We are unlikely to balance our trade until we balance our budget.

For the sake of jobs, for the sake of economic growth, for the sake of export promotion, I urge support for a balanced budget amendment, especially the immediate option before us. It is the most compelling choice before the House today.

The CHAIRMAN. The Chair is informed that the gentleman from California [Mr. PANETTA] will be recognized to control the time of the gentleman from Minnesota [Mr. OBERSTAR]. Without objection, the gentleman from California is recognized.

There was no objection.

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

Mr. Chairman, we are now approaching the specific amendments that put into the Constitution a requirement dealing with a balanced budget.

I want to remind Members that we are not just talking about legislation here, we are not just talking about legislation that can be voted on, that can be passed on to the Senate, that can be amended, that can be changed. We are talking about a constitutional amendment, and that constitutional amendment would be placed in this Nation's most sacred document, our Constitution.

The last thing we want to use the Constitution for, the last thing we want to use the Constitution for is to put some kind of mindless formula into the Constitution, and then say we are going to stick to this formula no matter what, no matter when, no matter

how. That is not what the Constitution was intended for by our forefathers. Our forefathers intended to define the powers within the various branches of Government, to define the rights of the people, not to use the Constitution to set any kind of mindless formula.

What do we have here. In this proposed amendment you set a formula, 19 percent. You cannot spend any more over 19 percent of GNP. Where does the 19 percent come from? Where does that come from? It is the idea of the gentleman from Arizona [Mr. KYL] that maybe that is the level we ought to use.

Well, why not use 15 percent, or why not use 16 percent, or why not use 17 percent, or why not use 11 percent? And where does the 19 percent come from? Oh, well, that is the average of what we have had in revenue since World War II. I understand that argument.

Well, fine. Then why do we not build in the average for spending since World War II? Oh, no, cannot do that. That is wrong.

I mean, when we start using mindless formulas and start to build them into the Constitution we become mindless; we become mindless.

But let us take this proposal on its merits and look at the substance of what it does. It says we are going to get to 19 percent. We are not going to do anything to raise revenues. What does that mean? It means you take it all out of the spending side.

I went through that particular approach in the debate yesterday. If you want to do \$600 billion in deficit reduction you have got to do \$600 billion on the spending side, largely out of entitlements because entitlements make up 46 percent of the spending side. And I say this not to—not to scare people, but we ought not to kid people either about what is involved here. We ought to be very straight with the American people that if we are going to take \$600 billion out of the spending side, we ought to be very clear where it is coming from. So you have to do \$600 billion, according to the Congressional Budget Office.

Surely a big chunk of that has to come out of health care programs. In Medicare in the very least you have to achieve about a \$114 billion savings. That means you either have to raise laboratory fees, you have to put a freeze on what you pay to hospitals, put a freeze on what you pay to doctors, add copayments, put cost containment on health care.

That is not enough, the \$114 billion to get to \$300 billion. We have to do some retirement programs as well. If you are going to get the money you need to get the savings. So you have to look at the cost-of-living indexing, you have to look at other approaches to try to tighten up on the retirement side.

You have to look at farm programs, and if you are going to try to get \$300

billion you have to talk about reducing target prices on the farm program.

□ 1100

Now, that is where it is at. You have got to cut defense as well. The gentleman from Arizona [Mr. KYL] is a big defender of the defense bill, but you have got to cut defense, and you have got to cut nondefense, probably have to put a hard freeze into place.

For the sake of argument, let us assume that is what we have to do. That is what we have to do, and that is what we have to do if you want to get \$600 billion in deficit reduction. The question I want to ask is: As you deal with \$600 billion and you are trying to share the sacrifice of doing that, what about the wealthy? What about the wealthy? What price do they pay in all of this? What burden do they share in all of this?

According to the Kyl amendment, you cannot raise their taxes. No; no. That is off bounds. How about premiums? How about premiums on the wealthy people who benefit from entitlements? That is the administration's approach. Cannot increase their premiums; that is a revenue increase. What about fees for services? That is a legitimate area. Oh, cannot increase fees. That is a revenue. What about if we wanted to do more infrastructure, and we think perhaps we ought to lift the gas tax in this country a bit in order to pay for more infrastructure? That is a logical argument for me. No; no. Cannot do it under this approach, because we are going to take it all out of the hide of the elderly, of senior citizens, of farmers, of veterans, of children, of the poor, but not a dime from the rich, not a dime from the rich.

What this amendment does is it builds in supply-side economics into the Constitution of the United States, and the end result of this kind of amendment is to make the rich richer and the poor poorer.

I have argued that putting a constitutional amendment into the Constitution to balance the budget is bad, because it is going to create an economic crisis, and it plays with economic policy. It is bad enough to play games with economic policy, but what this amendment does is it plays games with social policy as well, and it is for all of those reasons that I strongly oppose this amendment.

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

Mr. PANETTA. I am happy to yield to the gentleman from Arizona.

Mr. KYL. Mr. Chairman, I just wanted the gentleman to yield to make the point that our amendment, of course, does not preclude the raising of revenues. It limits spending. I think the gentleman is aware of that.

Mr. PANETTA. If you get a three-fifths vote; if you get a three-fifths vote.

Mr. KYL. No. The three-fifths vote allows the Congress either to unbalance the budget or to spend more than 19 percent of GNP. Our proposal says nothing about revenues whatsoever.

Mr. PANETTA. Is it not the case you could not increase any kind of program beyond the 19 percent unless you had a three-fifths vote in the institution?

Mr. KYL. That is correct.

Mr. PANETTA. Fine. So the cuts come on a majority basis. We cut senior citizens by a majority vote, we cut the farmers by a majority vote, we cut the veterans by a majority vote, but, ah, yes, when it comes to perhaps the increasing of the premiums or increasing taxes, you have got to do that on a three-fifths vote. That is bad economic policy, and it is bad social policy.

Mr. KYL. If the gentleman will yield further for 10 seconds, we say absolutely nothing about a three-fifths majority to raise taxes, fees, premiums, or anything else. We do not have a three-fifths requirement for raising taxes or revenue of any kind.

Mr. PANETTA. Answer the question, can you raise revenues beyond 19 percent without a three-fifths vote?

Mr. KYL. Yes.

Mr. PANETTA. You can?

Mr. KYL. Yes.

Mr. PANETTA. So what is the point? The point here is what then?

Mr. KYL. You cannot spend them.

Mr. PANETTA. You cannot spend it at 19 percent. But can you provide, for example, a health care program for the country, a comprehensive health care program, and reach out and provide additional revenues to pay for that health care program under your proposal?

Mr. KYL. You can do that by two ways, first of all, by the three-fifths vote.

Mr. PANETTA. That is what I am saying; that is what I am saying. You need a three-fifths vote to implement policy here even if it is on a pay-as-you-go approach. You have implemented a mindless formula that says when it comes to what I agree to, which is to cut spending, do that by a majority vote. When it comes to the idea of paying for programs that we may all believe in, you have got to do that by a three-fifths vote.

Mr. KYL. If the gentleman will yield for another 10 seconds, you can raise revenues all you want to with a majority vote. To exceed the spending limit, you would have to have a three-fifths vote. I would hope the gentleman would not continue to refer to this as a mindless proposal. A lot of thought has gone into this. The gentleman might disagree with it, but it is not mindless.

Mr. PANETTA. When you put any kind of percentage approach of GNP into the Constitution of the United States, my friend, that is mindless.

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

Mr. KYL. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. ALLEN], the coauthor of this proposal.

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

Mr. Chairman, if Congress is really serious about balancing the budget and protecting our children and grandchildren from unmanageable, burgeoning debt, we must pass the most responsible and enforceable balanced budget amendment which will promote economic growth. The Kyl-Allen amendment, which we will vote on today, is the best solution for American taxpayers and our economy.

It is the only substitute which limits Federal spending to 19 percent of the gross national product and actually gives Congress an incentive to adopt positive economic growth policies. By limiting Federal spending, Kyl-Allen provides taxpayer protection by preventing Congress from increasing taxation and spending, and allows Congress to waive the balanced budget and spending limitation provision only with a three-fifths vote of the total membership of the House and Senate. Requiring a super majority to approve spending over 19 percent of the GNP places a constraint on the profligate spending habits of Congress. Spending gets Congressmen reelected and they will continue to spend unless the Constitution stops them.

Most importantly, Kyl-Allen is the only amendment offered with an enforcement mechanism—the line-item veto. Giving the President the line-item veto not only will cut the fat from the meat in Federal appropriation bills but will increase Government accountability. I know that my constituents would like to know where their tax dollars go and which Congressmen vote to sustain or eliminate wasteful Federal programs and projects. Wouldn't, your constituents like to know who is responsible for:

First, \$120,000 to study the disposal of cow manure.

Second, \$200,000 for Vidalia onion storage.

Third, \$100,000 for mesquite and prickly pear cactus research.

Fourth, \$94,000 for asparagus yield decline.

Fifth, \$1.5 million for a theater in New York City.

Sixth, \$1 million for a parking garage in Kentucky.

The list goes on and on.

The Federal budget process has operated unchecked for too long and left our country with nearly a \$4 trillion debt. It is time to handcuff the irresponsible, spendthrift practices of the Federal Government.

Kyl-Allen gives the President the authority that 43 Governors have, the line-item veto. The line-item veto would prevent Congress from spending

scarce Federal dollars on such wasteful, often ridiculous programs. Lou Uhler, president of the Tax Limitation Committee, said:

It's about time, if we're going to ask the President to share the rap for out-of-control spending, that we give him a tool to control it. The line-item veto would do just that.

The time has come to shed a scrutinizing light on the pork barreling and budget padding that is so prevalent on Capitol Hill. If the President had a line-item veto, he would be held accountable for the pork barrel legislation that crossed his desk and, similarly, every Congressman voting to override or sustain the veto would be accountable to their constituents. Both the President and the Congress would be responsible for the consequences of their appropriations.

Think about it: 43 States have provision for a line-item veto for the chief executive. If you represent one of those States, then you surely understand the value of such a tool in controlling wasteful spending. I ask you to represent your State, and the interests of every American taxpayer, by supporting the line-item veto for the President as part of the balanced budget amendment.

Every day, Congress spends \$1 billion more than the Federal Treasury receives. The Government has run deficits in 53 out of the last 61 years, and 30 out of the last 31 years. All this despite the fact that Congress has raised taxes 56 times over the last 30 years. For the sake of our children and grandchildren, we cannot allow our deficit and national debt to continue growing out of control.

I respectfully submit that the Kyl-Allen balanced budget profligate taxing and spending habits of Congress. Fiscal irresponsibility and lack of Government accountability have necessitated the sobriety of this balanced budget amendment.

In today's Richmond Times-Dispatch, Walter Williams writes:

Test your Congressman's sincerity. Demand a spending limitation provision in the proposed Balanced Budget Act and watch him lie.

I urge my colleagues to support the only balanced budget amendment to the Constitution which contains a spending limitation and taxpayer protection, promotes economic growth, and includes a line-item veto provision: Please support the Kyl-Allen substitute.

Mr. PANETTA. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, in the early 1980's the Reagan-Bush team, in alliance with corporate America and some congressional Democrats, successfully adopted Reaganomics as our national economic strategy. Reaganomics included huge tax breaks for the rich, a massive binge of military spend-

ing, and serious cutbacks in Federal aid to cities, to education, and to a host of human service programs.

Ten years later, we are reaping the harvest of Reaganomics. The income of the richest 1 percent of our population has doubled at the same time as the median personal income—without even accounting for inflation—has declined in more than half our States. The wealthiest 1 percent of the population now owns more of the Nation's wealth than the bottom 90 percent. Our cities are in ruin, our health care system is disintegrating. As many as 2 million of our citizens, half of them children, sleep out on the streets.

In the mid-1980's, the Reagan-Bush team, in alliance with corporate America and some congressional Democrats, gave us deregulation. What has deregulation and getting the Government off our backs meant to the savings and loan industry? An orgy of real estate speculation diverted hundreds of billions of dollars which otherwise might have been used to rebuild American industry. Banks failed by the hundreds; the RTC has closed over 650 failed S&L's. Taxpayers must pick up a tab of \$500 billion in order to bail out the banks, one-quarter of which were engaged in fraud and outright thievery.

Now, to add insult to injury, they're at it again. The same people who brought us Reaganomics and S&L deregulation now have another gimmick to sell: A constitutional amendment to require balanced budgets. They once again want to benefit the rich and powerful at the expense of working people, the elderly, the poor, the sick—and our children.

No Reagan-Bush administration ever submitted a balanced budget. In the last dozen years, the national debt has soared from \$1 to \$4 trillion. This year's deficit alone is projected at \$400 billion.

The dangerous and shameful national deficit has a cause. Presidents Reagan and Bush, along with the leadership of Congress, ignored desperately needed and fundamental changes in four major areas of the Federal budget: Tax policy, military spending, the S&L bailout, and health care. Led by President Bush, proponents of the balanced budget amendment have rejected every serious opportunity to reduce the deficit.

Despite the fact that the wealthiest people in our country have gotten much richer, and have enjoyed hundreds of billions of dollars in tax breaks during the last decade, the President and the leadership of Congress have refused to raise taxes on the rich and the large corporations.

Despite the fact that military spending was increased by 50 percent in the 1980's, despite the fact that the cold war is over and the Warsaw Pact no longer exists, they have refused to make the very substantial cuts in military spending that we can now afford to make.

They have refused all efforts to deal with the S&L bailout on a pay-as-you-go basis, calling it off-budget while dumping the entire bailout into the deficit.

And they have refused to develop an effective cost-containment strategy to control spiraling health care costs, despite proposals available for a universal single-payer national health care system. While this Nation spends more per capita on health care than any other on Earth, 85 million Americans go without adequate medical coverage—and our Medicaid and Medicare budgets soar.

The balanced budget amendment advocated by the Nation's leadership will no doubt solve our deficit crisis as effectively as Reaganomics and deregulation solved tax inequity and the S&L situation. It is being proposed by true paragons of courage, leaders who refuse to address the budget now but are only too ready to let the budget amendment go into effect a number of years from now, or when they are out of office.

What will be the impact of this administration and legislative cowardice? Clearly, it will mean devastation for the elderly, the sick, the poor, and working people because the budget will be balanced on their backs. Cutting spending without taxing the rich and slashing the military budget will require draconian reductions in Social Security, Medicare, Medicaid, housing, mass transit, health care, veterans' benefits, college loans, and virtually every program which benefits ordinary Americans. And if taxes must be raised, Congress is likely to use the amendment as an excuse for instituting regressive taxes, which fall most heavily on working people and the middle class. A balanced budget amendment will only accelerate the Nation's rapid move toward an oligarchic structure, where the rich and the powerful control—and benefit from—nearly every aspect of American life.

Should the President and Congress address the deficit issue? Absolutely. But they should do so in a fair and progressive way, not by preying on the weak and the vulnerable. The budget can and should be balanced through a radical reorientation of our priorities in four key areas, not through cowardly constitutional gimmickry. Without courage, without real and very rare political leadership, Congress and the President will simply perpetuate the increasingly discredited political status quo. It is time to put aside the hoax and get down to serious work.

□ 1110

Mr. KYL. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON], the ranking member of the Committee on Rules.

Mr. SOLOMON. Mr. Chairman, we have just heard from the only registered Socialist in this House.

Now let us hear from the real world. You know, there are two ways to balance the budget. One is to cut spending. The other is to raise taxes. The Kyl amendment ensures that the budget will be balanced by holding the line on spending and not by raising taxes through the roof. The Kyl amendment will ensure that outlays do not exceed 19 percent of the gross national product. Since this is approximately what we are already taking in from taxes, it means that the budget will be balanced through spending cuts and not by raising taxes.

Mr. Chairman, the Kyl amendment also includes a line-item veto, which will enable the President to cut unnecessary pork out of any bloated spending bills.

Mr. Chairman, I want you to listen to this: There is a recent report by the General Accounting Office, that all of us quote from on the floor all the time, which projects that if nothing is done to reverse current trends, Federal spending could increase from—listen—23 percent of the gross national product today to over 42 percent by the year 2020. That is 28 years down the road.

The report concludes that "inaction is not a sustainable policy." Not only is it not a sustainable policy, it is a total disaster.

That is what we are dealing with here today.

Mr. Chairman, we have to balance the budget and we have to do it without ever increasing levels of spending. The Kyl amendment is the way to achieve a balanced budget and keep taxes down. That is what the American people want. That is what they demand. We ask them to tighten their belts. We have to tighten ours, and the only way to do it is to enact the Kyl amendment.

For God's sake, please vote for it.

Mr. KYL. Mr. Chairman, I yield 5½ minutes to the gentleman from Texas [Mr. ARMEY].

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

Mr. Chairman, I have studied all four of those proposals that we will deal with today. I support three of them, and the fourth, the one I do not support is a mindless proposal and it is for that reason I do not support it; but of all the proposals before us, I support most enthusiastically the Kyl-Allen proposal.

The reason? This proposal is the only proposal that keeps its eye on the ball and provides an enforcement mechanism that is a mandatory limit on spending.

Let me talk for a moment about why we need a balanced budget amendment. I regret that we do. It is possible we should not need one, but there have been two particular events in the recent history of this country that make it necessary. First, after the political

lessons learned by the Great Society Program, this Congress transformed the budget. The budget was comprised of 15 percent entitlement spending in 1965. Today it is 52 percent entitlement spending.

This, Mr. Chairman, is what I call partisan pork, and the party that so proudly takes responsibility for all of this entitlement spending is the Democratic Party that has been in control of Congress throughout most of this time, both Houses, this House throughout all the time.

Now, of that entitlement spending, let us recognize the fact that only one out of every seven entitlement dollars goes to somebody at or below the poverty level of income.

Do not tell me, Mr. Chairman, that you cannot make reforms in the way we spend the generosity of the American people when only \$1 out of every \$7, or 52 percent of the \$1½ trillion of their money that we spend goes to people at or below the poverty level of income. It is balderdash to say we cannot reform that.

In fact, we have had reforms which have been voted down in this Congress.

The fact is that less than 20 percent of those entitlement dollars are means tested. By means tested we simply say demonstrate to the American people that you have a genuine need for them to sacrifice their hard-earned money in your support and we will extend that support—less than 20 percent.

Ross Perot's son is as capable today of getting financial aid for his education as my nephew, and my nephew's father does not earn nearly so much as Ross Perot, or for that matter nearly so much as I do.

Now, one of the other things we must understand about all this mandatory spending, two-thirds of the budget, is that throughout my entire lifetime the growing American economy has every year generated increases in revenue. For example, in 1963 the citizens of this country contributed \$6½ billion in tax revenue to the Federal Government. By 1990, that had risen to over \$1 trillion.

Every year the economy has supported this Government with more and more tax revenue because the economy is growing, but for every dollar's worth of revenue increase we so generously forked over to this Government, they automatically spent \$1.59 in increased Government spending. Spending is clearly the problem.

We have grown to the point where 25 percent of the gross national product of this country is consumed by the Federal Government. That is too big.

Now, we have had some focus on the 19 percent figure. The Kyl amendment says bring it down to 19 percent of GNP. That is not something new. That is in the law of this land.

The Humphrey-Hawkins bill, a Democrat bill, in 1979 when Jimmy Carter was President was amended to say that

spending should be at 19 percent of GNP. That is the law of this land. It is not something somebody dreamed up. It is something we should have been living by. It exists today in the fabled folklore of fiscal responsibility of the Democrat Party.

□ 1120

It is a number they liked to talk about when they claim they did something responsible one time by setting a goal, but they never have tried to live up to it.

Now the other thing which my colleagues must understand that makes necessary a balanced budget amendment is the great power grab of 1974, when the Democrats passed the Budget Reform Act of 1974. They cut the President out of the process, and, when they did so, they left themselves with the power, and they left the President with the accountability, and anybody in America could tell you, "When you separate power from accountability, you got a perfect formula for irresponsibility."

Mr. Chairman, the Kyl amendment closes that gap. The 19 percent says, "You can spend more, Congress, only if the economy grows more." For the first time we would have a constitutional incentive for the politicians in this body to encourage growth in the economy and prosperity for the American working man and woman. This gives that incentive.

Mr. Chairman, I say we must vote for this.

Mr. KYL. Mr. Chairman, I yield 2½ minutes to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Chairman, I rise in strong support of the Kyl-Allen amendment.

First, it requires a balanced budget; second, it does so by limiting spending, not by raising taxes; and, third, it provides the President a line-item veto authority to help enforce the spending cuts, and I want to talk about that.

We need a constitutional amendment in order to balance the budget. I have been working on passing a balanced budget amendment since I first came to Congress. We almost did it in 1982. If we had, we would be operating with a balanced budget today. Instead, since that time we have added more than \$1½ trillion to the public debt.

Second, Kyl-Allen balances the budget by limiting spending. Balancing the budget by raising taxes would be like planting weeds in a garden, or putting fleas on a dog—all backwards. Balancing the budget by higher taxes would damage the economy as much as the deficit does. We need a less expensive Government.

Finally, Kyl-Allen provides the President with a line-item veto. I support the amendment not in spite of the line-item veto, but because of it. There are good, intellectual reasons to be cau-

tious about the effects of a line-item veto and over the years, I have tried to spell out those concerns. But if the line-item veto is like a wolf at the door, the deficit has become a wolf in the kitchen. Not a dangerous possibility, but a deadly reality.

Our public debt is nearing \$4 trillion. I have done everything I know of to cut spending. I supported Gramm-Rudman; voted for sequesters, for freezing the budget; supported 3-, 5-, 7-percent cuts to appropriations bills; cut foreign aid by \$18 billion, I've developed my own budgets, developed my own economic growth plans and I tried to get a bill passed to give the President the right to sign or veto appropriations bills one at a time, even if Congress put them all in one omnibus bill. But the deficit keeps growing.

Intellectually, the possibilities of what a line-veto might do to the balance of powers worries me. But the reality of a \$400 billion deficit and a \$4 trillion public debt worries me even more. Let the Congress, under its Constitutional authority, delegate to the President a line-item veto to implement a balanced budget. Balance the budget by cutting spending. Support the Kyl-Allen amendment.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. SMITH], one of the cosponsors of the Stenholm-Smith amendment which I support.

Mr. SMITH of Oregon. Mr. Chairman, this amendment has been called mindless. That kind of surprises me because I thought maybe \$400 billion deficits or \$4 trillion debts might be mindless. The facts are that anytime we try to restrict spending, those of us who do will be criticized by some in this body; there is no doubt about that. This amendment is a limitation on spending, and, of course, that is what we are talking about here.

Especially, Mr. Chairman, I want to address the line-item veto. We have heard that somehow this is a transfer from the legislative to the executive branch of Government, and the facts are such that I will ask my colleagues, "Have you heard from 43 Governors or 43 States? Have you heard any criticism of that?" I have not. "What about the criticism sometimes of the abuse of line-item veto? Have you heard from any of the Governors in this country that the Governors abused line-item veto?" I have not, but if my colleagues have, they are going to be replaced.

Mr. Chairman, this is a good amendment. I support it.

Mr. PANETTA. Mr. Chairman, I yield 3½ minutes to the gentleman from Indiana [Mr. VISCLOSKEY].

Mr. VISCLOSKEY. Mr. Chairman, I respectfully rise to express my sharp opposition to the Kyl-Allen proposal and to all of the balanced budget amendments being offered today.

When I was growing up, we all believed that in America, each new gen-

eration would be better off than the one that came before. After 15 years of numbing deficits, we have all but ensured that our children will have a lower standard of living than we do. We have borrowed enormous amounts of money to live on today—money that our kids will have to pay back tomorrow.

The U.S. Government is \$4 trillion in debt. This year's deficit is expected to reach \$400 billion. Interest on this debt is now the fastest growing item in our budget. What we spend to service this debt far exceeds what we spend to immunize our children, to educate them, and to prepare them for the future.

This selfish shortsightedness must stop. We need a balanced budget and we need to start now. While I am deeply committed to controlling Federal deficit spending, I am opposed to amending the Constitution to require a balanced budget. The President and the Congress need to muster the political will to get deficit spending under control, rather than hide behind a balanced budget amendment, especially one lacking an enforcement mechanism. There is currently no constitutional or statutory prohibition preventing the President from proposing, or Congress from enacting, a balanced budget.

I share the American people's frustration that the President and Congress have not been able to work together to get deficit spending under control. Indeed, we have almost reached the point where net interest payments on our debt equals spending on domestic discretionary programs.

For example, in fiscal year 1991, we spent \$196 billion on domestic programs and \$196 billion spent on interest. The Congressional Budget Office [CBO] predicts that domestic discretionary spending for the next several years will be roughly equal to net interest payments on the national debt. By fiscal year 1996, however, CBO projects that we will spend more for interest on our debt, \$262 billion, than for domestic programs, \$258 billion. Further, CBO expects this trend to continue if we do not begin to reduce the deficit now.

I have joined the lonely battle in Congress to balance the budget now. I have voted to save more than \$130 billion by not supporting the Lawrence Welk Museum, dubious financing of the savings and loan bailout, and a variety of foreign aid programs. I did not vote against supporting these programs because they are without merit. I voted against them because we must start somewhere to reduce our enormous Federal deficit.

Because we will not succeed unless we take a comprehensive approach to revenues and spending, I'm also backing the Balanced Budget Enforcement Act of 1992, H.R. 5272. Introduced by our distinguished colleague from California and chairman of the Budget Committee, LEON PANETTA, this bill

would begin to cut the deficit this year and balance the budget by 1997. By producing real cuts and balancing our continued spending against the revenues we take in, H.R. 5272 would mandate \$37 billion in new deficit reduction in fiscal year 1993. It requires \$560 billion in new deficit reduction over 5 years. This action would lead to \$70 billion in savings on interest payments, which would result in \$630 billion in total deficit reduction by 1997.

In recent testimony before the Budget Committee, CBO Director Robert Reischauer lauded the Panetta bill as a fair and effective way to reduce the deficit. Indeed, he concluded his testimony by stating:

Passing a constitutional amendment to balance the budget cannot substitute for the heavy lifting that is necessary to cut the deficit. If a balanced budget amendment is enacted, however, it must be accompanied by both a plan to balance the budget and a mechanism to enforce the plan. Even if a balanced budget amendment is not passed, deficit reduction will still be necessary. . . . Deficit reduction should be of paramount importance to this Congress and future Congresses until the job is done. Making hard choices about taxing and spending accomplishes that, in contrast to enshrining a balanced budget amendment goal in the Constitution. The bottom line is that real policy changes and enforcement are both necessary for deficit reduction; and constitutional amendment alone is not.

Dr. Reischauer also outlined several principles that should be contained in comprehensive deficit reduction. Arguing against special exemptions from concerted deficit reduction, he stated:

Perhaps the most important means to encourage consensus is to ensure that the effects of any actions to enforce the amendment are spread broadly. . . . Enforcement legislation that spreads the budgetary pain broadly, then, is preferable to that which singles out specific programs for large reductions.

Instead of making these tough choices now, some Members propose amending the Constitution as a solution. But this simply postpones making tough choices now. Others believe if they support a constitutional amendment to require a balanced budget in the future, they can get through their elections this year without having to stop the spending spree.

The founders of our Nation had the courage, vision and will to give us one of the greatest political documents in the history of mankind—the U.S. Constitution. This ingenious document has provided the structure and guaranteed the freedoms that have made the United States the greatest country on Earth. Its strength and endurance are due in large part to its simplicity. The brevity of the Constitution allows it to enshrine and protect the most basic human rights while not tying the hands of future decisionmakers about how to achieve its lofty goals. It is for all these reasons that the Constitution has survived more than 200 years with very few changes.

Now, some are pretending that the solution to our budgetary problems lies in amending the Constitution. This is a shortsighted, procedural approach.

We never solved our most serious problems through procedure. Lincoln did not win the Civil War by amending the Constitution. It took courage, strength of conviction, and ultimately the sacrifice of hundreds of thousands of men and women who saved the Union. It was not a constitutional amendment that stopped Hitler. It was the strength and resolve of free people around the world that brought an end to Nazism.

In each of these cases, we solved our problems by acting decisively and courageously, even when it required sacrifice. We must solve our current economic crisis by acting with the same courage and determination.

Joseph Heller wrote a book some years ago titled "Something Happened." And something did happen to the courage of those who stood up to a King of England. Something happened to the courage of 600,000 men and women who gave their lives in the mid-1800's to keep this country together. Something happened to the courage of all those who lived through, survived, and succeeded in the Great Depression. And something happened to the tens of millions of people who sacrificed their lives through their courage to defeat Adolph Hitler.

The Constitution, in each of those instances after the Revolutionary War, provided the freedoms and institutions to deal with the topic that we are discussing today. So why change? Because the President doesn't have the power to provide a balanced budget tomorrow and submit it to the Congress of the United States? No. Because the Congress can't pass a balanced budget on its own? No. Perhaps I'm missing some rule or regulation. I doubt it. I say no to changing the fundamental document on which this country was founded and under which it has existed for more than two centuries.

Courage still exists in this world. Think about the countless tens of thousands, if not millions, of people in Eastern Europe during the Soviet domination who gave their lives to come here. Think about the people who have drowned in Southeast Asia and the Caribbean to come here. Think about the people who have exercised courage and died in boxcars from Central America to come here.

We just need a good dose of courage here to understand that courage is not automatically transmitted across the ages like cost of living adjustments are so easily each year. The authors of the Constitution gave us a lot. But they could not transmit the courage to ensure that each successive generation would act in the best interests of the next. Each generation, our generation, we here today, have to find that cour-

age within ourselves. Are we to fall so short now after so many have fallen to give us our future today? Surely, asking every American—including ourselves—to simply take a little bit less of an increase next year, and the year after that, is not as difficult as asking people to give their lives like we did earlier this Congress.

As Chairman PANETTA said:

If the President and the Congress were really serious about balancing the budget, he would propose a balanced budget and Congress would adopt one. Instead, we are going through the charade of a constitutional amendment, which will provide some moral force at best, and, at worst, bring the same disrepute on the Constitution that we have already brought on the President and the Congress.

Postponing these hard decisions by starting down the long road to amending the Constitution would be a fraud. It would be pretending to do something while only postponing the hard choices. It would be shielding timid public officials from the consequences of their inaction.

I must admit to one doubt about my position. That is, if the amendment fails, the impetus for serious deficit reduction will also disappear. I hope I am wrong.

I implore my colleagues to defeat all of these proposed balanced budget amendments. I conclude on the note that in either event—passage or failure of one of the proposals today—I pledge my commitment, courage, and all of my energies to see that real budget enforcement, along the lines suggested by my Chairman PANETTA, is brought to the floor this summer, is passed this summer, and implemented this year. To do less simply means sacrificing the quality of our children's lives and forfeiting the gift given to us through the blood and sacrifice of those who came before.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, let me say to my colleague that the Kyl amendment really goes to the heart of the matter. The heart of the matter is prosperity. It is economic growth, and it is—how do we get an economy growing sufficiently to pay our bills? It is not just a numbers game, it is creating jobs, it is innovation in the private sector, it is resources in the private sector.

Without the Kyl amendment, there is a real danger of massive forced tax increases to balance the budget; but as experience shows, such tax increases turn off the economy and make things even worse.

Take a look at the Budget Act of 1990. I was surprised to hear my colleagues take to the floor from the other side of the aisle claiming credit for being disciplined, for being rigorous for doing what's necessary to balance the budget. Many of us actually voted

for that bill—we had troops in the Persian Gulf; we were about to go to war; there was near chaos in Washington—but to claim credit for it when it actually was disaster surprises me because recent history shows it resulted in turning off the emerging economic recovery and sent us into a double dip of recession because the tax increases negatively impacted on the economy, threw people out of work, and yes our budget deficit ballooned. That's right the loss of economic growth actually made the deficit worse.

The balanced budget amendment needs some kind of spending limitation, which the Kyl amendment gives us, to avoid negative economic effects of tax increases similar to what we saw—result from the 1990 act.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, on this floor yesterday one of the Members from the leadership on the other side of the aisle got up and indicated that only during the Reagan administration have we had deficits. I do not know if we think the American people are that stupid or not, but according to every record we have, since 1960 the deficit has increased 1,240 percent; since 1965, 620 percent; since 1980, 329 percent; and 114 percent since 1985. This is an insidious disease that has caught this institution. We cannot seem to control the spending. We are going to exceed \$300 billion in debt this year.

The amendment we have before us encompasses everything. It gives us the balanced budget amendment, it gives us the line-item veto, and it gives us the opportunity to really make a definitive statement that we are going to do something positive about this. The world is not going to be fooled if we vote for the Gephardt amendment. They are not going to be fooled by that.

Mr. Chairman, we need to vote for something meaningful.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. JOHNSON].

Mr. JOHNSON of Texas. Mr. Chairman, I support the Kyl-Allen amendment because it gives the President a needed tool to ensure a balanced budget. That is the line-item veto. This works in our States, and it will work in our Nation. This Nation cannot wait a second longer for a balanced budget.

Federal spending is out of control. Americans cannot afford an amendment with an escape hatch like what we see in the Gephardt substitute. We must stop the \$10,000-per-second hemorrhage that we pay in interest on our national debt every day.

Mr. Chairman, let us respond to what America is saying. Let us pass this amendment that limits spending without raising taxes, and let us pass it now.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. FOGLETTA].

Mr. FOGLETTA. Mr. Chairman, I rise today to express my strong opposition to House Joint Resolution 290 and to the Kyl-Allen proposal, legislation for a balanced budget amendment to the Constitution.

Call it bumper sticker politics. Call it grist for network news sound bites. But by any name, this legislation is the worst kind of election year gimmickry.

This gimmick has a tragic price tag for Los Angeles, Chicago, my own Philadelphia and cities across the country—and for the people who live in them. They will be the ones who pay the heaviest price.

I have dedicated myself to the plight of our Nation's cities.

Last May, I was joined by 80 of our colleagues to establish the congressional urban caucus to focus attention on the needs of urban America.

Under any scenario, implementing the balanced budget amendment, in an irresponsible manner, as is proposed, will mean drastic spending cuts in programs vital to U.S. cities.

Most Federal programs not already gutted or terminated under the Reagan-Bush years will be cut or killed.

Homeless programs, food stamps, operating subsidies for mass transit, public housing construction, indigent care for hospitals, student loan programs, economic conversion assistance for military downsizing.

The list goes on and on.

Cities like my own, Philadelphia, are already struggling with fiscal crisis.

A recent study estimates that the rapid cuts in programs mandated by the balanced budget amendment would triple State and local deficits.

Cities would be forced to raise taxes even higher. City economies would hit rock bottom.

Don't get me wrong.

The huge deficit we face is devastating to our economy. We must act responsibly and tackle the deficit.

But there is nothing wrong with borrowing small amounts to make investments in capital. Let us face it—few of us would own our own homes or cars without borrowing money. It is vital that we are able to make critical investments to rebuild our schools, highways, mass transit systems, and airports.

What is wrong and what is devastating to our economy is a deficit so grossly out of proportion to our revenues. A deficit that strangles any economic growth.

What the people want is not a balanced budget amendment.

They want a balanced budget.

And we are elected to make the tough decisions needed to cut the deficit and bring the budget into balance.

We are elected to tell the people the truth and not hide behind rhetoric.

We must tell them that the balanced budget amendment really means—devastating cuts in entitlement programs like Medicare and Social Security. And constraints that tie our hands when we need to make capital investments to revitalize our economy.

We cannot postpone the pain of dealing with the deficit.

Let us do what needs to be done. Let us do it now.

Let's do it rationally—in a manner and time frame that does not sink an already foundering economy. And does not balance the budget on the backs of those who can least afford it.

We need to display the real leadership needed to deal with the deficit.

The kind of leadership that cannot be condensed in a sound bite for the 6:30 network news.

I urge my colleagues to exercise this leadership and reject this month's political fashion trend.

Vote no on Stenholm and allow for economic growth and survival of our cities.

Mr. KYL. Mr. Chairman, I yield 1 minute to the cosponsor of the Kyl-Allen amendment, the gentleman from Virginia [Mr. ALLEN].

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

Mr. Chairman, we have heard comments here from the gentleman from Pennsylvania and others in opposition to the Kyl-Allen balanced budget amendment to the Constitution. They argue that the Constitution should not be amended. Obviously, the constitutional framers thought that the Constitution should and could be amended in the future for pressing needs. Clearly, a \$400 billion deficit this year, spending \$1 billion a day more than we are receiving in revenues, is a pressing need because we are loading our future generations with perpetual debt. Incidentally, to pay this debt will cause inflation of our currency which is most cruel to those on fixed incomes.

The gentleman from Pennsylvania says we ought to continue to spend money by going into small debt. A deficit of \$400 billion a year is not small debt. The opponents of this amendment are talking about fears and employing scare tactics, trying to say that somehow we should not add this amendment to the Constitution, saying that we have to get the economy moving.

Let us see what the Citizens for a Sound Economy said about this amendment. According to them—and I quote:

The Kyl-Allen approach would provide even big spenders in Congress with strong incentives to implement pro-growth policies: in order to spend more money, they must first expand GNP. In that light, pro-growth policies such as deregulation, privatization, and free trade agreements would be even more attractive as policy initiatives.

Mr. Chairman, the Kyl-Allen amendment provides spending limits and

positive economic growth policies plus gives the President the power of the line-item veto to cut out wasteful pork-barrel spending. We need sobriety and thoughtful positive solutions to this continual Federal deficit sham and debt of nearly \$4 trillion debt. Americans expect more than the farcical scare tactics of the opponents who want to avoid discipline, scrutiny, and accountability.

□ 1140

Mr. KYL. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Chairman, we are killing the goose that laid the golden egg. This debt is going to bring down the Social Security recipients, the farmer, the working person, the young person, and anyone who hopes to have a future in this country.

We have to get a framework, such as Kyl-Allen version of the balanced budget amendment provides, by requiring a balanced budget for the Federal Government, by instituting the line-item veto, which is so critical to our success, and by having the spending limits.

Mr. Chairman, this amendment is good for America. It helps everyone. So let us help the goose that laid the golden egg, not shoot it, by supporting this amendment.

Mr. KYL. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. WEBER], who will be sorely missed from this body in years to come.

Mr. WEBER. Mr. Chairman, I thank the gentleman very much.

Mr. Chairman, I have a little different view of this debate than some of my colleagues on both sides of the aisle. I believe that the economy drives the budget much more than the fact that the budget drives the economy, which leads me to be somewhat concerned about everything we are doing here today.

Nonetheless, of all the measures before us, clearly the one that I am most comfortable with is the Kyl amendment.

I must say to my good friend, the gentleman from California [Mr. PANNETTA], the distinguished chairman of the Committee on the Budget, one of the finest Members of this body, I was not sure I was going to speak for the Kyl amendment until I heard the gentleman speak on the floor of the House. Then I felt compelled to come down here.

First of all, I heard the distinguished gentleman from California [Mr. PANNETTA] use the term "mindless" repeatedly in discussing the proposal of the gentleman from Arizona [Mr. KYL].

With all due respect, I must say if there is anything mindless in this debate, it is the continuing defense of the 1990 Budget Act, which has given us a

stagnant economy and a higher deficit, and which is defended to us on the grounds that it has strengthened the economy and reduced the deficit, I guess if I were here another 12 years, Mr. Chairman, I still would not quite understand that.

But it is my concern about that approach to fiscal policy that causes me to come to the floor and support the Kyl amendment.

Mr. Chairman, as I said, I have deep concerns, expressed by the distinguished chairman and by some on the other side of the aisle, about enshrining a balanced budget amendment in the Constitution of the United States. Perhaps it is necessary because of the significant size of our deficit. But I am concerned about it because of what it does not tell the American people.

Mr. Chairman, it does not tell the American people anything about how we intend to achieve a balanced budget. It does not tell the American people anything about our vision for America and our vision for this economy.

Do we as a Congress have any vision to share with the American people economically, other than the notion of a balanced budget? What about economic growth? What about savings in productivity? What about distribution of income that the gentleman from California has mentioned? What about the size of government itself and its intrusiveness into our lives? Are all of these incidental matters we are simply supposed to put aside now?

Many of those who come to those in favor of a balanced budget amendment, would apparently say yes. We have heard a lot of discussion here today about what the American people want. Mr. Chairman, I think the American people want a strong and growing economy, with good jobs, with higher disposable income, I think the American people want a less intrusive government, not a more intrusive government.

Now, my friends, the gentleman from Arizona [Mr. KYL] and the gentleman from Virginia [Mr. ALLEN], have committed one grievous sin, and they are paying for it on the floor today. They alone have given to the American people an idea of what their vision is of the economy in the context of a balanced budget. They have dared come before us and say, "Our vision is of a smaller, or at least a limited, government; a vibrant and growing private sector; and a controlled tax burden."

Mr. Chairman, all others that will come before us in the course of this day are basically saying, "We are going to balance the budget, and we will tell you later how we are going to do it." Maybe with \$400 billion tax increases, maybe by decimating programs for senior citizens, maybe by cutting the farmers in my district, maybe by leaving us with no national defense, or probably by some combination of the above.

Only the Kyl-Allen amendment comes before us today and says, "Yes, we are going to make hard decisions, and we will tell you what our vision is of this country and its economy. We believe controlling spending and hence controlling taxes is the key to a stronger economy. We believe." I would imply, that a 2-percent-growth rate, to which I believe we are sentenced if we continue to try to balance the budget with higher taxes every year, is unacceptable to Americans, whether they are Republicans or Democrats, employed or unemployed, and we do not think we will achieve better than that unless we control the deficit by spending reductions and tax restraints."

Mr. Chairman, only the Kyl amendment tells us that.

Now, I suppose you can make a powerful argument that if this amendment fails, we have no choice other than to go down some other path and let the American people wonder what road we are going to take to a balanced budget, and hope that we do not make the mistake of doing it at the expense of higher taxes.

But anything other than the Kyl amendment, in my judgment, offers us the probability that the miserable experience of the 1990 Budget Act, with or without the balanced budget amendment, is going to be repeated year after year after year, as we fruitlessly attempt to balance the budget by higher taxes, which inevitably will grind the economy a little bit further into the dust.

Mr. Chairman, I think at some point the American people are going to say to this body, yes, we want a balanced budget, but not at the expense of economic growth, not at the expense of a larger, more intrusive, more ironclad Government. We want a balanced budget at a lower level that maximizes the growth rate of the American people, provides higher jobs, provides rising disposable income, and controls the tax burden.

Mr. Chairman, our only opportunity to vote for that vision of America and that vision of this economy is the Kyl-Allen amendment, which I am proud to support.

Mr. KYL. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. GINGRICH], the distinguished Republican whip.

The CHAIRMAN. The Chair would state that the gentleman from Arizona [Mr. KYL] has 2 minutes remaining.

Mr. KYL. Mr. Chairman, might I inquire of the Chair, according to my calculations, I should have 3 minutes remaining.

The CHAIRMAN. We will doublecheck.

Mr. KYL. It is my understanding the gentleman from California wishes to close and he has 3 minutes remaining, and that I have 3 minutes remaining and I wish to close.

Mr. PANETTA. Mr. Chairman, my understanding is the gentleman from Arizona [Mr. KYL] has the right to close the debate. I just have two brief speakers.

Mr. KYL. Mr. Chairman, if the gentleman has two speakers, I would prefer he proceed at this time.

Mr. PANETTA. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Chairman, I am stunned by the source of this amendment. Because the gentleman from Arizona [Mr. KYL] serves with such great distinction on the Committee on Government Operations, I cannot believe he would add this amendment to this flawed concept of putting a fiscal remedy into the Constitution of the United States.

Mr. Chairman, what the gentleman is really saying is that the Congress should go out of business. If we have got two-fifths, less than a majority necessary to change the laws already in the bill, then we give the President a line-item veto. Is there anything left for a House of Representatives to do?

On taxes, no new taxes. Great. That means the wealthy will make out like bandits. But who will sustain the cuts? The Social Security recipients.

Thank you. Hello, Social Security recipients in America. That is what this amendment will do for you.

Mr. KYL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I just want to make two key points about the Kyl-Allen approach. First, it is the one chance to pass a line-item veto to cut out waste and spending, and it is the one chance to shrink the budget spending side by cutting out the pork barrel that is not necessary, is not vital.

Second, it is the one proposal that emphasizes jobs and economic growth.

Mr. Chairman, the only way you can spend more in the Government would be if you created more jobs, created a bigger economy, and had a better growing America. That is why Citizens for a Sound Economy said it was the one proposal with strong incentives to implement progrowth policy. So if you favor more jobs, a bigger economy, greater take-home pay, and if you want a line-item veto to cut out waste in spending, the Kyl-Allen amendment is in fact a solid "yes" vote.

Mr. PANETTA. Mr. Chairman, I yield the balance of my time to the gentleman from Missouri [Ms. HORN].

□ 1150

Ms. HORN. Mr. Chairman, I rise in support of the Gephardt-Obey balanced budget amendment to the Constitution of the United States. After observing over the past weeks the votes of many backers of the other proposed amend-

ments, it became obvious to me that a large share of the backers on both sides of the aisles were unwilling to cut any spending from expensive and questionable programs such as B-2 bombers, star wars, *Seawolf* submarines, and soon to come, superconducting super colliders. They were also unwilling to insist that our allies pay a greater and fairer share of their defense or that we further reduce our troop presence in dozens of countries around the world.

Mr. Chairman, these actions indicate that 40 percent of the Members of this body might continue spending of this type while balancing the budget at the expense of investing in the American people of the American economy. These votes convinced me that we would continue as a nation once again to make cuts in those very activities that will allow our economy to expand, that will keep and create good jobs for our workers, that will ensure productivity increases and economic growth.

The Gephardt-Obey amendment, which exempts funds coming into the Social Security trust fund, at least offers senior assurance that they will be treated fairly with other geographic and demographic groups in our society. This has not been the case in the two White House budgets that have been sent to this Congress during my brief tenure.

Mr. Chairman, the last time any of us saw a balanced Federal budget was 1969. As many of my colleagues have correctly pointed out, Presidents during the last 23 years have failed to send to the Congress a balanced budget. And this Congress has responded to the false hope of the American public—that they could indeed have it now and pay for it later—to their demands for lowering taxes while increasing services and benefits. Congress has failed to take the steps necessary to cut substantially these Presidential budgets, to convince the American people that their hopes were indeed built on terribly false premises and that their demands were being made at the expenses of their children and grandchildren.

The President has continuously berated this institution for its failure to live within its means, yet in his 4 years in office he has never submitted anything close to a balanced budget. The President criticizes an institution of 535 Members for failure to agree on something as complex as our Federal budget when he, with the power of the bully pulpit of the White House and acting alone, cannot or will not put one on paper and send it to us.

Mr. Chairman, I also am greatly frustrated and concerned that we are voting on these amendments before we have done anything to detail the process by which the budget will actually be balanced. We have also failed to enumerate a set of spending cut principles for ourselves and for the American public that will ensure that when

cuts are made, they will be fair, spread over all geographic areas, all programs, all departments of government, all generations. It is my strong conviction that these tough votes should have been taken before we all cast the easy vote. It is easy and necessary to vote that our budget should indeed be balanced, that this is vital to the economic security of this Nation, that we must amend our most sacred document, the Constitution, to do so.

I do not know whether adding an amendment to the Constitution to require a balanced budget will produce the desired effect. Nobody does. There are countless unanswered questions about how the amendment will be implemented once it is ratified by the States. Still, these fears, however justified, do not deter my support for a balanced budget amendment. My fears about the great unknowns of this amendment are overshadowed by the crisis that this country will face if we continue to mortgage the future of our children.

Mr. Chairman, I urge support for the Gephardt-Obey balanced budget amendment.

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

This has been a good debate. I think there are two points that need to be considered here in closing. The first is to repeat a comment that was made by the gentleman from Iowa [Mr. LEACH] which I think was one of the most important things said during this debate.

He said, ultimately, a spending limit is much more important than a balanced budget because, he said, if we end up balancing the budget but spending 30 to 40 percent of the GNP, it would be disastrous for this country. And that is why we have focused on limiting spending, because we know that overspending and taxes could kill the economy. It can kill jobs. It can kill hope for American people. And that is why we have used the concept of a spending limit in our proposal.

The second thing that was said that I found interesting was a point that the gentleman from California [Mr. PANETTA] has raised. Essentially, I would characterize his point as being that we cannot get there from here. We have got a \$400 billion deficit, and we just cannot bring it down.

I think the answer is given by the OMB. Mr. Darman, for example, projects that at a 3-percent growth in the economy, we can balance the budget without raising taxes during the next 5 years. That, again, is why we have focused in the Kyl-Allen amendment on incentives for growth, because ultimately growth is what is going to be necessary for us to both provide for our needs and not overtax our people.

Finally, the Kyl-Allen amendment is the only amendment that allows us to vote on the line-item veto. I urge a "yes" vote on Kyl-Allen.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Arizona [Mr. KYL].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 170, noes 258, not voting 6, as follows:

[Roll No. 183]

AYES—170

Allard	Goodling	Parker
Allen	Goss	Paxon
Andrews (NJ)	Gradison	Petri
Archer	Grandy	Porter
Armye	Hall (TX)	Poshard
Bacchus	Hammerschmidt	Quillen
Baker	Hancock	Ramstad
Ballenger	Hansen	Ravenel
Barrett	Hastert	Regula
Barton	Hayes (LA)	Rhodes
Bateman	Hefley	Ridge
Bennett	Hegger	Riggs
Bentley	Hobson	Rinaldo
Bereuter	Holloway	Ritter
Billbray	Hopkins	Roberts
Billrakis	Houghton	Rogers
Billey	Hubbard	Rohrabacher
Boehner	Hunter	Ros-Lehtinen
Broomfield	Hutto	Roth
Bunning	Hyde	Santorum
Burton	Inhofe	Saxton
Callahan	Ireland	Schaefer
Camp	James	Schiff
Campbell (CA)	Johnson (CT)	Schulze
Chandler	Johnson (TX)	Sensenbrenner
Clinger	Kasich	Shaw
Coble	Klug	Shays
Coleman (MO)	Kolbe	Shuster
Combest	Kyl	Skeen
Condit	Lagomarsino	Smith (NJ)
Cooper	Leach	Smith (OR)
Coughlin	Lent	Smith (TX)
Cox (CA)	Lewis (CA)	Snowe
Crane	Lewis (FL)	Solomon
Cunningham	Lightfoot	Spence
Dannemeyer	Livingston	Stearns
DeLay	Lowery (CA)	Stump
Dickinson	Machtley	Sundquist
Doolittle	Marlenee	Swett
Dorman (CA)	Martin	Tauzin
Dreier	McCandless	Taylor (MS)
Duncan	McCollum	Taylor (NC)
Edwards (OK)	McCrery	Thomas (CA)
Emerson	McEwen	Thomas (WY)
Erdreich	McGrath	Upton
Ewing	McMillan (NC)	Vander Jagt
Fawell	Meyers	Vucanovich
Fields	Michel	Walker
Fish	Miller (OH)	Weber
Franks (CT)	Miller (WA)	Weldon
Gallely	Molinari	Wolf
Gallo	Moorhead	Wylie
Gekas	Nichols	Young (AK)
Geren	Nussle	Young (FL)
Gilchrist	Oxley	Zeliff
Gillmor	Packard	Zimmer
Gingrich	Pallone	

NOES—258

Abercrombie	Blackwell	Carr
Ackerman	Boehert	Chapman
Alexander	Borski	Clay
Anderson	Boucher	Clement
Andrews (ME)	Boxer	Coleman (TX)
Andrews (TX)	Brewster	Collins (IL)
Annunzio	Brooks	Collins (MI)
Applegate	Browder	Conyers
Aspin	Brown	Costello
Atkins	Bruce	Cox (IL)
AuCoin	Bryant	Coyne
Barnard	Bustamante	Cramer
Beilenson	Byron	Darden
Berman	Cardin	de la Garza
Bevill	Carper	DeFazio

DeLauro	Kostmayer	Price
Dellums	LaFalce	Pursell
Derrick	Lancaster	Rahall
Dicks	Lantos	Rangel
Dingell	LaRocco	Ray
Dixon	Laughlin	Reed
Donnelly	Lehman (CA)	Richardson
Dooley	Lehman (FL)	Roe
Dorgan (ND)	Levin (MI)	Roemer
Downey	Levine (CA)	Rose
Durbin	Lewis (GA)	Rostenkowski
Dwyer	Lipinski	Roukema
Dymally	Lloyd	Rowland
Early	Long	Roybal
Eckart	Lowe (NY)	Russo
Edwards (CA)	Luken	Sabo
Edwards (TX)	Manton	Sanders
Engel	Markey	Sangmeister
English	Martinez	Sargallus
Espy	Matsui	Savage
Evans	Mavroules	Sawyer
Fascell	Mazzoli	Scheuer
Fazio	McCloskey	Schroeder
Feighan	McCurdy	Schumer
Flake	McDade	Serrano
Foglietta	McDermott	Sharp
Ford (MI)	McHugh	Sikorski
Ford (TN)	McMillen (MD)	Sisisky
Frank (MA)	McNulty	Skaggs
Frost	Mfume	Skelton
Gaydos	Miller (CA)	Slattery
Gedensson	Mineta	Slaughter
Gephardt	Mink	Smith (FL)
Gibbons	Moakley	Smith (IA)
Gilman	Mollohan	Solarz
Glickman	Montgomery	Spratt
Gonzalez	Moody	Staggers
Gordon	Moran	Stallings
Green	Morella	Stark
Guarini	Morrison	Stenholm
Gunderson	Mrazek	Stokes
Hall (OH)	Murphy	Studds
Hamilton	Murtha	Swift
Harris	Myers	Synar
Hatcher	Nagle	Tallon
Hayes (IL)	Natcher	Tanner
Henry	Neal (MA)	Thomas (GA)
Hertel	Neal (NC)	Thornton
Hoagland	Nowak	Torres
Hochbrueckner	Oakar	Torricelli
Horn	Oberstar	Towns
Horton	Obey	Trafiac
Hoyer	Olin	Unsoeld
Huckaby	Oliver	Valentine
Hughes	Ortiz	Vento
Jacobs	Orton	Viscosky
Jefferson	Owens (NY)	Volkmer
Jenkins	Owens (UT)	Walsh
Johnson (SD)	Panetta	Washington
Johnston	Pastor	Waters
Jones (GA)	Patterson	Waxman
Jones (NC)	Payne (NJ)	Weiss
Jontz	Payne (VA)	Wheat
Kanjorski	Pease	Whitten
Kaptur	Pelosi	Williams
Kennedy	Penny	Wilson
Kennelly	Perkins	Wise
Kildee	Peterson (FL)	Wolpe
Kleccka	Peterson (MN)	Wyden
Kolter	Pickett	Yates
Kopetski	Pickle	Yatron

NOT VOTING—6

Anthony	Campbell (CO)	Hefner
Bonior	Davis	Traxler

□ 1217

Mrs. KENNELLY and Messrs. PURSELL, McMILLEN of Maryland, RANGEL, and VOLKMER changed their vote from "aye" to "no."

Mr. ERDREICH changed his vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 2.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. BARTON OF TEXAS

Mr. BARTON of Texas. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. BARTON of Texas: Strike all after the resolving clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

"ARTICLE —

"SECTION 1. Prior to each fiscal year, Congress shall adopt a statement of receipts and outlays for such fiscal year in which total outlays are not greater than total receipts. Congress may amend such statement provided revised outlays are not greater than revised receipts. Congress may provide in such statement for a specific excess of outlays over receipts by a vote directed solely to that subject in which three-fifths of the whole number of each House agree, by a rollcall vote, to such excess. Congress and the President shall ensure that actual outlays do not exceed the outlays set forth in such statement.

"SECTION 2. The amount of Federal public debt as of the first day of the second fiscal year beginning after the ratification of this Article shall become a permanent limit on such debt and there shall be no increase in such amount less three-fifths of the whole number of each House of Congress shall have passed a bill, by a rollcall vote, approving such increase and such bill has become law.

"SECTION 3. Prior to each fiscal year, the President shall transmit to Congress a proposed statement of receipts and outlays for such fiscal year consistent with the provisions of this Article.

"SECTION 4. Total receipts for any fiscal year set forth in the statement adopted pursuant to the first section of this Article shall not increase by a rate greater than the rate of increase in national income in the second prior fiscal year, unless a three-fifths majority of the whole number of each House of Congress shall have passed a bill, by a rollcall vote, directed solely to approving specific additional receipts and such bill has become law.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. Congress shall enforce and implement this Article by appropriate legislation.

"SECTION 7. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is later."

□ 1220

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. BARTON] will be recognized for 30 minutes, and a Member opposed, the gentleman from California [Mr. PANETTA], will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I ask unanimous consent that 15 minutes of my time be yielded to the gentleman from Louisiana [Mr. TAUZIN] to use and delegate as he sees fit.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. Mr. Chairman, today I, and 1,000 of my constituents who have signed a petition to me, rise in support of the Barton substitute amendment. This amendment will not only ensure that the American Government is run with a balanced budget, but will also protect the American taxpayer from the tax-and-spend majority.

First, we must balance the Federal budget. Those arguing against this amendment argue that we currently have the power to balance the budget, but that everyone involved lacks the will. They say that we do not need this amendment. They say hard work and willpower will result in us balancing the budget. The same people making this argument are the tax and spenders who have absolutely no interest in balancing this budget. They are most concerned in seeing that all the special interest groups with their snouts in the trough keep getting Government moneys, paid for by our future generations.

Every one of our constituents, the American people, must live within their means. Fiscal responsibility dictates that they do not spend more than they bring in. Yet their elected representatives keep voting to spend more than they bring in, regardless of the fact that nearly 80 percent of them are screaming for us to balance the budget. We must begin to listen to their wisdom, and not turn a blind eye to their pleas.

Last, I support the Barton amendment because big government stifles personal freedoms. Without an amendment which would make it more difficult to raise taxes, the tax and spenders will simply raise taxes and crush growth. Government will continue to run out of control, stifling personal freedoms. Congress will not be forced to make the tough choices about which programs to cut. I say the free ride is over for this Congress. I say it is time to make the tough choices, and for that reason I am supporting the Barton amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may

consume to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, I thank my good friend and colleague for yielding me this time.

Mr. Chairman, I strongly support the Barton balanced budget amendment.

We are here to decide whether to put our economic house in order or pawn the furniture to pay the rent.

Pass or fail, the balanced budget amendment is the right action for the wrong reasons.

It is right to break the Federal Government of the habit of spending more than it takes in.

It is right to wean the Government from its habit of overtaxing the American people.

But it is unfortunate that Congress has become addicted to spending and borrowing and taxing. It is regrettable that Congress must be forced to exercise self-discipline.

Congress has proved itself incapable of fiscal restraint.

The Federal Government is borrowing \$1 billion a day to pay for its spending habits.

This year, the Federal deficit will reach nearly \$400 billion.

Over 20 years have passed since our Nation has balanced its budget.

The last time America ended the year with a budget surplus was 1969. Before that, it was 1957.

In 1990 we passed the largest tax increase in history, and in 1991 we passed the largest budget deficit ever.

We cannot continue down this road. We must not pawn our prosperity or bankrupt our country.

We must pass the Barton amendment that not only limits the ability to deficit spend, but also limits the ability to raise taxes.

No issue so well defines the basic differences between the Republican and Democratic Parties.

For decades, Republican candidates, Republican officeholders, and Republican Presidents have embraced a balanced budget amendment.

Democratic leaders have opposed it. Democratic leaders say it won't work.

Yet 49 States have balanced budget requirements.

Forty-nine States cannot be wrong. If State governments can do it, so can the Federal Government.

Critics say it will hurt essential Government programs.

But the budget can be balanced if annual spending is limited to a 3-percent increase and if Government overhead, not people or programs, is targeted.

We do not need to raise taxes to balance the budget.

We need to force fiscal discipline upon Congress. That is why the Barton amendment is the best of all the alternatives we will consider.

It realizes the reality that requiring a supermajority to deficit spend without requiring a supermajority to increase taxation will mean a constitutional bias toward taxation.

Democratic leaders say the balanced budget amendment can't be enforced. That is true, if they ignore the will of the people and their own oath of office to uphold the Constitution.

The stakes in the debate on the balanced budget amendment are high.

On one side is politics as usual. On the other side is real reform.

On one side is economic decay. On the other side is economic strength.

The cause of real reform and economic strength requires our every effort.

As General Grant said during another battle, "[We] propose to fight it out on this line, if it takes all summer."

I urge my colleagues to vote in favor of responsible government and support the Barton balanced budget amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Chairman, I, too, wish to rise in strong support of the Barton amendment and urge its passage.

Mr. Chairman, I rise today in support of Mr. BARTON's amendment, and also to offer my observations on this debate.

Today, Congress must dig deep and vote to pass the balanced budget amendment to the Constitution. I say dig deep because I feel that for some of my colleagues, this vote is one which requires that they search their conscience for guidance about what is right.

Yesterday, listening to the debate, I was struck by the statements of many of my distinguished colleagues. Their conviction was clear and apparent. I admire conviction, but I fail to understand those in this body whose convictions are guiding them toward a vote against this amendment.

I find some of the arguments I heard yesterday unbelievable. Here is a cold, hard fact: The \$400 billion Federal budget deficit is the direct result of Congress insatiable appetite for spending. Period. We must set tough guidelines and rules to govern the budget process. Otherwise, our huge deficit will eat this country alive. This means amending the Constitution so that Congress cannot simply legislate around the law.

Over and over again, we heard that a balanced budget amendment to the Constitution was a gimmick, a quick fix, and an easy solution. We were told that all we need to do as a legislative body is find the political will to make tough choices. All these catchy phrases lose their impact when we consider the \$400 billion deficit that looms over this country because Congress has not been willing or able to make tough choices.

Over and over, the defense was singled out as some kind of a symbol of the evil of Government spending. As if defending our country and our people was somehow a misdirected effort of money and energy. What is worse: Those who scream the loudest for defense cuts do not support using those savings for deficit reduction. They advocate greater spending. The result: The deficit remains the same. If we shut down the Pentagon tonight, the Federal budget deficit is still eating away at our future. Singling the defense budget as the root of deficit evils is the real gimmick.

Let me point out that the budget process and the budget itself is complex and uncontrolled. As I said yesterday, it is chaotic. We need a few simple rules, which we cannot circumvent, to bring order to this chaos. The most fundamental rule should be that we cannot spend more than we take in.

In this debate, those speaking the loudest against the balanced budget amendment are among the biggest spenders in the Congress. Do not believe them. Vote for the Barton amendment to balance the budget.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, I rise in very strong support of a balanced budget amendment, particularly the Barton substitute and its provision requiring a three-fifths majority of this body to raise taxes.

Mr. Chairman, I rise to voice my support for a balanced budget amendment, specifically the Barton-Tauzin substitute now under consideration.

And so importantly, I rise to speak for my constituents who support a balanced budget amendment. Like the American public in general, Nebraskans in the Third Congressional District overwhelmingly, by at least a 3-to-1 margin, support amending the Constitution to require the Federal Government to live within its means.

I supported the Kyl-Allen substitute, just considered, one of the most important reasons being its provision granting the President line-item veto authority. Our efforts toward fiscal responsibility can only be enhanced by requiring more leadership and help from the President, whichever party is in the White House. We may not move the line-item veto forward with this balanced budget amendment, but sooner or later we will enact this enforcement mechanism if we are serious about bringing Federal spending under control.

I will now vote for the Barton-Tauzin substitute, the key element of this substitute being the requirement that taxes cannot be increased without a three-fifths rollcall vote of the total membership in the House and Senate.

I take stock in the lessons of history and cannot ignore human nature. Given a choice between reining in or cutting spending for a runaway, but politically popular program, and the choice of raising some tax, I fear that the tax increase will win time and time again. Our efforts for a balanced budget should not focus on just one side of the ledger sheet; I think we are in trouble because this Government spends too much money. The language in the Barton substitute addresses this problem.

I rise with no misconceptions about what we are trying to do by approving a constitutional amendment. A balanced budget amendment is no panacea—that fact has been clearly outlined in the hours of debate, both yesterday and today.

A balanced budget amendment offers no cure for the sick tax and tax, spend and spend attitude that has driven this country into a near bottomless pit of debt. A balanced budget amendment itself doesn't set priorities and make the tough choices for us about Federal spending. It is only the gun to our head—forced discipline—discipline Congress has been unable to impose upon itself.

And I say to my colleague, if we have the resolve to finally send the States a balanced budget amendment, let us have the resolve to get started now on deficit reduction and a bal-

anced budget. Let us start now to more carefully scrutinize current Federal spending, shifting budget priorities to meet the Nation's most urgent needs, eliminating those programs that have outlived their usefulness, and making further progress toward eliminating fraud and abuse. The fiscal 1993 appropriations will soon be on the floor; let us cast our votes on those bills, remembering our votes today.

And that vote today should represent the majority of Americans who have no faith in the collective resolve of Congress. Their faith is in the U.S. Constitution, and they want the Constitution to include a balanced budget amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I rise in strong support of the Barton amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. SMITH].

Mr. SMITH of Oregon. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, colleagues, the difference between the Barton amendment and Stenholm-Smith is simply that Barton extends to three-fifths those people necessary to pass taxes. I endorse that idea, and I think it is a good amendment.

The problem here, in my experience, has simply been that there are three ways that we can introduce new legislation. The first way, of course, is to deficit finance. That is easy, because nobody counts it. The second way, of course, is to find another program you want to cut. Nobody wants to cut programs. We all want to be Santa Claus around here. Cutting programs is an awful thing to do. Of course, the third, most onerous thing to do is to increase taxes.

What we are all about here is to try to make it more difficult to deficit finance and to place the real discussion in debate where it belongs, between reducing spending and increasing taxes. That is where it belongs.

This helps the idea of increasing taxes. I support it enthusiastically.

Mr. PANETTA. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, I thank the gentleman for yielding me this time, and I thank the distinguished chairman of the Committee on the Budget for the hard work that he has done on this.

Our Nation's Constitution has guided us for 200 years and represents the aspirations of oppressed peoples around the world.

Proof of the wisdom of our Founders is seen in the fact that only 17 amendments have been added since the Bill of Rights. Probably the only really stupid amendment to have been added was the

18th, establishing prohibition, which was repealed by the 21st amendment.

I fear the outcome of this debate could prove equally foolish if we follow the advice of the constitutional amendment President and muck up our Constitution with flag-burning amendments and no abortion amendments and balanced budget amendments.

Nevertheless, the prospect of a \$400 billion deficit for the current year makes my hair stand on end. I am deeply concerned about shackling the generation of my grandchildren with the excesses of today. I am willing to make the tough choices to reduce that deficit now.

However, I believe it is a scandalous fraud to suggest to the American people that a constitutional amendment is an easy answer to balancing our budget. If achieving a balanced budget could be accomplished as easily as a wave of the hand, certainly Presidents Bush or Reagan could have presented this body with something close to a balanced budget proposal. This Nation has not had a balanced budget since 1969—and it isn't because of appropriations to study Belgian endive or the establishment of Lawrence Welk museums.

Every Member of this Chamber has gotten letters from constituents suggesting that if we would just cut foreign aid, grants to lazy welfare mothers, eliminate perks, and reduce congressional salaries and staff, we'd be well on the way to a balanced budget. Everyone here knows that is rubbish. While the balanced budget amendment we're debating would not take effect until fiscal year 1998, let's talk about some of the numbers we would be looking at if it were in effect today.

We spend some \$17 billion on foreign aid, some \$16 billion on aid for families with dependent children, and \$2.3 billion to operate Congress. If we were to eliminate every single dime of foreign aid, throw every welfare mother and her children into the streets to beg, and close this great Capitol building and meet in a tent in the parking lot, we'd have eliminated less than 10 percent of the current budget deficit. If we were to then throw in the entire national defense of some \$280 billion, discharging every single man and woman in uniform and closing every military base both abroad and in the United States and just parking our Navy and Air Force, we still wouldn't have eliminated our budget deficit.

Many of the proponents of this amendment have emphatically stated that enactment of the measure will not result in any adverse impact on Social Security. However, no senior citizen listening to this debate today should fail to notice that the same claim is not being made about Medicare. The claim isn't being made because it can't be made.

This amendment is to become effective in fiscal year 1998. The Congress-

sional Budget Office estimates that our deficit that year will be \$265 billion. During that year CBO estimates our interest payments on the public debt will constitute a shocking \$432 billion. We can do very little to cut that cost, but the same can't be said about Medicare, which is the fastest growing and most expensive program operated by the Government and will cost an estimated \$244 billion in 1998. Balancing the budget will mean very real cuts or very real taxes that are going to impact very real people. To say otherwise is to lie to the American people.

In addition, as the U.S. Chamber of Commerce points out in its opposition to this amendment, we would need to raise taxes. I'm willing to stand here right now and vote for legislation that makes the wealthiest people in this Nation pay their fair share, that takes into account the fact that the cold war is over, and that tells the American people we simply can't afford multibillion dollar space stations these days.

It is a fraud. It is a fraud to say, "We must act now." I heard one of my colleagues say, "This Nation cannot wait a second longer." Mr. Chairman, this is not action demanded now by the American people. This is "vote now—action later." Let us not bump into the future that which we should do and could do today.

It is fraud because it is the ultimate abdication of the Constitution that we, my colleagues, swore to defend.

It is a fraud because it is the ultimate of cynical campaign promises dictated by pollsters and consultants who advise their clients for a pretty buck that this is one more way to try to fool the public that words can substitute for action.

□ 1230

It is a fraud because it shifts control. It has less to do with controlling spending and more to do with a revolutionary takeover of this Nation, a takeover without a shot from a gun, but rather through desecrating the Constitution. It is wrong. It is un-American. It is against the flag to give through the Constitution the ability of a tyrannical minority to set basic fiscal policy.

Finally, it is a fraud because while it purports to force the Congress to be fiscally responsible, in fact it shifts to the court that responsibility.

Judge Bork has previously written to the Speaker of the House regarding the balanced budget amendment:

The proposed amendment specifies no enforcement procedure in the event of its violation. *** If the courts allowed taxpayer standing in view of the special nature of this amendment, or if the courts decided to allow standing to members of Congress, the results might be even worse than no judicial enforcement. Scores or hundreds of suits might be filed in federal district courts around the country. Many of these suits would be founded on different theories of how the amend-

ment has been violated. The confusion, not to mention the burden on the court system, would be enormous. Nothing would be settled, moreover, until one or more of such actions finally reached the Supreme Court. That means we could expect a decision about fiscal year 1992, for example, no earlier than fiscal year 1997. Nor is it at all clear what could be done if the court found that the amendment had been violated five years earlier.

Imagine, Mr. Chairman, the specter of groups taking to the Supreme Court and asking them to determine what are the correct budget figures.

I was elected, Mr. Chairman, to defend the Constitution, not to abdicate the responsibilities I swore to defend and not to desecrate that great document.

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

Mr. Chairman and my colleagues, we are debating the Barton-Tauzin amendment now, and to put things in perspective the Barton-Tauzin amendment is drafted identically to the Stenholm amendment and the Simon amendment on the Senate side, with one exception. The Barton-Tauzin amendment contains a tax limitation feature.

Now, let me explain that. The tax limitation feature does not say that this Congress, this Government, cannot raise taxes in order to help balance the budget, as the Stenholm-Simon amendment would require. The tax limitation simply says that this Congress cannot by a majority vote raise taxes any higher than the rate of GDP [gross domestic product].

In other words, we cannot by a majority vote under this limitation raise taxes or grow Government faster than the growth of the American economy, the growth of the pocketbooks of Americans who put up the money for this Government.

Now, the amendment does not, however, say that this Congress cannot if it needs to go beyond that in increasing revenue. Under this tax limitation feature, if the Congress and the President agree that we need more revenue than the growth of the national domestic product, we could by a super majority, three-fifths, actually exceed that limitation.

So in effect, the only difference between the Stenholm amendment, the Simon bill, and this Barton-Tauzin amendment, is this single feature that makes it harder to raise revenue faster than the growth of the American domestic product, in essence saying that the first choice we ought to make is to restrain our spending appetite before we by a majority vote simply ask the American public to put up more and more money for this Government.

Now, this Barton-Tauzin amendment is supported by 13 national associations, not the least of which are the U.S. Chamber of Commerce, the Citizens for a Sound Economy, the Citizens Against Waste, the National Federa-

tion of Independent Businesses, the National Cattlemen's Association, the National Association of Manufacturers, the American Farm Bureau, the U.S. Business and Industrial Council, among many others.

Now, why is it important that the national amendment to balance the budget includes some limitation on the appetite of the Congress or the appetite of this Government to raise spending? Well, I think it is contained in a simple argument. The basic objective of an amendment to balance the Federal budget ought to be to limit Government growth to the growth of the gross national product in America, the growth of our pocketbooks.

Why? Because we ought to know what we are spending, and we ought to know what Government we are getting for that spending.

You see, deficit spending by its nature is a way of fighting the real cost of Government. Covering a deficit is a distant thing, a far away thing. Paying for it today is difficult, but if you can hide it, if you can put it off into the future when Americans never know what the cost of their Government really is.

To balance the budget, Americans really ought to know what the cost of the Government they get is and they ought to get the Government they pay for and we ought not to spend money we do not have. That is the simple theory.

And why do we think a tax limitation amendment ought to be added? Why do 13 national associations join with us and countless other Americans support this proposal? It is simply because we believe that Government should not be growing faster than Americans can afford to pay for it, faster than the growth of the American pocketbook, except under extraordinary conditions, where this body can come together in a super majority and provide for it.

Mr. Chairman and my colleagues, the Barton-Tauzin amendment ought to be the one we put before the American public. It ought to be the one the American public has a chance to vote on, because it and it alone represents a chance for the American public to say not only that it wants a balanced budget, but it also wants Congress to restrain its appetite for ever-increasing taxation.

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

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, I come today to the floor, not as a Member from a particular district, but rather as one who has spent her entire life as a constitutional lawyer and scholar. I have myself argued before the Supreme Court of the United States, but I would rue the day that any lawyer argues the financial fate of the United States of America before an unelected body.

The only time there has been serious intervention by the Supreme Court in our economic affairs was, of course, in the 1930's when the Court blocked vital economic reforms approved by the majority of the Congress and then the packing of the court was attempted. The blocking of the reforms was wrong. The packing of the Court was wrong.

What we had on our hands was a constitutional crisis. Only by happenstance did something more serious not develop.

Most of the respected constitutional lawyers in this country and most of the respected economists in this country oppose these amendments proposed to the Constitution.

Interestingly, it is not often that lawyers and economists are on the same side, but their disciplines teach them much that deserves our attention. The genius of the Constitution was the judgment of the Framers and the judgment of most others since as to what should be constitutionalized and what should not be constitutionalized.

Now, the Framers had perfect judgment. We have not been quite so smart. We Americans who followed them have erred from time to time, as in prohibition, but we are not too dumb to learn.

Almost nothing, my friends, should be constitutionalized. Democracy does not build in rigidities. It does just the opposite. It constitutionalizes very little because it wants to be able to change quickly and very often. If we were to make a list of what should and should not be constitutionalized, there would be perhaps a dozen items on the constitutional list, and financial matters would not even make the list.

We must not start now to fine tune items in the Constitution, because if we do, that will be the end of constitutional government as we have known it and the beginning of banana republic instability in the United States of America.

The Barton resolution and its cousins do not merely trivialize the Constitution; they destroy 200 years of successful constitutional government by highjacking the Constitution for purposes it can never serve in a democracy. I can only hope that if this matter is passed and it ever comes before the Supreme Court of the United States it will be regarded as a political question and the court simply will refuse to hear it. We must accept this responsibility, and only we can.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. KLUG].

Mr. KLUG. Mr. Chairman, when my son, Collin, was born last December in a Wisconsin hospital, he got two bills very quickly in his young life. One for his stay with his mom in the hospital, and the other, rather neatly tucked in his baby blue blanket, was a tab for \$16,000, his share of our current national debt.

Right now we have a \$4 trillion debt in this country, and his brothers, ages 3 and 7, have pinned up on their bulletin board in their bedroom their bill for \$16,000 for their percentage of the national debt.

How much is \$4 trillion? Enough to send tonight \$75 to every man, woman, and child in the world. And, we would still have enough money left over to send a pizza to every home in America, every week for the rest of the year.

My hometown paper, the Wisconsin State Journal, published an incisive series of stories about the deficit earlier this year called *Mortgaging our Future*—an accurate description of what this Nation has done.

Because we, in this House, have put off tough decisions year after year so we could get back here next session to put off more painful decisions.

The Barton balanced budget amendment will guarantee we get spending under control. And, that our first instinct to balance the budget should be to cut Government spending, not raise taxes. As one of my constituents from Madison recently wrote: "You don't control a fat pig's weight by feeding it more corn." It is time to go on a balanced budget diet.

□ 1240

Mr. PANETTA. Mr. Chairman, I yield 2½ minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. I thank the chairman for yielding this time to me.

Mr. Chairman, I rise to express my strenuous opposition to the Stenholm balanced budget amendment.

This debate is about far more than the critical task of balancing the Federal budget. The Stenholm amendment strikes me as a dangerous and insidious means of fundamentally altering articles 1, 2, and 3 of the Constitution, upsetting the separation and balance of powers that has served this Nation so well for two centuries.

And who gains? The executive and the judiciary, at the expense of the Congress. Has our confidence in our ability to make the tough choices ebbed so dramatically that we would cast away for all time the carefully wrought balance among the three branches of government?

Does anyone doubt that this amendment fundamentally elevates the role of the President in the budget process? Indeed, the President may well contend that the amendment confers upon him line item veto authority. And certainly we face the unprecedented prospect of the courts ordering cuts in fundamental Federal programs to comply with the amendment.

At a time when U.S. constitutional law experts have fanned out around the globe, advising brand new democracies on how to write their constitutions, it is a bitter irony that we find ourselves on the verge of forsaking the very model so many seek to emulate.

Many of my colleagues who support this amendment have done so out of a reluctance to saddle future generations with the burden of our national debt.

I concur. But I am equally loathe to consign our children to relieve the terrible constitutional crises of our past:

A Supreme Court nullifying acts of Congress designed to pull the United States out of the depression and to ease the pain of our fellow citizens; and

The Congress and the President locked in combat over the President's efforts to impound appropriated funds.

And unless the amendment before us is merely hortatory, a suggestion I am certain its proponents would roundly deny, our children face the prospect of an unelected judiciary plunging into the adjudication of patently political questions they have strenuously and wisely sought to avoid for over 200 years.

I do not want to give the impression that my objections are rooted solely in concerns over process. To be candid, they are not.

I am convinced that this amendment, which inherently requires the deepest cuts in periods of slowest growth, will send our faltering economy into a devasting tailspin.

I do believe in a social safety net, not only for the needy Americans who must rely on it from time to time, but also because of the naturally stabilizing effect it has on our economy, to the benefit of us all.

It is particularly dismaying that our consideration of this amendment comes at a time when—at long last—so many of us have recognized that we need to make carefully targeted public investments to help our economy grow. Education and training, infrastructure, early intervention programs for at-risk youth, research and development: these are precisely the national priorities that will be undermined by this amendment.

To my colleagues who grieve over the Americans of limited means who must shoulder an unfair share of the interest on the national debt, I would say that while I share your sense of economic justice, I must respectfully dispute your optimism over the outcome of this amendment. Can it seriously be doubted that it is precisely the programs lacking powerful constituencies that will be hurt the most? To vote in the name of equity for an amendment that will produce a most inequitable result strikes me as an absurdity—especially now that the amendment has been revised to make it markedly easier to waive in cases of military, as opposed to domestic, emergencies.

I can only second the observation that by favoring spending cuts over increases in revenue, this proposition is dramatically regressive in its social and economic consequences.

Face reality: wealthy individuals and corporations get their Government

benefits from tax subsidies. Yet this amendment favors cuts in direct spending—entitlements and discretionary—and that is precisely the source of the Federal assistance for the middle class and the poor.

And we certainly will not be able to say that we did not envision the consequences, for we most assuredly can: Projections indicate that Social Security and Medicare would be cut by a total of \$67 billion in 1995, or \$1,706 per beneficiary. In my State of California, 4 million Social Security beneficiaries would lose a total of \$4.2 billion, and 3.4 million Medicare beneficiaries would lose \$2.5 billion.

I cannot countenance inflicting that pain on the oldest and sickest of Americans.

I am prepared to face the political heat for making the fair and just choices necessary to eliminate unconscionable deficits. Let us not rig the process so that the fair outcome becomes impossible, and then claim that the amendment made us do it.

I urge my colleagues to reject House Joint Resolution 290.

Mr. TAUZIN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. I thank the gentleman for yielding this time to me.

Mr. Chairman, we cannot afford further delays and postponements on the passage of an effective constitutional restraint on tax increases and runaway growth of the Federal debt. Servicing our massive debt is already the largest single expenditure in the budget, and we need a new mechanism, a new procedure like that embodied in the amendment sponsored by the gentleman from Louisiana [Mr. TAUZIN], and the gentleman from Texas [Mr. BARTON], to force fiscal discipline and responsibility upon Congress and the President.

When last year's deficit came in at a record high of \$269 billion, I think the need for a new mechanism became all too clear to most people. This amendment would prevent Congress from enacting a tax increase without a specific 60-percent majority voting in favor of it. It would require a balanced budget unless the same three-fifths majority votes otherwise.

In numerous town meetings and discussions with constituents in my congressional district, people have expressed overwhelming support for a constitutional amendment. In their view, nothing else has worked and it is time for a wholesale change in the procedure.

But this amendment goes beyond that. What I have found in New Jersey, particular where we have had a tax revolt for the past couple of years, is that people want to limit the Government growth to what the United States produces, and that is essentially what this amendment would do. It would say

that we can allow expenditures to increase with the GNP, but we do not want them to increase beyond the GNP unless the Congress specifically votes the specific tax provision that would allow that to occur.

We have been through Gramm-Rudman I and Gramm-Rudman II, we have had the Budget Enforcement Act, and we have had the budget summit agreements. We have tried each of these tools, yet we still have record deficits and we are still adding yearly to a massive Federal debt that is stifling our economy today and that hangs like a dark cloud over our children's future. To depart from the agonizingly consistent pattern we have seen in recent years in which the President fails to produce a balanced budget and the Congress fails to approve a balanced budget, we need a strong and irresistible mandate that this amendment and this constitutional amendment would provide.

I urge its adoption. I think the constitutional amendment itself, the balanced budget amendment, is the most important issue we will be dealing with in this Congress, and I believe the tax limitation amendment is just as important.

Mr. PANETTA. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Chairman, I rise in strong opposition to House Joint Resolution 248, the balanced budget constitutional amendment offered by the gentleman from Texas [Mr. BARTON]. This amendment is ill-considered and dangerous, and should be strongly opposed by all Members of this House.

Let me be clear—I fully support the goal of deficit reduction. I have helped to lead that battle for many years. The Ways and Means Committee has borne the heaviest burden of any committee of the House to achieve meaningful deficit reduction over the last 12 years. In seven of the nine reconciliation bills since 1981, more than half of all the deficit reduction enacted was accomplished by the Ways and Means Committee. Indeed, in four of those nine bills, the Ways and Means Committee contributed 80 percent or more of the total deficit reduction.

The Ways and Means Committee was the first committee to voluntarily impose a pay-as-you-go, deficit-neutral requirement on itself. Deficit neutrality was a fundamental tenet of our tax reform efforts in the mid-1980's. It has been the primary principle of the way our committee done business ever since.

So, it is not the goal of a balanced budget that I oppose; it is the means of accomplishing that goal in the Barton amendment that I oppose.

The Barton amendment would require that Congress be responsible for

balancing the budget, but ties our hands, making it even more difficult for us to do so. It lets the President off the hook, giving him little responsibility for actually accomplishing deficit reduction and greater leverage over Congress. It provides to any minority group of Members the power to thwart the will of the majority, threatening institutional inertia and economic instability.

The Barton amendment is dangerous because it would subject the Congress to Presidential manipulation and microscopic judicial review. Is it not ironic that this amendment is offered by the minority party, those who have traditionally been opposed to an imperial Presidency and judicial activism?

The Barton amendment would allow the balanced budget requirement to be waived by the Congress in the event of declared war. Keep in mind that neither the Korean war, nor the Vietnam war, nor the recent Persian Gulf war was a declared war. If the Barton amendment had been in effect on those occasions, a waiver would have been invalid. The Congress and the President would have had to choose between fulfilling the U.S. role as world leader to defend democracy and to reestablish world peace, and violating our duty under the constitution to balance the budget. Is that a choice that the President and the legislative branch of the world's most powerful nation should have to confront at a time of international crisis?

All of these flaws provide sufficient reason to reject the Barton amendment. But, I say to my colleagues, the bad news does not end here.

The most objectionable aspect of this proposed amendment is that it would allow the will of the few to stymie the will of the many. It would require a three-fifths majority vote for increases in the deficit, for increases in revenues, or for increases in the debt limit. This would allow any minority coalition, whether members of the minority party or not, to obstruct the will of the majority, representing in turn, the majority will of the American people. This would allow a minority coalition to prevent responsible economic stabilization in times of recession; to prevent revenue increases to fund necessary Government activities including national defense, or to improve efficiency and fairness through the tax system; to prevent a necessary increase in Government debt to avoid disruption of vital public services or entitlement payments.

Government by minority rule is no government at all. It is stalemate. It is gridlock. It is frustration and inaction. Do we not all feel we have had enough of that already?

Mr. Chairman, I ask my colleagues to think about the questions I have raised today. Answer them honestly and then vote "no" on the Barton amendment.

□ 1250

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. SCHAEFER].

Mr. TAUZIN. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. SCHAEFER].

The CHAIRMAN. The gentleman from Colorado [Mr. SCHAEFER] is recognized for 3 minutes.

Mr. SCHAEFER. Mr. Chairman, I rise today in support of the Barton version of the balanced budget amendment to the U.S. Constitution.

When Members of Congress vote to raise taxes, they typically claim they are being fiscally responsible, or are making the hard choices. If a balanced budget amendment to the Constitution is ratified without a tax limitation clause, however, we will soon hear them declare the formerly inconceivable: "The Constitution made me raise your taxes."

The House of Representatives is set to vote on a balanced budget amendment, and the Senate has voted to bring one to the floor sometime this month. In the House, 278 Representatives have cosponsored the most popular version of the amendment—only 12 votes short of the two-thirds majority needed to pass a constitutional amendment. Indeed, this may be the best chance we have ever had to pass an amendment. Given the unprecedented public frustration with Congress this election year, enough Members seeking to redeem themselves with their constituents may provide the needed votes to send it over the top.

Polls have consistently shown that three-quarters of the American people support a balanced budget amendment to the Constitution. Two decades of failed congressional attempts to reform the budget process, leaving us with record annual deficits and a national debt approaching \$4 trillion, has made it clear that such drastic action is needed to balance the budget. Congress' efforts to police itself have failed because the congressional majority invariably waives the spending limits it imposes on itself. Only an amendment to the Constitution will provide the unconditional budget restraints that Congress cannot ignore or weaken on a whim.

Not all balanced budget amendments are created equal, however, Mr. Chairman. The most popular version being considered, by Representative CHARLIE STENHOLM, requires that "total outlays *** shall not exceed *** receipts." This is nothing more than the simple, commonsense formula that every American family and most State and local governments must live by each day. In times of war or economic emergency, Congress retains the flexibility to borrow money if a three-fifths supermajority of both the House and Senate votes to do so.

By itself, however, a balanced budget requirement will only treat the symp-

oms of deficit spending without applying the needed cure: Restraints on the uncontrolled growth of the Federal Government. A constitutional requirement that "outlays shall not exceed receipts" merely limits Government borrowing. Because Congress would still need only a simple majority to raise taxes to meet this requirement, it would still not restrain the spending machine that created the need for borrowing in the first place.

The current budget process is biased in favor of deficit spending. Special interests demanding taxpayer funds are often better represented than the general interest of taxpayers themselves. Therefore, without a provision to make tax increases harder for Congress to approve, a balanced budget amendment would only create a procedural path of least resistance in favor of tax increases. This means Congress would simply raise taxes to meet constitutional balanced budget requirements. When election year comes around, Congressmen who voted to balance the budget on the backs of the American taxpayer can honestly say that "The Constitution made me do it."

Congress can prevent this by voting to require a three-fifths supermajority of both the House and the Senate to increase taxes. A tax limitation clause, like that proposed by Representative JOE BARTON, will force Congress to take a serious look at the outrageous waste that slips into the budget every year. Priorities would have to be set. The hard decisions which Congress has ducked for so long would have to be made. In other words, the Federal Government would have to plan its budget the same way every other government and household in America must.

With a tax limitation clause in a balanced budget amendment, Congressmen could not tell you that the Constitution forced them to raise taxes. Instead, they could use the Constitution to combat special interests. Members of Congress would tell lobbyists, "I like your program, but the Constitution prevents us from increasing spending without cutting it somewhere else. Where should we cut?" Special interests would be forced to compete with each other for taxpayer dollars, rather than maintaining their coalition against the taxpayers. Spending decisions will once again be constrained by the available resources.

I would also like to take a closer look at some of the arguments opponents of the balanced budget amendment have marshaled to defeat it. First, they tell us that political will alone is enough to balance the budget. Amending the Constitution is unnecessary, we are told.

Opponents of the balanced budget amendment insist that budget discipline is best realized by statute, and that a constitutional amendment is no substitute for the hard political

choices to reduce the deficit and control spending. This is certainly true, but irrelevant.

Congress has tried—and miserably failed—to balance the budget by statute for nearly two decades. Despite good intentions, Congress has proven time and again that it is prepared to waive any inconvenient spending limit it has imposed upon itself. The unfortunate truth is that Congress may ignore the law because it makes the law.

Congress has made major changes in the budget process at least four times in the last two decades. Each time, the deficit has skyrocketed. Let's look briefly at this sad history.

Congress' first attempt to impose order and discipline on its fiscal matters came in 1974. More than a decade of missed deadlines, waived restrictions, and increasing deficits ensued.

In 1985, Congress adopted the so-called Gramm-Rudman-Hollings Act, which set decreasing deficit targets to be met each year, until the deficit was eliminated in 1991. The Federal Government, by the way, ran a record-breaking deficit of \$269 billion that year. Under Gramm-Rudman, if Congress failed to meet those targets, an automatic sequestration occurred, cutting spending across the board to make up the difference.

Congress failed to make those targets, and faced the reality of a forced sequestration of billions of dollars. Rather than cut spending to avoid the drastic effects of sequestration, Congress revised the Gramm-Rudman law in 1987. It set new higher deficit targets, and delayed the date for balancing the budget until 1993. In reality, the deficit has been estimated to be \$350 billion that year.

By 1990, Gramm-Rudman called for a deficit target of \$64 billion. But out-of-control spending and recession had created a deficit of \$300 billion that year. The threat of an almost \$240 billion sequestration being too much to bear, Congress and President Bush effectively scrapped Gramm-Rudman and passed the Budget Enforcement Act of 1990 [BEA].

Instead of deficit targets to be met each year, the BEA set spending caps. Because budget discipline was no longer explicitly tied to improving the deficit, as it was under Gramm-Rudman, the spending caps were easily circumvented by numerous loopholes in the BEA. For example, Congress and the President could declare an emergency and spend as much as they wished without violating the BEA. The deficit, however, skyrocketed as billions of dollars of new spending was designated "emergency."

Yes, Mr. Chairman, Congress and the President currently possess the power to balance the budget. They don't, however, have the political will to honestly exercise that power. Objecting to the balanced budget amendment on the

grounds that we do not need constitutional mandates hanging over the head of Congress is really an argument for scrapping most of the Constitution. As Milton Friedman points out, Congress and the President have the power to preserve the freedom of speech without the first amendment, but does that make the first amendment unnecessary?

Likewise, only an amendment to the Constitution will provide the unconditional budget restraints that Congress cannot ignore or weaken on a whim.

Opponents to the balanced budget amendment also tell us that Congress can only balance the budget with massive spending cuts and tax hikes. Members of Congress are being barraged with pleadings from special interests to vote against a balanced budget amendment. Almost without exception, these special interests claim they favor a balanced budget—in theory, at least, but not just now.

These special interests are using scare tactics to rile their memberships. Many Members of Congress have even joined them in spinning tales of approaching calamities.

Mr. Chairman, these Chicken-Little tales are not true. House Republicans have for years advanced the idea that, if Congress only held the rate of spending increases to around 4 percent, we could balance the budget in just a few years. Increasing tax revenues from an expanding economy and incomplete indexation generates enough excess revenue to run a surplus each year, if only Congress didn't continually escalate spending faster than these revenues expanded.

The most recent study by the Heritage Foundation on this subject shows that a 4-percent cap on spending increases would result in a balanced budget by 1998. Congress can balance the budget without massive spending cuts or even tax increases. But not if we continue to increase spending several times faster than the increase in national income.

Yet, that is the very course we are following. For example, Federal spending increased 11.5 percent this year alone. Domestic discretionary spending increased 10.6 percent, while entitlements rose an astounding 22.5 percent. Mr. Chairman, this is not the path to deficit reduction, nor will it ever be.

The budget can be balanced without major dislocations in the Federal Government. In fact, OMB Director Richard Darman recently stated that the budget could be balanced as early as 1997 without touching Social Security and without raising taxes, if economic growth reaches a reasonable rate over coming years. In other words, spending cuts may turn out to be tolerable, and tax increases not necessary at all.

No one believes that ridding ourselves of a \$400 billion deficit will be painless. But it will not be the end-of-

world cataclysm predicted by special interests.

Lastly, Mr. Chairman, opponents of the balanced budget amendment tell us that the notion of a balanced budget is only an economic theory, and that this theory does not deserve to be permanently woven into the fabric of the Constitution and American life.

This claim is the most preposterous of all those I have so far examined. No concept is more a part of traditional American fiscal policy than that of the balanced budget. For the first century and a half of the American Republic, the requirement of balancing the budget during peacetime was part of the unwritten constitution. For the Founders and succeeding generations, allowing expenditures to exceed receipts was a violation of deeply held moral principles.

Even the enormous public debts accumulated during the Civil War did little to change the attitude of the country toward a balanced budget: A 28-year run of consecutive post-war surpluses allowed the Government to pay off its debts. In fact, until this century, the norm of an annual balanced budget continued to exert considerable influence over the exercise of public policy. Any significant departures from balance or from efforts to repay existing public debt were treated as sources of alarm.

To the detriment of ourselves and our children, that is not the case today. Congress is no longer bound by the fiscal restraints written into the Constitution, nor by any unwritten moral imperatives to balance the budget.

Nevertheless, a balanced budget is no more a peculiar theory than is other unwritten constitutional customs like judicial review, political parties, and the Presidential Cabinet. And until recent times, it found no less favor with the leaders of the United States. We have all, by now, heard Thomas Jefferson's famous quote that, if he could add but one amendment to the Constitution, he would forbid the Government from going into debt. He also warned us that "The public debt is the greatest of dangers to be feared by a republican government." From Mr. Jefferson's time until only recently, the importance of balancing the outlays and receipts of the Government has been clear to all. Let me quote some less famous passages from other Presidents of the United States.

President John Adams said, "The consequences arising from the continual accumulation of public debts in other countries ought to admonish us to be careful to prevent their growth in our own."

Later, President Andrew Jackson wrote that, "Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and

will find not only new motives to patriotic affection, but additional means for the display of individual enterprise."

President William McKinley flat-out believed, "The government should not be permitted to run behind its debt."

Possibly the best quote from a former President comes from Woodrow Wilson, who said, "Money being spend without new taxation and appropriation without accompanying taxation is as bad as taxation without representation."

Clearly, Mr. Chairman, a balanced Federal budget is not some passing fancy, advocated only by ideologues. It is has always been an unspoken part of this constitutional Republic. The ratification of a balanced budget amendment will restore fiscal responsibility to its rightful place in our constitutional system.

In conclusion, Mr. Chairman, it has often been said, tongue-in-cheek, that if the Founding Fathers thought taxation without representation was bad, they should be here to see taxation with representation. But there is little humor in the knowledge that Americans have lost control of the very Government that was founded to secure their rights. Our Government "of the people and by the people" is producing results that the people oppose. No American is in favor of continual deficit spending, yet the fact remains that the Federal Government has been in the red 30 of the last 31 years, with no end in sight. Because of the inherent tax-and-spend bias of our representative legislature, amending the Constitution is the only route by which the general interest of the public can be restored to preeminence in the minds of lawmakers.

Regardless of which version is sent to the States, a balanced budget amendment will not be a cure-all for our Federal budget crisis. It certainly will be no replacement for the tough choices necessary to get spending under control. It will, however, force Congress to exert the discipline needed to finally make those decisions.

Please join me in supporting the Barton version of the balanced budget amendment.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, I appreciate the gentleman from California [Mr. PANETTA] yielding this time to me.

Mr. Chairman, a previous speaker said that he has on the bedroom wall of his two young children a certificate that shows how much they owe, what their share is of the national debt. It is probably depressing to try to sleep with that hanging on the wall.

I have a 5-year-old boy and a 3-year-old girl, and I choose not to hang deficit information on the wall. But, if I

chose to hang something on their wall, I guess it would probably be this:

It is 10 pounds, 2,000 pages. It is President Bush's budget. He sent it to us 3 months ago, and it is what he says he wants for my children.

Mr. Chairman, I would like to share this with my colleagues because it is radically different than the debate we are hearing here on the floor of the House. "Go to page 25," I tell my children, "and look at what the President says he wants for our future." This President, who says he is a conservative, says he wants to add \$2.21 trillion in deficits between now and fiscal year 1997. This is proposed this year and for the following 5 years' budgets. Not once does he propose a balanced budget between now and 1998. He proposes, from now until 1998, \$1 billion a day, every day, every week, every month for 6 years, spending that exceeds our revenue—\$1 billion a day in deficits, every day for 6 years. That comes from the White House.

Mr. Chairman, I am going to vote for a balanced budget amendment today. I am not going to vote for this one because I think it is without merit. But I am going to vote for one today. I did not come to Congress expecting to have to do that. I am not going to do it because President Bush wants it. I am going to do it because I think President Bush and President Reagan in their Presidencies have provided irresponsible leadership in fiscal policy, and this Congress has not had the courage, or the willingness, to do much about it.

My colleagues, we do not have a choice. We have to deal with these deficits.

A couple of weeks ago the chief economist of the Deutsche Bank testified before Congress, and he said, "By 1997 the world's leading manufacturing country will be Japan. By 1997 Japan will assume the rank of No. 1 manufacturing country in the world. Shortly after 2000, Japan will assume the rank of the world's leading economic power."

Now my children go to sleep at night, as I did in a small town in North Dakota, hoping to wake up in a country that is No. 1 with the biggest, the best, the strongest, the fastest growing economy, but that is not true anymore. Why? Because these deficits crowd out savings. Savings equal investment. Investment equals growth.

And the chief economist for the Deutsche Bank said this. He said, "The Japanese invest \$440 billion a year more in plant and equipment than we do." What does that mean? They have newer plants and equipment, and more efficient, more productive, and they beat the pants off us in the international marketplace.

Why is all this happening? Because our money is being spent—and we are seeing this incredible budget deficit—

not to invest, not to create savings. We are seeing it squandered. We are spending our children's heritage, and it has got to stop.

Now there are two arguments on the floor. One says, "I'm not going to vote it because it won't work," and the other says, "I'm not going to vote for it because it will work." I am going to vote for it today because it might work, and we do not have a choice. It is not whether we do something about these deficits, it is when and how, and one of these days we have to take the first step.

Mr. TAUZIN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Chairman, I rise in strong support of House Joint Resolution 290.

This bill would require the President to submit and Congress to enact a balanced budget in fiscal year 1995. A three-fifths vote in both Houses would be necessary to unbalance the budget or increase the debt limit.

I have been a long-standing supporter of a constitutional amendment requiring a balanced budget amendment. I think this is our best hope to put America on a path to eliminating our \$400 billion deficit and \$4 trillion debt. Clearly, the existing budget process has failed in dealing with the deficit. A balanced budget amendment will promote fiscal discipline and should be enacted.

Reducing the Federal budget deficit is one of the most important issues facing this Congress. The debt burden has a tremendous impact on the fiscal and economic well-being of the Nation. It cripples the economy, draining public and private savings. A sustained deficit will jeopardize our future growth and prosperity. Our children and grandchildren did not create this debt and they should not have to suffer the consequences.

The deficit is not just a Federal issue, it is a local, personal issue, that impacts all Americans directly. This year, the Federal Government will borrow close to \$400 billion to run its programs with the interest on the debt taking almost one budget dollar in seven. The resources that are going to pay off old debts are not available for education and health care and to assist folks build new businesses and provide incentives for growth and job creation. This is money not going toward programs that serve the poor, children, and the elderly.

If we work to substantially reduce the deficit, we can expect lower interest rates, and more investment in economic development, jobs, housing, infrastructure, transportation, education, the environment, and research and development. Every dollar we don't borrow today, strengthens the economy for future generations of Americans. Deficit reduction is essential to raise national savings, investment, and living standards.

Passage of House Joint Resolution 290 is only the first step in the tough choices that will have to be made in the months ahead. But I feel this is a step which must be taken. We must take a stand on controlling Federal spending, reducing the deficit and providing some measure of fiscal accountability to the Federal Government. A balanced budget

amendment will require that. This is the most responsible step we can take to turn this economy around.

Opponents of the balanced budget amendment have alleged that it will hurt folks who are Social Security and Medicare beneficiaries. I never would have voted for it if this was the case. In reality, it is just the opposite. If high deficits continue, essential programs such as these could be jeopardized by the drain on the economy that comes with pouring so much of our resources into debt payments.

Of course, we need to protect Social Security. I have always been a strong champion of our senior citizens, and have worked to make sure that the benefits they have earned are ready for them when they retire. There is absolutely nothing in the language of House Joint Resolution 290 that would subject the Social Security Program to cutbacks. Under this amendment, Congress would have complete discretion to fully fund Social Security benefits—and could enact legislation to fully protect the Social Security Program from any reductions.

Since Social Security is already protected under current budget statutes, it is very likely that it would continue to be protected under legislation implementing the Stenholm constitutional amendment.

The balanced budget amendment will help strengthen the economy for all Americans. I urge its adoption.

□1300

Mr. TAUZIN. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise today in strong support of creating a balanced budget amendment to our Constitution.

My reasons are simple. The fiscal policy of this Nation is seriously ill. In fact, it is suffering an acute case of paranoia with frequent moments of seizure and paralysis. In the past, we have tried to treat this illness with mind altering drugs in the form of an unenforceable statute. Well, it just hasn't worked. Our fiscal illness has actually gotten worse, it has come to the point where major brain surgery is the only political option open to us.

Yes, the Nation's mental illness has gotten far worse; the lack of credible executive leadership, political posturing, greed, special interest programs, and a sheer lack of national courage, has caused our fiscal behavior to become increasingly unpredictable and our leadership more irrational. Mr. Chairman, the taxpayers of this great Nation have determined that brain surgery is necessary to sever the discord between the executive and the legislative branches of our Government to force predictable and cooperative behavior.

This is serious surgery. However, without it the patient will die. Following surgery we face a period of tough rehabilitation. The action taken here

today is just the first step toward a return to fiscal responsibility. Today's vote is an easy one compared to the hard decisions that we must make in the coming months as we reestablish national priorities that will ensure that this Nation remains economically competitive and that our children and grandchildren have the opportunities afforded to earlier generations.

Let us send a balanced budget amendment to our respective States for their ratification now. The future of this country depends on it.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Chairman, I have heard previous speakers say this morning that what we need is a whole radical restructuring of the system around here. I do not believe that. I am against this amendment and other similar amendments. I think what we need is a radical restructuring of the kind of leadership that we are getting from the White House and the kind of courageous decisionmaking that we need to get from 435 Members of the House and 100 Members of the Senate.

Now, in 1980, when the Reagan administration came into power, we had a national budget debt of less than \$1 trillion. We substantially operated on a pay-as-you-go system.

At the present time that has quadrupled, my colleagues, to about \$4 trillion. What we need are Presidents who are willing to come and give us a proposal for a balanced budget that we have not seen or heard a glimmer of in a decade.

During World War II, the greatest, most expensive war in our history, from 1940 to 1945 our national debt went up—how much do you think? \$1 trillion. No, about \$195 billion.

Today, every year our national debt increases 50 percent more than that, in the \$300 to \$350 billion range, approaching \$400 billion, twice as much as we increased the national budget debt during the 5 years of our experience in World War II. And we did not raise taxes a great deal, but there were more people paying taxes.

So we managed to get through, substantially on a pay-as-you-go basis, because we had Presidents and Congresses in those days that were willing to look at the situation in front of them and do their duty.

In the last decade we have been engaged in an absolute consumer spending frenzy, and our Government has buttressed this by a policy of spend and spend and spend and borrow and borrow.

Mr. Chairman, I do not know how the central bankers in Japan and West Germany are going to continue to hold our paper unless we achieve some mental and moral discipline in this country. That is what we need. We do not need a balanced budget as a crutch. What we

have is an unwillingness in the executive branch, and to some extent here, to take responsibility for governing intelligently.

The voters sent us down here not with wine and roses, but to make tough decisions. That is what we are paid for, and that is what the President is paid for.

So we do not need to hide behind the balanced budget. That is a sign of indecision, weakness, a purpose of evading our responsibilities, and an absolute absence of will to do the right thing. What we have to do is show more leadership, face up to our problems, and rely on the voters to make the right decisions and to reward us for having the courage to do the right thing, to bring spending outlays and tax income into some kind of convergence.

Now, we defeated a balanced budget amendment in the past and we should defeat it today. We have defeated other trivial constitutional amendments, amendments which merely respond to the political frenzy of the time, like the flag burning amendment. We did not need them, and it is perfectly obvious we do not need this amendment now. We do not need a balanced budget amendment now. We need the determination and the strength to do the right thing for the next generation.

Mr. BARTON of Texas. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Washington [Mr. MILLER], chief sponsor of my amendment.

Mr. MILLER of Washington. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, we are in the midst of a historic debate, a debate started over 200 years ago when Thomas Jefferson became the first American statesman to advocate a constitutional amendment that would limit the Government the power to borrow, that would limit the Government the power to spend now and tax later.

Now, 200 years later, we have a chance to act on Mr. Jefferson's advice. We have before us a constitutional amendment not only requiring a three-fifths vote to have an unbalanced budget, but requiring a three-fifths vote to raise taxes at a rate greater than the rate of growth in national income. Not a three-fifths vote just to raise taxes. You can do that by a majority. But if you are raising taxes faster than the economic pie is growing, then it has to be three-fifths.

Mr. Chairman, many of us who have sponsored this amendment have some reluctance to sponsor a constitutional amendment. One should always be cautious about that. But we do so not only because of the string of deficits, 23 straight years, not only because of the rising mound of interest on the debt, because, looking back over the last several decades, we see \$1.59 of spending increases passed by this Congress

for every \$1 in tax hikes; because we see as a percentage of national income Government spending in this country growing from 25 to 30, to 35, to 43 percent.

That is why we offer these amendments. That is why groups that range from the National Federation of Independent Businesses to the U.S. Chamber of Commerce, to Americans for Tax Reform, to Citizens Against Government Waste, join us in supporting this amendment.

Mr. Chairman, one of my distinguished colleagues earlier said this amendment is an abdication of Congress' responsibility. Nonsense. That abdication is what has been going on over the last several decades, when Congress did not pass balanced budgets, when we raised taxes at a rate faster than the growth of national income.

This amendment will make sure we do not abdicate our responsibility. It will provide us the fiscal discipline necessary.

Once in a while, my colleagues, we have a chance to act for future generations. We have a chance here today to follow Mr. Jefferson's advice, to restrain the appetite to spend now and tax later. Let us pass this balanced budget and tax limitation amendment today.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, it is hard to get up and oppose a balanced budget amendment, a good bumper sticker slogan, a good sound bite. All America, from coast to coast, loves a good political slogan.

□ 1310

The fact of the matter is, if we are going to take the action, it ought to be predicated on what we know and what we can do. A mentor of mine in this body who has now left, sadly, the gentleman from Arizona, Congressman Udall, used to say, "There are those in Washington, two types, those that don't know and those that don't know they don't know."

I think, Mr. Chairman, what we have here is a case of those that do not know what they do not know. They have good intentions, but let us look at the 1980's.

This has been the trial ground for trying out, attempting to develop formulas for dealing with the budget. It started with the Gramm-Rudman-Hollings in various formulations. Not a single year went by that this Congress did not try to fix that particular formula, that vehicle, so that it would work and move us to a balanced budget, so it would limit spending.

What has the outcome been? I do not question the good intentions of those, but it has been a decade when we have had higher and higher deficits. In other words, we have quadrupled the total

debt—the deficit—from what it had been before that in 12 years.

Lack of leadership, lack of knowledge, we don't have a handle on this problem. We have had that budget-cutting car back in the garage to fix every year, and it has not done the job yesterday or today. Because Congress, the administration, and the economists cannot predict in 5 years, we cannot predict in 5 months what is going to happen with the economy—the limits of our knowledge.

It is time we understand and admit our limitations in terms of what we can predict about the economy and the revenue, costs and the debt and realize what we can do and can't do.

They say, "Look at the States. The States are able to do it." Look at Minnesota: Shifting budget dates, capital budgets, all sorts of gimmicks to justify what they refer to as a balanced budget, according to whose scorecard?

Now some in Congress and the President say we are ready. This budget process isn't working.

The laws we have passed would not take the passenger across town without breaking down and some propose to push it to the end of the cliff, this vehicle that we have developed, and in 5 or 6 years we are going to push it off. And we are going to let it fly off that cliff. Will this lemon of a vehicle sprout wings?

What is going to happen after all? They claim we have tried all else, therefore, the new improved Gramm-Rudman balanced budget constitutional amendment is going to suddenly fly, and it is going to get airborne. And we are going to have lift, and it is going to move on to a wonderful new world—winging its way to Utopia and a balanced budget. Don't forget your rabbit's foot. Something else—some of us just simply don't buy such fantasy based on the history, the good intentions, the reality of what has occurred today.

I would suggest to my colleagues, think about our history over the past years rather than setting up this Congress and this Nation for failure with regards to not just political failure but economic failure far worse in the final analysis.

I am concerned about the enormous budget deficits which cloud our economy and jeopardize the future standard of living of our children and grandchildren. Throughout my career, I have supported numerous measures aimed at reducing Government spending, increasing revenues in an equitable way from a variety of sources and eliminating ineffective or wasteful Federal programs.

These balanced budget amendments, even with the detailed good intentions, will not deal with today's budget nor the 1993 budget. In fact, the prime proposal before us states an effective date of 1997, or 3 years after the Constitu-

tion would be amended. Balanced budget amendments would do nothing to prevent the use of unrealistic economic assumptions or budget gimmicks, including the use of the Social Security trust fund to mask the true size of the deficit. Neither will these amendments make the hard choices to cut programs or increase revenues that have not been made as our record deficit has risen. It is perhaps the greatest irony that, despite the rhetoric these constitutional amendments provide no enforcement power. That too, we hear, will be considered at a later date. This sounds an awful lot like our old friend Wimpy who was always glad to pay Tuesday for a hamburger today.

Mr. Chairman, we must look beyond the balanced budget amendment and yet another process fix proposed to be enshrined in the Constitution. Such measures promise to answer deficit problems tomorrow instead of today. What the public and Congress must work for is substantive action now for meaningful Federal budget cuts, changing budget priorities, and a refocusing of our national commitments in the real world. Making decisions about reductions in important programs isn't simple. Of course, we don't all agree as to what constitutes an unnecessary or lower priority expenditure within our national budget. Week after week, we vote, and programs rise or fall based on our actions. We do not need a constitutional amendment to perform this task and such an amendment with supermajorities would make this goal even more difficult. Today we can't attain a majority for an agreed budget policy path and this initiative requires supermajorities to act, extending to the House and Senate through the Constitution—the same type of limits the Senate imposes upon itself through its cloture rule.

The simplicity of these solutions is their greatest fault. None state how you accomplish the task. Many, many serious questions have arisen and remain about how this amendment would be followed if passed. For example, the role of the Federal judges and the courts is not clear. What happens to the economy if the Federal budget is being litigated to death is not clear. What is not fuzzy, however, is that the balanced budget amendment has become a political panacea—nearly an aphrodisiac for those not willing to make the hard choices.

Mr. Chairman, Congress has not been and will not be alone in making these choices. Since our current President entered the White House in 1989, the Congress has provided the administration approximately \$50 billion less than was requested in discretionary spending, the nonmandated spending categories that matter. So while we have been partisanly admonished as the sole appropriators and the big spenders, the fact of the matter is that every spend-

ing appropriations law enacted during this administration has been signed into law by President Bush.

The President and Congress need to address the deficit today. We need public policy based on substance—not on some sacrosanct process that purports to magically make decisions painless. The balanced budget amendment measure raises expectations that will only come down to disappointments—shifting budget dates and assumptions, court decisions, and the ability for a minority in Congress to thwart the will of the people in time of need or crisis. This would be a fundamental shift of power in our governmental process, rearranging and limiting the power of the elected public officials and enshrining the appointed—the unelected.

The issues surrounding the deficit and the budget are complex, not lending themselves to bumper sticker slogans or television sound bites. The consequence of writing into the Constitution an inflexible and unclear budget process may well result in more harm than good, and unlike a bad law, will be very difficult to correct. I urge my colleagues to oppose these amendments to avoid this uncertain, unpredictable measure to rewrite and saddle our basic document, the Constitution, with this amendment and dilute the law of the land.

Mr. TAUZIN. Mr. Chairman, I yield 1½ minutes to the gentleman from Louisiana [Mr. McCREERY].

Mr. McCREERY. Mr. Chairman, I rise in support of a constitutional amendment to require a balanced budget. Of those offered today, the Barton-Tauzin substitute is the best. Do I have concerns about constitutionally requiring a balanced budget by 1998? Yes, I do. But those concerns are outweighed by the concerns I have about maintaining the status quo. We simply cannot continue to spend more than we take in. We cannot continue to pile more and more debt on the next generation of Americans.

It is time for the Congress to look in the mirror and admit that we're hooked on spending, admit that we need help. Like so many other addictions, this one hurts not only us, but those we love. The treatment for our illness will be difficult. It will mean short-term pain for many in our society. The treatment will be, for awhile, austerity. And it will hurt. But, when we have finally kicked the habit, learned to live within our means, our country will be far more able to cope with the challenges of the next century. And, because we will have ceased living at the expense of those who follow us, we will feel better about ourselves.

The chairman of the budget committee stated that we would need to adopt further legislation in order to implement the goal of a balanced budget. While that is certainly true, the adop-

tion of a constitutional amendment requiring a balanced budget will mean that, for the first time in a long time, Congress will actually have to address budgetary concerns through legislation, and not just make speeches about balancing the budget. I, for one, welcome the prospect of citizens having the right to use the courts to mandate that Congress act in a fiscally responsible manner. It is time for action on what I believe to be the problem posing the most serious adverse consequences to the future of our country—our continuing deficits. Adopting a constitutional amendment to require a balanced budget means action to solve the problem must be taken—finally.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, two constitutional powers of Congress overshadow all the rest in their seriousness and the obligation they impose on each of us who happens for a brief time to hold the office of Representative. They are the power to declare war and the power to amend the Constitution itself.

This 102d Congress now will have been called upon to meet the sober and profound responsibility envisioned by the Founders in both these areas. I pray that we find and exercise the individual and collective courage and wisdom to have fulfilled that responsibility in a manner that history will see as having done honor to the Congress and to the Constitution we are sworn to uphold.

Like most Americans, I am deeply worried about how the Federal Government is digging the country into an ever deeper hole of debt. Since 1980 the national debt has quadrupled, putting our economic future at risk, compromising our ability to deal with the country's current problems, and indenturing our children.

On too many occasions recently, I've seen a failure of the political will needed for the difficult, concrete decisions required to make headway against the deficit. In April, for instance, only 68 out of 435 of us in the House said "no" to a new tax concession for a relatively small group of Social Security recipients—a tax break that will cost over \$7 billion that we'll have to borrow over just the next 5 years, with much more to come. Last week, we failed to make any serious reductions in our first post-cold war defense budget.

Based on this kind of experience, I have concluded that it will take the added legal and moral authority of a constitutional amendment to force the government to solve this problem, and not just talk about it. That's why I have cosponsored the balanced budget amendment to the Constitution authored by Mr. GEPHARDT, Mr. OBEY, and Mr. MURTHA, which would do just that.

This proposal would:

Require the President to submit a balanced budget every year, and prohibit Congress from spending, in total, any more money than recommended by the President in that budget;

Allow deficit spending only if the President declared an emergency and the Congress approved that declaration. Then, the deficit approved by Congress could not exceed that recommended by the President;

Be accompanied by strict statutory enforcement provisions, to be enacted now, to bring the budget in balance by the time the amendment takes effect, with automatic spending cuts and tax increases if interim deficit targets aren't met, and

Exempt the Social Security trust fund, which has a surplus, from these calculations, so its balance couldn't be used to mask the deficit and so Social Security benefits wouldn't be subject to automatic cuts.

This would be far more effective and workable than the form of balanced budget amendment that's been before Congress for several years. The more people look at that proposal—sponsored in the House primarily by Representative STENHOLM—the more they dislike it. That's why, for instance, the U.S. Chamber of Commerce opposes the Stenholm amendment.

Because the Stenholm proposal lacks any enforcement provisions, it would likely mean the Federal courts would end up overseeing the Government's spending and tax decisions—a frightening prospect. What's worse, it would enshrine in the Constitution the principle of minority rule, by requiring a three-fifths vote in the House and the Senate to approve any deficit spending, even in time of war. This would give only 41 senators, for instance, virtual control over the most important issues facing the country.

While the whole point of the balanced budget amendment is to eliminate deficit spending, all of us recognize that there may come a time when we are faced with a truly dire national emergency. The Gephardt amendment would allow for deficit spending if the President submits a declaration of national urgency, and the Congress approves it. This would allow us to respond appropriately when the President and Congress agree there is a clear and present national emergency, not just in a time of war, but in another time of extraordinary national need as well.

The Gephardt amendment allows the President and a majority in Congress to determine there is a national emergency, instead of the straitjacket of giving 40 percent of one House of Congress the power to block the way. It preserves the principle of majority rule, not minority rule. We have always made our choices following that principle, and to depart from it invites a state of gridlock more intractable than that we are now enduring.

The Gephardt proposal would provide for real deficit reduction without shifting the delicate balance of power embodied in the Constitution. To amend the Constitution to call for a balanced budget is one thing, but to amend it to abdicate our responsibilities to the rule of the minority is uncalled for, and unwise.

With trust in government at such a low point, what we do not need is an election year gimmick, which sounds great for now but postpones the real decisions and responsibility until the next Congress, or the one after that. We cannot afford for the attack on this problem to be like a mirage—always receding on the horizon, always the subject of a promise that we will take care of it in 5 years. Absent any clear implementing or enforcement provisions, that is all we have in the Stenholm proposal.

We are putting \$1 billion a day on the national tab. That is absolutely horrific, and the American people rightly demand an end to it. Clearly, a large majority of Members have heard their demand and are prepared to act.

But, let us be mindful of the historic duty that falls to us when we presume to change the Constitution. We must know what exactly we are about. This is no place to risk a serious encounter with the law of unintended consequences. I believe the Gephardt approach, with its concurrent enforcement provisions, meets the test.

I am nonetheless disappointed that we have come to this point. For, in truth, it is an acknowledgement of our failure and our lack of self-discipline. My dear Republican father once commended to me the following words of the British parliamentarian and political philosopher, Edmund Burke:

Men are qualified for civil liberty in exact proportion to their disposition to put mortal chains on their appetites. It is ordained in the eternal constitution of things that men of intemperate minds cannot be free. Their passions forge their fetters.

So, we are here to prove again our qualification for civil liberty—for representative self-government by a free people. We have demonstrated for a dozen years our insatiable appetite.

Now comes the time to refashion the mortal chains—the Constitution—to bring our appetite to heel.

Mr. BARTON of Texas. Mr. Chairman, I believe as the chief sponsor of the amendment, I have the right to close.

The CHAIRMAN pro tempore (Mr. MFUME). The gentleman is correct.

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

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, I rise in strong opposition to the Stenholm balanced budget constitutional amendment.

The fundamental question before this body today is whether we are ready to lead this Na-

tion by making the tough choices that will build a better future, or whether we will choose to rely on a budget gimmick to hide our inaction and indecision.

Our Nation's budget is out of whack. Deficits have been so high for so long that our total national debt has reached incomprehensible levels. Simply paying the interest on this debt cost our Nation \$286 billion last fiscal year, or \$1,000 for every American citizen. This debt is severely damaging our economy and threatening the security of our children.

But time after time, we choose to rely on budget gimmickry to create the perception of action, rather than doing what is right: Making the tough choices, cutting out waste and fraud, and balancing this budget once and for all.

The Gramm-Rudman law was enacted, containing a new budget process to force tough action on the deficit. And this worked so poorly that we now have the highest deficits in history—\$269 billion last year alone.

This year, we propose to tamper with our Constitution to do much the same thing—force ourselves to do what we were elected to do—lead this Nation.

But this budget gimmick, like all of the others, is deeply and fundamentally flawed.

Let's make one thing perfectly clear. This amendment is designed to make us feel like we did something, while it's business as usual for another decade. That's right, the amendment may not be ratified for almost another decade. How can we tolerate such a delay? How can we perpetrate this fraud on the public?

No constitutional amendment can magically give the President or the Congress the courage to cut the budget. Thus, enforcement of the amendment is likely to lie in the hands of the Federal court system.

I ask my colleagues, do the American people truly want unelected Federal judges raising their taxes and cutting their Social Security and Medicare? The answer is clearly, "No."

Tragically, the amendment makes no distinction between investments in our Nation's future and lower priority Government spending. It will absolutely cripple our Nation's ability to invest for the long term, and virtually guarantee a long-term economic decline.

The point is often made that States rely on similar budget limitations. But this claim distorts the facts. Most States separate capital expenses from operating expenses in their budgets. The Stenholm amendment does no such thing. It will prevent essential investments in education, job creation and infrastructure that are urgently needed in my congressional district and the Nation as a whole.

For instance, unless we invest now in sewage treatment construction, Long Island Sound, the economic linchpin of Westchester County, will die, mortally wounding an already ailing local economy. Unless we invest now in highways, bridges, and rail networks, we will lose precious jobs and drive the economy from recession into depression. And unless we invest right now in training our youth to compete effectively in the 21st century the very security of our Nation will be in doubt.

Further, the Stenholm amendment's supermajority provisions will actually empower a superminority. Under these provisions, 40 per-

cent of each body, plus one, will be able to control the outcome of each year's budget debate. That means that narrow special interests, not the people, will gain greater control over the Federal budget. Special interests already wield too much power over the Federal purse strings. In fact, that is one major reason why we are in the mess we are in. We need to put the people back in charge of the Federal budget.

The Stenholm constitutional amendment calls on Congress and the President to agree each year on the amount of Federal receipts, and keep spending below that level. But over the last 10 years, actual receipts have fallen short of the administration's previous year projections by a full \$248 billion.

So this balanced budget amendment institutionalizes the treachery of rosy predictions, followed by continued deficit spending a those predictions fall far short of reality.

And who knows what types of subterfuges will now be used to hide deficit spending? Many of the same Members who come to this Chamber today in support of a balanced budget amendment also voted for a taxpayer-financed bailout of the savings and loans—much of which was taken completely off-budget. If this amendment takes effect, there will be a new cottage industry in schemes to move spending off-budget, fudge budget figures, and obfuscate the truth about the real budget deficit.

Mr. Chairman, let's call a spade a spade. The Stenholm balanced budget constitutional amendment is the product of an era in which feel-good, do-nothing politics is in style.

Under this brand of politics, politicians pose for the cameras with their newly passed budget balancing amendment. Then they turn around and continue spending like there is no tomorrow.

There is absolutely nothing stopping the President of the United States from sending us a balanced budget, and there is absolutely nothing stopping this Chamber from approving one.

Again, the fundamental question facing us today is whether we will do what we were sent here to do. Will we cut the budget or not? Will we govern with style or govern with substance? Will we vote for real cuts or vote for false promises?

To the Members of this body, I say, "get real." Let us reject the sham of the Stenholm constitutional amendment, and commit ourselves to the real task we face—the difficult, unpopular, but ultimately necessary and heroic task of balancing the budget.

Then, and only then, will Members of this body have fulfilled the trust of the American people.

□ 1320

The CHAIRMAN pro tempore. The Chairman would advise the Members that the gentleman from California [Mr. PANETTA] has 4½ minutes remaining, the gentleman from Louisiana [Mr. TAUZIN] has 4 minutes remaining, and the gentleman from Texas [Mr. BARTON] has 5 minutes remaining.

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

Mr. Chairman, this debate is not about slogans. It is not about sound

bites or bumper stickers. This is about a central question of the direction of this Government under the direction of the people of the United States of America as it charters this Government and its Constitution, pretty serious stuff.

It is a debate about projections and expectations. That is hard to debate, because it is hard to see the future, but we can look at the immediate past to get a guide, an idea of what is coming.

Here is the immediate past. Milton Friedman indicated to us in a letter that "the budgetary developments of the past several years have been counter-productive: total spending, taxes, and deficits have all risen as a percentage of national income." What that means in layman's terms is that this Government and its deficit is growing a lot faster than the American economy. That ought to trouble the heck out of us, particularly if one is unemployed.

Second, we can look at what is happening in the growth of Federal spending and we ought to get alarmed. While Federal spending during the first 4 Reagan years only increased 7.6 percent, and while it actually only increased by 2.6 percent in the last 4 Reagan years, look at what has happened in this administration.

In this administration Federal spending has increased at a rate of 14.8 percent. That is according to the current CBO and OMB numbers, 14.8 percent. That is a rate faster than the last year of the Carter administration, in which spending only increased at a rate of 12.3 percent. We are going downhill fast.

To those of us who are worried about adopting this amendment and putting it before the people of the United States, and who think that we can exercise fiscal discipline on our own and we ought to be doing it, the answer is we are not doing it too good. In fact, however, we are doing just what the American people sent us up here to do under the current set of instructions.

The current set of instructions are for each of us to come to Washington and take back as much Federal money to our home districts as we can get, and we do a great job of that. We do such a great job of it that collectively we take back each year to our districts more than our districts collectively have sent to Washington, and we cannot keep doing that forever.

However, as long as those are our instructions, who should be surprised that we do not carry those instructions out? Who should be surprised that we do not continue to overspend when the instructions are to go get every dollar we can and bring it home?

What we need in America is a new set of instructions, a set of instructions that says, "Do what you can for our district, do what you can for America, just quit spending money we have not

sent you. Quit spending us into debt, into bankruptcy." That set of instructions is what this debate is all about.

Let me tell the Members, we have heard a lot about electronic town meetings in America this Presidential election year. This is it, folks. This is the big enchilada. This is the big electronic town meeting. This is where we are debating the most serious question the American public ever has to decide, I think, in my tenure in public office, whether to adopt an amendment to the Constitution to demand a balanced budget and to restrain taxes.

What better town hall meeting to have than this one? Would it not be a shame if, after we have the town hall meeting, the American public never had a chance electronically to vote back and tell us what they thought? That is what it is all about. This is not about whether the Members or I think the amendment ought to be adopted to the Constitution, although we may want it to be adopted. The question is whether we are going to give the American public, after this town hall meeting, a chance for them to decide whether the Constitution ought to be amended to require a balanced budget; whether they ought to send us that new set of instructions embodied in the Constitution not to spend money we do not have, or to get control of this excessive spending, this spending into bankruptcy.

Would it not be a shame if, after this great electronic town hall meeting, the people of America never had a chance to express themselves on this new set of instruction? That is what the debate is about. We can be worried about the consequences, we can be afraid of the dangerous nature of amending the Constitution, but in the end it is really a question the American public ought to answer.

When we conclude this debate, this great town hall meeting, we ought to give them a chance. We ought to adopt the Barton-Tauzin amendment to go before the public.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Chairman, first let me just congratulate our colleague, the gentleman from California [Mr. PANETTA] for doing a superb job. We do not have a problem with the Constitution. That is not the problem. The problem we have is sorting out the priorities, making those tough decisions. If you cannot make those tough decisions, you should not be here. I can and will.

My colleague from Louisiana [Mr. TAUZIN] said that we have to change our line-of-duty instructions. Members of Congress are still going to come to Congress to represent their districts. That is one of their duties. I would say to my colleague, he knows that. The gentleman from Texas [Mr. BARTON] is

still going to work for the superconducting super collider for his district in Texas. We all know that. We still have to make the decisions between programs, options and initiatives—that is sorting out the national priorities. We are not going to change that. We do not have to write into the Constitution basically new instructions. We know what the instructions are. We need to get on with the serious business of getting our fiscal house in order. Now—not 1997, or 1998, or 1999.

I worry about Barton and the other constitutional amendments because, frankly, they are workable, for one thing. Our budget process in the 1970's worked fairly well. The spending levels did not depart too greatly from the spending targets or levels contemplated. We just never required that we have a balanced budget. We did grossly miscalculate too often, and we found all kinds of loopholes to avoid Gramm-Rudman-Hollings we were creative with on-budget, off-budget, and so-called emergency escape hatches. In fact, we are going to have a supplemental in a few days which rewrites the definition of "emergency" once again to spend. We have some things in there that are far from an emergency; worthy projects, but they are not emergencies.

Frankly, there is nothing wrong with spending for the right things. We are going to have to invest in a lot of things: infrastructure in this country, education, and our cities. We have to rebuild America. That is going to require basically reaching consensus. What Barton is going to do is make it much more difficult to reach consensus to do our job. That is what this debate is all about.

Frankly, we should only amend the Constitution when it is the option of last resort. We can write a statutory balanced budget amendment tomorrow and give Members of Congress a point of order should anyone offer a bill or an amendment that breaks that budget. We can develop that kind of a mechanism—I have favored that for years. Indeed HENRY HYDE and I have offered such legislation for years. We have not done that. I hope if we reject these constitutional amendments, that will be the next order of business in this House. Let us reject Barton.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, the basic difference between the Barton-Tauzin amendment and others is that it seeks to point the finger at taxes as part of our problem. It would require a three-fifths vote to increase any tax, and it would not allow revenue to grow faster than national income.

Let us look at the big deficits we have and try to find out what caused them. The Federal deficit has gone from 2.0 percent of our GDP in 1982 to

4.8 percent of our GDP in 1991; from 2 to 4.8 percent. What caused that? It sure was not spending.

If we look at all spending for the Federal Government, other than net interest, including the defense buildup, spending actually declined as a share of GDP from 20.3 to 20.0 percent. If that is the case, then, if it was not big spending, then what did cause the deficits?

Let us look at the revenue side. Corporate income tax revenues in that 11-year period declined from 2.4 to 1.7 percent of GDP; less revenue, deficit. Individual income tax revenues declined from 9.2 to 8.3 percent of GDP; less revenue, bigger deficits.

Fundamentally, our \$4 trillion deficit or debt is caused by loss of revenue. The \$4 trillion debt is caused by the 1981 tax cut and misguided supply-side economics. It is a mistake for us now to tie the hands of future Congresses as this amendment would do. Vote "no" on Barton-Tauzin.

□ 1330

Mr. PANETTA. Mr. Chairman, I yield myself my remaining 30 seconds.

Mr. PANETTA. Mr. Chairman, my concern with all of these amendments is that none of them, none of them tells you how you reduce the deficit. None of them makes the hard choices.

This amendment not only fails to tell you how you make the hard choices, it tells you what you cannot do. If you are going to reduce the deficit, it has to be a shared sacrifice, and everything has to be on the table. Everything has to be on the table, spending and taxes. Otherwise, you do not reduce the deficit.

Ross Perot is right. You do not need it. Leadership cannot be found in any constitutional amendment.

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

Mr. BARTON of Texas. Mr. Chairman, I yield myself my remaining 5 minutes.

Mr. BARTON of Texas. Mr. Chairman, we are here today to protect our future and our children's future. As has already been pointed out, the national debt for each man, woman, and child in this country today is over \$16,000. It is going up at a rate of over \$1,000 a year.

My oldest son, who was born in 1970, has never lived in a year in which the budget at the Federal Government has been balanced. We have had 23 straight years of deficits. The last President to submit a balanced budget and the last Congress to pass a balanced budget was Richard Nixon in 1969. That is an all-time record string of annual deficits for this country.

I must say that I am honored by the caliber of the opposition to the Barton-Tauzin amendment, including the distinguished chairman of the Budget Committee, the distinguished chairman of the Ways and Means Committee, the ranking Democrat on Energy

and Commerce, and one of the senior members of the Judiciary Committee. Sometimes you are known by the caliber of your opposition, and as Congressman DICK ARMEY says, I am getting my rear end chewed on by a better class of people, and I appreciate that.

The main thing that we are debating in Barton-Tauzin is whether if you believe you should balance the Federal budget, which a vast majority of this body does, and hopefully two-thirds will agree to at some point in the day, should you allow or make it easier for taxes to be raised in order to accomplish the balanced budget. Myself, Mr. MILLER, Mr. PALLONE, and Mr. TAUZIN say you should not make it easier to raise taxes. Mr. STENHOLM, Mr. SMITH, Ms. SNOWE, and Mr. CARPER say you take a 60-percent supermajority to borrow money. So do we. Mr. STENHOLM, Mr. SMITH, Ms. SNOWE, and Mr. CARPER say it takes a 60-percent supermajority to raise the national debt ceiling. So do we. Mr. SMITH, Mr. STENHOLM, Ms. SNOWE, and Mr. CARPER say the Congress shall implement, by appropriate legislation the balanced budget amendment. So do we. Mr. SMITH, Mr. STENHOLM, Ms. SNOWE, and Mr. CARPER say a constitutional majority, which is 218 in the House, and 51 in the Senate are necessary to raise taxes. We say a 60-percent vote is necessary to raise taxes greater than the rate of growth in the national income. We are identical to Stenholm-Smith, word for word in four sections. We are totally identical except for some minor terminology in seven of the eight sections. The difference between their amendment and our amendment is in the vote received to raise taxes.

Since 1981 we have raised in this country an additional \$555 billion in revenue, an average of \$55.5 billion a year. We have raised spending during that same period \$657 billion. Our problem is not insufficient revenue; our problem is an unwillingness to cut spending.

Myself, Mr. TAUZIN, and Mr. MILLER simply say make it just as difficult to make that decision to raise taxes as it is to borrow money. Nothing more, nothing less.

Many, many groups have endorsed Barton-Tauzin as their preference. Many people, President Reagan, President Bush, and Milton Friedman—the Nobel Prize winner—have endorsed Barton-Tauzin. I am enclosing their letters outlining their support. Thirteen groups, including the U.S. Chamber of Commerce, the National Federation of Independent Businesses have endorsed Barton-Tauzin as their preference.

As PHIL GRAMM likes to say, the distinguished Senator from Texas, everyone wants to get to balanced budget heaven, but we just do not want to make the sacrifices necessary to get there. We know that sacrifices are

going to be made necessary. We are not saying it is a rosy scenario. We know this Congress has got to show courage. I agree with the chairman of the Budget Committee, we have to show courage, but we have to have discipline that will help us get that courage.

This country, time after time, when involved in a military conflict has been willing to make sacrifices. But in every serious war we have had to resort to a draft to get people to do their patriotic duty. That is what the balanced budget amendment is. It is time to institute a balanced budget draft, and the Barton-Tauzin balanced budget amendment simply says that draft shall not make it easier to raise taxes than cut spending.

The late Winston Churchill said he loved America because America always did the right thing after they had tried everything else. We have tried everything else. The distinguished chairman of the Budget Committee has admitted as much on the record in his hearings. It is now time to pass a balanced budget amendment to the Constitution, and the best balanced budget amendment on the floor today is Barton-Tauzin. Please support it.

HOOVER INSTITUTION ON
WAR, REVOLUTION AND PEACE,
Stanford, CA, May 5, 1992.

Congressman JOE BARTON,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN BARTON: I am pleased to learn that you and Congressmen Tauzin, Miller and Pallone have once again introduced a bill proposing a balanced budget/tax limitation amendment to the U.S. Constitution. Such an amendment, provided that it contains, as your bill does, an effective provision for limiting total taxes and therefore total spending, is even more urgent than it has been in the past.

The budgetary developments of the past several years have been counter-productive: total spending, taxes and deficits have all risen as a percentage of national income. These developments render a balanced budget/tax limitation amendment essential if we are to avoid continuing down the slippery slope toward the complete socialization of our economy. We are, by my standards, already more than halfway there. And so far, no alternative mechanism to stop that drift has been proposed.

I strongly support the notion of linking permitted tax revenues to prior growth in national income. Without such a limit, any balanced budget amendment is likely to be a fig leaf.

Sincerely yours,

MILTON FRIEDMAN,
Senior Research Fellow.

THE WHITE HOUSE,
Washington, June 9, 1992.

Hon. JOE BARTON,
House of Representatives,
Washington, DC.

DEAR JOE: Three years ago, in my first address to the Congress as President, I urged adoption of a balanced budget amendment to the Constitution. This is an amendment that many have sought for a long time. It is not radical. It rests on common sense. It would bring to the Federal Government the fiscal

discipline that forty-four States have applied to themselves. Now, at last, there is a realistic opportunity to move this needed proposal forward.

The House will vote on the balanced budget constitutional amendment this week. This vote will bear directly on the quality of Americans' lives for generations to come.

I strongly support the Barton-Tauzin amendment. This amendment would prevent the debt limit or taxes from being raised without the consent of three-fifths of both Houses of Congress. If the Barton amendment fails to gain a two-thirds majority, I will also support the Stenholm-Smith-Carper-Snowe amendment. The Stenholm amendment requires that three-fifths of both Houses of Congress must vote to approve any increase in the limit on the Federal debt held by the public.

The issue of overriding importance is whether we can secure a balanced budget constitutional amendment. This issue is not partisan, it is moral. What is at stake is the future economic security of the American people.

Throughout the history of this great Nation, amendments to the Constitution have been adopted when needed to protect fundamental rights that ordinary political processes may not adequately respect. The Bill of Rights is the earliest and best-known example. A balanced budget constitutional amendment is both necessary and appropriate to protect the interests of a group of Americans who are not yet able to represent themselves: the citizens of future generations.

I urge the Congress to adopt promptly a balanced budget constitutional amendment.

Sincerely,

GEORGE BUSH.

BUSH LEADS THE WAY
(By Ronald Reagan)

LOS ANGELES.—Here I go again. . . .

Ten years ago, in a speech on the Capitol steps, I urged Congress to adopt a balanced-budget amendment. I reminded Congress of a warning by Thomas Jefferson: "The public debt is the greatest of dangers to be feared." Since then, Congress has refused to work with the President and pass the amendment and has shown little restraint in spending.

While pundits will want to blame the White House for deficits, the blame game won't work. Congress alone has responsibility and authority for passing budgets, and Congress alone can balance them. No finger-pointing will change that. As the debt soars toward \$4 trillion, not surprisingly Congress suffers from its lowest approval rating in decades.

But this year, Congress has a chance to restore public faith in our Government. Today it is debating a balanced-budget amendment more seriously than ever before. Several versions compete for approval but each requires these basics: The President must submit a balanced budget; Congress must pass a balanced budget; at year's end, spending cannot outrun revenues, and Congress can engage in deficit spending only if both chambers vote to do so.

The best proposals add something more: a requirement that Congress approve increases in spending and taxation by "super-majority" votes—60 percent of each house. The super-majority requirement insures that Congress treats your money with the same respect that you do.

An amendment as proposed by President Bush will do more than obliterate deficits. It also will encourage wise social and economic

policies. The system does not punish members of Congress when they waste taxpayers' money. It often rewards big spenders with political-action committee contributions and new terms of office.

A sound balanced-budget amendment reverses this trend by restraining spending and taxation. It's important to understand that tax increases don't balance budgets. In recent years, Congress raised taxes dozens of times. In each case, Congressional spending outpaced the tax increase, and the deficit grew.

Today, each new dollar in revenue inspires Congress to spend an additional \$1.59. The way Congress loves to spend money reminds me of a T-shirt I saw that said: "How can I be out of money? I still have some checks left!" A balanced-budget amendment also ought to support growth. If we balance the budget by taking every last dime that workers earn, we haven't accomplished a thing. In the post-cold-war world, the U.S. must remain competitive, strong and vigorous. We must not heap taxes, massive Government borrowing and burdensome regulations on workers and entrepreneurs.

The need to restrain Government gets more urgent every day. Total government spending (Federal, state and local) consumes more than one in every three dollars produced by the economy. Congress has balanced only five budgets since 1950, the last in 1969.

If present trends continue, total debt will exceed our gross domestic product within the next 20 to 25 years. In other words, the Government will owe more money than the economy generates. To put it in perspective, every child in America arrives on this earth owing \$16,000 for the Government's profligacy.

Worse, mandatory spending—entitlement and other programs that grow without Congressional review or approval—consume almost two-thirds of today's Federal budget. In addition, Congress increasingly imposes new burdens on state and local government without providing the money to finance them. That's unfair and irresponsible, and President Bush wisely has vowed to veto measures that include such mandates.

We cannot possibly balance the budget unless we show the courage to bring these programs under control. It doesn't require Draconian action. If we simply limit the growth in spending per beneficiary to the rate of inflation, we save tens of billions of dollars.

But Congress has not risen to this challenge. Even though the amendment is popular with Americans, Congress has refused to pass it. Congress has also refused to give the President the line-item veto most governors have. Even when Congress adopted budget discipline under the Gramm-Rudman-Hollings law, it dropped the restraints at the first opportunity. Some in Congress also want to abandon the restraints of the 1990 Budget Act, just as they begin to take full effect.

A balanced-budget amendment provides the discipline that members of Congress say they want and need. George Washington said in his Farewell Address, "The basis of our political system is the right of the people to make and to alter their constitutions of government." Today, we have a historic opportunity to approve an amendment that restrains spending and liberates the taxpayer. We can take a bold step toward a dynamic society where government is truly the servant of the people.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. MUFUMU). The Chair will remind Mem-

bers that they should not quote Members of the other body.

All time for debate has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. BARTON].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 227, not voting 7, as follows:

[Roll No. 184]

AYES—200

- | | | |
|---------------|---------------|---------------|
| Allard | Gradison | Payne (VA) |
| Allen | Gunderson | Peterson (FL) |
| Andrews (NJ) | Hall (TX) | Petri |
| Archer | Hammerschmidt | Porter |
| Army | Hancock | Pursell |
| Bacchus | Hansen | Quillen |
| Baker | Harris | Quillan |
| Ballenger | Hastert | Ramstad |
| Barnard | Hatcher | Ravenel |
| Barrett | Hayes (LA) | Ray |
| Barton | Hefley | Regula |
| Bateman | Herger | Rhodes |
| Bentley | Hobson | Ridge |
| Bereuter | Holloway | Riggs |
| Bevill | Hopkins | Rinaldo |
| Billirakis | Houghton | Ritter |
| Bliley | Hubbard | Roberts |
| Boehner | Hunter | Rogers |
| Broomfield | Hutto | Rohrabacher |
| Browder | Hyde | Ros-Lehtinen |
| Bunning | Inhofe | Roth |
| Burton | James | Rowland |
| Callahan | Jenkins | Santorum |
| Camp | Johnson (CT) | Sarpalius |
| Campbell (CA) | Johnson (TX) | Saxton |
| Carper | Kasich | Schaefer |
| Chandler | Klug | Schiff |
| Clement | Kolbe | Schulze |
| Clinger | Kyl | Sensenbrenner |
| Coble | Lagomarsino | Shaw |
| Coleman (MO) | Laughlin | Shays |
| Combust | Leach | Sisisky |
| Condit | Lent | Skean |
| Cooper | Lewis (CA) | Slattery |
| Coughlin | Lewis (FL) | Smith (NJ) |
| Cox (CA) | Lightfoot | Smith (OR) |
| Cramer | Livingston | Smith (TX) |
| Crane | Lloyd | Snowe |
| Cunningham | Lowery (CA) | Poglietta |
| Dannemeyer | Luken | Ford (MI) |
| Darden | Machtley | Mrzek |
| Davis | Marlenee | Ford (TN) |
| DeLay | Martin | Frank (MA) |
| Dickinson | McCandless | Frost |
| Doolittle | McCollum | Gaydos |
| Dornan (CA) | McCrery | Gejdenson |
| Dreier | McDade | Gephardt |
| Duncan | McEwen | Gibbons |
| Edwards (OK) | McGrath | Gilman |
| Edwards (TX) | McMillan (NC) | Glickman |
| Emerson | McMillen (MD) | Gonzalez |
| English | Meyers | |
| Erdreich | Michel | |
| Ewing | Miller (OH) | |
| Fawell | Miller (WA) | |
| Fields | Molinari | |
| Fish | Montgomery | |
| Franks (CT) | Moorhead | |
| Galleghy | Myers | |
| Gallo | Nichols | |
| Gekas | Nussle | |
| Geren | Oxley | |
| Gilchrist | Packard | |
| Gilmor | Pallone | |
| Gingrich | Parker | |
| Goodling | Patterson | |
| Goss | Paxon | |

- NOES—227
- | | | |
|---------------|---------------|---------------|
| Abercrombie | Gordon | Olin |
| Ackerman | Grandy | Olver |
| Alexander | Green | Ortiz |
| Anderson | Guarini | Orton |
| Andrews (ME) | Hall (OH) | Owens (NY) |
| Andrews (TX) | Hamilton | Owens (UT) |
| Annunzio | Hayes (IL) | Panetta |
| Applegate | Henry | Pastor |
| Aspin | Hertel | Payne (NJ) |
| Atkins | Hoagland | Pease |
| AuCoin | Hochbrueckner | Pelosi |
| Bellenson | Horn | Penny |
| Bennett | Horton | Perkins |
| Berman | Hoyer | Peterson (MN) |
| Bilbray | Huckaby | Pickett |
| Blackwell | Hughes | Pickle |
| Boehlert | Jacobs | Poshard |
| Borski | Jefferson | Price |
| Boucher | Johnson (SD) | Rahall |
| Boxer | Johnston | Rangel |
| Brewster | Jones (GA) | Reed |
| Brooks | Jones (NC) | Richardson |
| Brown | Jontz | Roe |
| Bruce | Kanjorski | Roemer |
| Bryant | Kaptur | Rose |
| Bustamante | Kennedy | Rostenkowski |
| Byron | Kennelly | Roukema |
| Campbell (CO) | Kildee | Roybal |
| Cardin | Kleczka | Russo |
| Carr | Kolter | Sabo |
| Chapman | Kopetski | Sanders |
| Clay | Kostmayer | Sangmeister |
| Coleman (TX) | LaFalce | Savage |
| Collins (IL) | Lancaster | Sawyer |
| Collins (MI) | Lantos | Scheuer |
| Conyers | LaRocco | Schroeder |
| Costello | Lehman (CA) | Schumer |
| Cox (IL) | Lehman (FL) | Serrano |
| Coyne | Levin (MI) | Sharp |
| de la Garza | Levine (CA) | Sikorski |
| DeFazio | Lewis (GA) | Skaggs |
| DeLauro | Lipinski | Skelton |
| Dellums | Long | Slaughter |
| Derrick | Lowey (NY) | Smith (FL) |
| Dicks | Manton | Smith (IA) |
| Dingell | Markey | Solarz |
| Dixon | Martinez | Spratt |
| Donnelly | Matsui | Staggers |
| Dooley | Mavroules | Stallings |
| Dorgan (ND) | Mazzoli | Stark |
| Downey | McCloskey | Stokes |
| Durbin | McCurdy | Studds |
| Dwyer | McDermott | Swift |
| Dymally | McHugh | Synar |
| Early | McNulty | Tallon |
| Eckart | Mfume | Thornton |
| Edwards (CA) | Miller (CA) | Torres |
| Engel | Mineta | Torricelli |
| Espy | Mink | Towns |
| Evans | Moakley | Trafficant |
| Fascell | Mollohan | Unsoeld |
| Fazio | Moody | Vento |
| Feighan | Moran | Visclosky |
| Flake | Morella | Volkmer |
| Foglietta | Morrison | Washington |
| Ford (MI) | Mrazek | Waters |
| Ford (TN) | Murphy | Waxman |
| Frank (MA) | Murtha | Weiss |
| Frost | Nagle | Wheat |
| Gaydos | Natcher | Williams |
| Gejdenson | Neal (MA) | Wise |
| Gephardt | Neal (NC) | Wolpe |
| Gibbons | Nowak | Wyden |
| Gilman | Oakar | Yates |
| Glickman | Oberstar | Yatron |
| Gonzalez | Obey | |

NOT VOTING—7

- | | | |
|---------|---------|---------|
| Anthony | Ireland | Whitten |
| Bonior | Shuster | |
| Hefner | Traxler | |

□ 1355

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GEPHARDT

Mr. GEPHARDT. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore (Mr. MFUME). Is the gentleman offering the amendment as the designee of the gentleman from Texas [Mr. BROOKS]?

Mr. GEPHARDT. That is correct, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. GEPHARDT: Strike out all after the resolving clause and insert:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

“ARTICLE—

“SECTION 1. Prior to each fiscal year, the President shall propose to the Congress a budget for the United States Government for that year in which total expenditures do not exceed total receipts, unless that budget is accompanied by a Presidential Declaration of National Urgency for that fiscal year.

“SECTION 2. The Congress shall not approve total expenditures in excess of total receipts for the fiscal year unless it has been approved by a majority vote of the whole number of each House by rollcall vote, a Presidential Declaration of National Urgency for the fiscal year.

“SECTION 3. In no case shall the Congress approve a budget for any fiscal year which is estimated to result in a higher amount of total expenditures than those recommended by the President for that fiscal year.

“SECTION 4. Total expenditures shall include all expenditures of the United States Government except expenditures for the redemption of any form of debt and for disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or any successor funds. Total receipts shall include all receipts of the United States Government except those derived from net borrowing in any form and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or any successor funds.

“SECTION 5. The Congress shall have the power and responsibility to enforce this article by appropriate legislation.

“SECTION 6. This article shall take effect beginning with the fiscal year immediately after its ratification.”.

□ 1400

The CHAIRMAN pro tempore (Mr. MFUME). Pursuant to the rule, the gentleman from Missouri [Mr. GEPHARDT] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, to open the debate, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I have, as you know, very great doubts about putting in the Constitution anybody's economic philosophical preferences. But it is apparent to me that the House is determined to do that, and I can live with it.

I can buy the idea of using the moral force of the Constitution to enforce fiscal sanity. What I cannot buy is the idea that we ought to enshrine in the Constitution the principle of minority rule, and that is the only thing that the Stenholm amendment does.

If you examine the Stenholm amendment, you cannot show me one word that cuts one dime off the deficit or one dime off spending limits. All the Stenholm amendment says is if a budget is going to be produced with a deficit other than zero, that we have to have 60 percent of the politicians in Washington agree to that. Now, in my view, that is not going to help the matter; it is going to make it worse.

It is going to raise the cost to get agreement on budgets because every single small group will simply say, “Oh, sure, I will support this, but you got to get my piece into the pie.” That means that the pie is going to get bigger and the cost is going to be more to the taxpayer.

In contrast, the Gephardt amendment does the following: It says that the President every year has to submit a balanced budget. No President has done that in 12 years. It says that if the President disagrees with that, then he must sign a statement of national urgency setting a different deficit target and that target has to be approved by a constitutional majority of both houses. If you have 9 Senators off running for President somewhere, too bad, you still have to have 51 votes in order to pass it.

Third, it says Congress may not approve any deficit whatsoever unless the President first asks to take the country off the zero deficit. And it says that the Congress can approve no budget which exceeds in spending the amount which is asked for by the President.

For those of you who want an item veto, this is better than an item veto. An item veto was never about cost control, it was about power. But what this says is that we would be willing to live with the President setting the spending ceiling but Congress will retain its ability to argue within that ceiling about budget priorities. I think that is a reasonable compromise.

The last thing it does is it says we are going to begin this presumption now, in the here and now, not in the hereafter. Under the Stenholm amendment, the President is not, nobody is, required to submit a balanced budget until 1999. We require that process to begin the first year after ratification.

I do not believe that George Bush ought to be able to pretend to the country that he is for a balanced budget but conveniently support a proposition which would allow him, even if he were reelected for the next 4 years, to be the only future President who would not be obligated to submit a balanced budget to this Congress.

I think the Gephardt-Obey amendment is tougher, it is more real. It is

accompanied, as you know, by a statutory provision which would contain an enforcement mechanism.

Mr. Chairman, the principle that ought to govern us at all times, I think, is the maximization of accountability. One of the reasons this country is so frustrated is because they cannot tell who is doing what and who is responsible for what. When you deny to any majority in our system that ability to actually pass its program on something as basic as economics, you add to the confusion and you add to public frustration, you add to public cynicism. That results in less and less faith in the system. We ought not do that.

That is why we ought to adopt the Gephardt amendment, not the Stenholm amendment.

The CHAIRMAN pro tempore. Does the gentleman from New York [Mr. FISH] rise in opposition to the amendment?

Mr. FISH. I do, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from New York [Mr. FISH] will be recognized for 30 minutes.

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

Mr. FISH. Mr. Chairman, I ask unanimous consent that I be permitted to yield one-half of my 30 minutes to the gentleman from Texas [Mr. STENHOLM], and I ask unanimous consent that he may be able to yield time as he sees fit.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Chairman, I further ask that the Chair recognize Mr. STENHOLM and myself every other time in rotation.

The CHAIRMAN pro tempore. The gentleman may proceed.

Mr. FISH. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I oppose the Gephardt substitute because it does not provide an effective mechanism for achieving a balanced budget. In contrast to other proposals—including the Stenholm substitute—that require a three-fifths vote of the total membership of each House, the Gephardt substitute permits deficit spending if a mere majority of House and Senate Members vote to approve a so-called Presidential declaration of national urgency. Expenditures could exceed income without a broad consensus in the Congress—thus effectively perpetuating the current disastrous situation. Although I commend the proponents of the Gephardt substitute for recognizing the wide support in the country for a constitutional amendment, the pending proposal falls far short of meaningful change.

Those who argue that other proposals threaten Social Security ignore the reality that runaway deficits pose the greatest danger to the integrity of this essential program. A constitutional

amendment that imposes no substantial checks on deficit spending squanders this national opportunity to bring under control the mushrooming interest payments on our national debt—payments that will make it progressively more difficult to meet the needs of our older citizens.

I urge my colleagues to vote against the Gephardt substitute.

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

Mr. GEPHARDT. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. Mr. Chairman, for the last 5 years I have probably handled more discretionary money in the subcommittee I chair than any other subcommittee chairman. As most of us know, in listening to this balanced budget amendment, \$1.5 trillion budgets contain about half a trillion dollars in discretionary and between \$300 and \$260 billion in military spending. Over the years, the subcommittee, your Subcommittee on Defense of the Committee on Appropriations, has cut more from the budget than any other single group. We have cut \$154 billion from the Federal budget. There is no one else who can make that claim.

So we know what it is to cut the budget. My concern with the amendment of the gentleman from Texas [Mr. STENHOLM] is the fact that it puts it off for 6 years. When the gentleman from Wisconsin [Mr. OBEY] and I first introduced this amendment and were joined in by the majority leader, the gentleman from Missouri [Mr. GEPHARDT], we came to the conclusion that this could not be put off any longer. The last balanced budget we had was 1968 and 1969, and since that time it went up gradually until 1980, and then it escalated substantially. But if we are going to discipline ourselves, it has to be done immediately.

□ 1410

If we allow it to go another 6 years, I am convinced we will have a national calamity, and, when they blame the Congress, I got some figures from the Committee on Appropriations which I think are important:

Since 1945 we have reduced the budget by \$188 billion. In other words, budgets submitted by the President have been reduced by \$188 billion. We have reduced \$31 billion since 1979, 201 bills were presented, and 187 appropriation bills have been signed by the President; 14 vetoed, 1 overridden, and 13 worked out and were signed by the President. President Carter vetoed one, on school desegregation. President Reagan vetoed six, five for money. And President Bush vetoed seven, six for abortion and one for the budget.

Now that leads me to believe that there is a misunderstanding about who is responsible. We have a joint responsibility in this Congress with the White

House to reduce the deficit. For the first time in history the interest on the deficit is larger than the defense spending.

But there is no way putting it off 6 years is going to solve the problem. I believe we have to have implementing legislation right now.

I think, in order to discipline this House, all of us have the same idea. I know 2 years ago—in the last 2 years I have been campaigning at home, and people are willing to raise taxes. They are willing to reduce spending, if they see it happening. But they do not have confidence that we are going to do it, and the thing that concerns me about the amendment of the gentleman from Texas [Mr. STENHOLM] is that he is talking about doing it 6 years from now. We are talking about doing it right now.

And I think that is important. I think it is important that we do not put any additional restrictions on trying to pass legislation, and I know how it works, as far as practical politics goes.

I saw somebody get up the other day and talk about unworthy military spending. They talked about unnecessary military spending, and yet we have preserved the free world. We have deterred and kept the world from an international confrontation, a nuclear confrontation, by the money we have spent. The American people have been the most unselfish people in the world by paying for the nuclear deterrent which has prevented a war. So, the money we spent was to prevent a war.

That same person was up saying the defense spending was unworthy. A letter was on my desk asking me to increase our defense budget by \$1.2 billion for a program that he was personally interested in.

So, it goes both ways, and I get it all the time, and all of us do in every program. Mr. Chairman, we want somebody else's program to be cut. We are all in it together. And, admittedly, we have to have some discipline, and a constitutional amendment, without restrictions, starting now, is the answer to our problem.

Mr. Chairman, I urge my colleagues to vote for the Gephardt-Obey-Murtha amendment.

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

Mr. Chairman, first I want to commend the majority leader, the gentleman from Missouri [Mr. GEPHARDT], for making the philosophical leap of now supporting a constitutional amendment. It pleases me that now the majority of my fellow Democrats support the philosophical idea of amending the Constitution. We are now talking about the differences between the amendments, and I rise in opposition to the Gephardt-Obey amendment because it sets an unrealistic date.

If my colleagues have been listening to the chairman of the Committee on

the Budget for the past 2 days now, they have heard him say "difficult, tough choices." We cannot do it in 3 years. Therefore, that is a major reason to oppose this amendment.

Second, and more importantly, the Gephardt-Obey amendment is not the right constitutional amendment because it is dangerous to the very program it purports to protect, Social Security. Three reasons:

The amendment simply lists the names of the two trust funds to be protected. Congress will be able to shift anything it wants to to these trust funds, which obviously will damage the integrity of the program.

No. 2, with this amendment in place there will be great temptation to cut Social Security taxes which would be off-budget as a way of politically balancing the raising of regular taxes. The result of this tradeoff would be to have a balanced budget on the books, but to move toward an insolvent Social Security program unable to enhance or even to protect benefits.

No. 3, the effect of either of the two previous possibilities would be the continued increase in the deficit and the debt. This would serve only to exacerbate what is already the greatest threat to Social Security trust funds, the enormous demand on the Federal Government to make rapidly growing interest payments. This is a danger with a \$4 trillion debt. It is a much greater danger with a potential \$8 to \$10 trillion debt.

I urge my colleagues to oppose this amendment, support the Stenholm amendment. It moves in the direction we need to go without taking unnecessary risks to the Social Security trust fund.

Mr. GEPHARDT. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. APPLGATE].

Mr. APPLGATE. Mr. Chairman, I thank the gentleman from Missouri [Mr. GEPHARDT] for yielding this time to me, and, Mr. President, I rise in support of the Gephardt-Obey amendment. It is the best of a bad lot of amendments to the Constitution of the United States. But I think what it does do much better than any of the others is that it gives us a better working relationship with the President of the United States.

Since 1981, believe it or not, taxes have been cut to individuals in businesses to the tune of about \$1 trillion. Defense was increased in the neighborhood of about \$2 trillion. Interest on the national debt has either tripled or quadrupled. Is it any wonder that we are where we are today with nearly a \$4 trillion total debt?

Now I have heard George Bush and lots of others expound, a lot of Republicans say, "No new taxes." So, I ask my colleagues, "How in the hell do you think that you're going to balance the budget?"

I guarantee that, if we have any one of these, we are going to have to increase taxes. There is no magic wand that is going to do it. Taxes will be increased on individuals, and they are going to be increased on the corporations and the businesses who are sending in the telegrams saying, "Don't vote for anything except Stenholm."

I can say that the programs that are going to be cut are going to be the senior citizens, going to be the veterans, health care, students, Head Start, WIC, and I say, "Hey, take your pick. Whatever you want. You're going to have to take some of them, and, if you don't do it, the courts are going to do it for you."

Yes, there is going to be a balanced budget amendment. It is going to pass, but do not bet the House, and I mean our own House, on the fact that the 38 States are going to pass it.

As my colleagues know, the total debt since 1981 is \$944 billion, and that was since George Washington was in office. Today it is four times that much. And in all those years George Bush and Ronald Reagan said time and time again that the economic salvation to the country is a balanced budget.

Mr. Chairman, I cannot deny that; I cannot say that is not true. Yet in 12 years they have never once, never once ever, introduced a balanced budget to this Congress. Neither one put their guts where their mouth was, and they knew the political consequences of what was going to happen to them if they did that.

But I think what they did, they put their political career ahead of their country, and so did the Congress of the United States.

I stated before that I have an Applegate plan that I think is very good. It is a jump-start plan which will help to get things going, and I think it is common sense, and, if we could pass these programs, there is going to be very little left that we really will have to do, and we do not need the balanced budget amendment to do it.

□ 1420

First of all, No. 1, we will cut foreign aid by 60 percent. That is good. Then we are going to change the trade laws and stop the unnecessary exporting of our jobs and our businesses overseas, give American businesses access to the world trade markets, and put jobs back in the country and have those people pay taxes. So that we are going to resurrect American industries through tax incentives. That means we are going to spend a little bit of money to make money, but we have to do it to offset foreign subsidies.

Reduced defense. None of you defense-minded guys are going to like this, but I say we can reduce it by \$100 billion in 5 years.

Then we are going to collect all of the back taxes from all of the dead-

beats that have refused to pay their taxes to the U.S. Government, and then we are going to collect all of the money from the defaulted loans from individuals and foreign countries.

Then we are going to tax all of the foreign corporations who do business in the United States who get off the hook.

Then we are going to cut waste, cut fat out of all of these Federal agencies, and save many billions of dollars.

Last, we are going to stop selling America, stop selling our farms, our timber, our manufacturing plants, and stop sending everything out of the country. We will put people back to work and we will have the taxes to balance this budget.

Mr. FISH. Mr. Chairman, I yield 3½ minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in opposition to the Gephardt amendment and in strong support of the Stenholm amendment. I would like to make three points.

First, a balanced budget amendment to the constitution only incorporates basic, sound fiscal principles into our founding document. I believe such an amendment merely reflects the assumptions of our founding fathers. They believed government could not spend revenues it did not have. I hope passage of this amendment will assure just that.

Second, we are here today because this House does not obey the laws it makes. This very week many who now rail against a balanced budget amendment voted to provide new benefits to the unemployed, and not pay for them in the year the money is spent. Furthermore, the House did this by breaking the law. Now, the House is much too smart to openly break the law, but waiving our own budget law amounts to the same thing.

This is an important point. We have a law now that requires that new expenditures be backed by the money to pay for them in the year the expenditures are made. That's the law. Earlier this week many of you voted to suspend this law, so we could legally break it. The sad truth is that this House needs a constitutional requirement for a balanced budget because it routinely breaks the laws that require balancing new spending with new revenues.

Will the Gephardt amendment provide the discipline? Not likely, because it allows its waiver whenever there is "urgent need." Just look at the long line of spending bills currently lined up to march through the loophole of the emergency provisions of our pay-as-you-go law that came out of the budget summit agreement. Look at the halls outside this chamber lined with lobbyists who know perfectly well that if we slow deficit spending, their interests will have to compete with others and demonstrate their importance to the

national interest. Currently, only President Bush's stalwart veto has prevented a real surge of spending as the election nears even with our current balanced budget laws. The weak provisions of the Gephardt amendment will not alter this game.

But what will be the consequences of a balanced budget amendment? That is the question worrying many, including our seniors. I believe the consequences will be positive.

First, a balanced budget amendment will give us all good reason to adopt policies that will help the economy grow. Remember all the studies we did in the 1980's on how to make America more competitive? Every study came up with roughly the same dozen or so proposals, to help business compete and expand, but each offended some interest groups so we could never act on most of them. Just this week the Republicans were denied the right to offer a package to stimulate the economy and produce the very jobs that will reduce unemployment. On most of them with a balanced budget amendment, economic growth will be essential to produce the revenues necessary to solve today's problems. With a balanced budget amendment Congress will finally focus effectively on economic growth policies.

Second, a balanced budget amendment will force us to pay attention to early warning signs of big financial trouble. We could have avoided much of the health care crisis now facing us, if we had had to address the cost drives in Medicare, instead of nationally micromanaging prices to get a few bucks here and there to spend elsewhere or mask our sky-rocketing budget deficit. This year, as we spend \$40 billion of Medicare's \$100 billion on last month of life care, we have held no hearing and done no work on how we can responsibly prevent this hemorrhage of limited resources on non-health restoring care. Yet in 8½ years Medicare will probably cost more than any defense budget in our history. The Congress can duck the big problems now because quietly, it just absorbs the loss in the growing deficit.

Will the Stenholm amendment endanger Social Security? Absolutely not. Not unless the Members of Congress vote to change the law and this is certainly one Member of Congress that will not let the retirement security of our seniors be eroded. And frankly, I don't know a Member of this body that is not truly and honestly committed to Social Security benefits and the integrity of the Social Security System.

Mr. Chairman, I say to my colleagues, that a balanced budget amendment will merely restore fiscal discipline to Congress's management of our citizen's tax dollars.

We will care more about economic growth.

We will face the tough decisions in a timely fashion before the costs over-

whelm our resources and damage other needed programs. In fact, we know far better than our constituents the special interests the House will have to take on if we pass a balanced budget amendment * * * but we also know we'll sleep far better. Seniors will be more secure. Taxpayers will regain their confidence in democracy. Children will have a future of opportunity.

I ask my colleagues, to oppose the Gephardt amendment and support the Stenholm amendment. We all know the vote on the Stenholm amendment is the only serious balanced budget vote. Because it is identical to the Senate bill, it will not go to conference and so cannot be stopped by a few powerful men. This time, let the people win.

The CHAIRMAN pro tempore (Mr. MFUME). The Chair would like to advise Members controlling the debate time that the gentleman from Missouri [Mr. GEPHARDT] has 17 minutes remaining, the gentleman from New York [Mr. FISH] has 10½ minutes remaining, and the gentleman from Texas [Mr. STENHOLM] has 13 minutes remaining.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. HUTTO].

Mr. HUTTO. Mr. Chairman, I rise not in opposition to any of these amendments, but in support of the Stenholm balanced budget amendment. This is the true balanced budget amendment that our Nation needs to put our fiscal house in order. No one has a greater commitment to the future of America than CHARLIE STENHOLM and it has been a pleasure working with him all these years. We believe the time has come to get our Government on the right track.

When I speak to my constituents about the deficit, I try to explain that the American people and Members of Congress want to reduce the deficit, but at the same time do not want a reduction in Government programs. We all know that something must give.

The Stenholm balanced budget amendment will provide the stick to see that the tough decisions are made to reduce our deficit. This is not an easy vote, but we must stand up now for the sake of our Nation's fiscal future and get us out of the sea of red ink.

As I watched my daughter graduate from college yesterday, I realized that our Nation has not had a balanced budget during her lifetime. Much has been said about leaving this debt for future generations to bear. We must correct this injustice. We simply cannot afford to mortgage the future of our young people.

This constitutional amendment for our fiscal future is a necessity if there ever was one. The times demand it. We cannot continue to go on the way we are going. We must not think about special interests or what might happen when tougher votes follow. The Amer-

ican people sent us here to do what has to be done and they deserve our devotion to duty.

I urge my colleagues to put aside the bickering over how to reduce the deficit and agree that we absolutely must balance our budget. Vote for the Stenholm balanced budget amendment and for this Nation's fiscal recovery.

Mr. FISH. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CAMPBELL].

Mr. CAMPBELL of California. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, I believe that this is a very important day in the history of our country. I would like to support a constitutional amendment to limit the deficit of our country; but I have a problem with the distinguished majority leader's version. It is a sincere problem, and I would like to express it. Indeed, I would even yield what time I might have to hear an answer, if possible.

Mr. Chairman, as I read the amendment offered by the distinguished majority leader, the President must submit a balanced budget, and it could be, let's say at 50 percent of today's spending limit. The Congress then has to deal with a budget of, let's say, 50 percent of today's spending limit, and they decide they just cannot do it, we are going to have to spend some more.

As I read the amendment offered by the distinguished majority leader, they are not empowered to do it. Even two-thirds of the House and two-thirds of the Senate are not empowered to do it, because they cannot do anything except approve a Presidential declaration of national urgency.

The only way to go above the expenditure limit is if the President first puts in that declaration of national urgency and then the Congress comes back and approves it. That is where the gentleman from Missouri [Mr. GEPHARDT] has a requirement of a majority vote on a rollcall.

If I am right in my interpretation of that, we have for the first time in over 200 years created an absolute veto. It cannot be overridden by two-thirds of the House and Senate.

We have done very well in this country these 200-plus years with this as a backstop: if the President is irresponsible, two-thirds of the House and two-thirds of the Senate can make law anyway. But as I read this, it would no longer be so.

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

Mr. CAMPBELL of California. I would be pleased to yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding.

Let me simply say I think that is the strongest feature of this approach. I would urge the gentleman, because I know he is a very thoughtful person, to

read the statement before the Committee on Rules by Lou Fisher of the CRS, the testimony he gave in March 1991.

□ 1430

Mr. CAMPBELL of California. Mr. Chairman, if that is the case, I would respond, I respectfully understand but this is very, very dangerous. If the gentleman's answer is, I got it right; let me just repeat for all of my colleagues, two-thirds of the Senate, two-thirds of the House cannot do what they think is right if the President decides not to issue that national declaration.

We have never done that before. It is an absolute power to the Executive. We should not do it. I cannot, in good conscience, support it.

Mr. GEPHARDT. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Chairman, philosophically I am opposed to messing with the Constitution to try and solve an economic and financial problem. I talked yesterday about the need for will and political courage in the House. I want to address that because I came from a notch year correction news conference held at noon today.

I would like to call to the attention of the House that I discovered a problem. We have identified some Members, and I do not know who those Members are but I wish they would stand up when they are voting here today and identify themselves. There are 287 Members of this House that are in favor of correcting the notch inequity that came into the law when we compromised the Social Security problem. There are going to have to be 290 Members who vote to amend the Constitution. That will forever close the possibility of correcting the notch years. Let me repeat that to the notch year citizens that are listening to this program. The passage of this amendment will for all time prevent the correction of the notch years.

We discovered there has to be 143 hypocrites in this House. I am not going to identify myself as a hypocrite because I am on the notch year correction, and I am going to vote against the Stenholm amendment to the Constitution that will prevent its correction. But before my colleagues cast their vote, will they raise both of their hands today and say, I am a hypocrite on the notch year, but I am happy to be responsible on balancing the budget?

But we cannot have it both ways. And maybe that is the problem, the lack of will and courage and political guts in this House, that we are going to have 143 Members of this House prove conclusively that they are hypocrites on the notch years with the senior citizens and they are going to try and appeal to the other 70 percent of the population and say they were responsible for a balanced budget.

My colleagues, we cannot have it both ways. Please, take off the cloak of

anonymity and identify yourselves. Those senior citizens and those notch year babies have a right to know that you are not going to support what you say you are supporting.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I will vote against this and all of the proposals to amend the U.S. Constitution to require a balanced Federal budget.

What we need in order to accomplish a balanced budget is not a constitutional amendment. What we need is leadership and followership.

We desperately need leadership from the White House. The American people are crying out for leadership. On deficit reduction, we have not had leadership for 12 years.

We also need followership from Congress. If the President leads, Congress must follow. I believe it will.

With Presidential leadership on deficit elimination, a constitutional amendment is unnecessary.

Without Presidential leadership and responsible congressional action, a constitutional amendment will hardly be worth the paper it is written on. The bottom line is that simple.

Leadership is the key.

Mr. GEPHARDT. Mr. Chairman, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I want to say, I think this is a very, very important amendment. And I hope Members pass it because of one reason.

We have a system in this country in which irresponsibility is what is rewarded. And if we want to be responsible, we are in real trouble politically.

The only way we are going to make this work is to deal with something like the Gephardt amendment which talks about the Presidential role, and the President must have a role in this.

Think about it. If we had been in a parliamentary system for the last so many years, this Government would have fallen year, after year, after year, because we have not had a President that could bring a budget to this floor that could get anywhere close to a majority.

Therefore, they can act very irresponsibly, and that gives the Congress a very low target to hit at.

I think what the Perot phenomenon is is they are tired of us saying it is the President's fault. They are tired of the President saying it is the Congress' fault. They want to see something done about this, and as I look at these different amendments, it seems to me that the Gephardt amendment is the one that says "Both have to deal." And until we get both dealing, I do not think we are going to have anything come out the other side.

I have never been for constitutional amendments for this. I do not think one runs to the Constitution every sin-

gle time there is a problem, that it is supposed to be a large generic document. But this is the first year I have finally decided something absolutely must be done. But while we stand up, we must not stampede. We must not totally stampede this institution or the Constitution.

I think that the substitute we are talking about here is the one that is best written. It is the one that keeps the two branches of government in the loop. We must realize that the Office of Management and Budget and the President is still the chief fiscal officer of this Government. If we do not like that, we ought to change that.

But to give them that power and not give them any responsibility will never solve the problem.

Mr. FISH. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN of New York. Mr. Chairman, I cannot think of any more clear evidence of the demoralization of the Democratic leadership of this House than the Gephardt proposal. It is not the President of the United States, it is not the Senate of the United States, it is not the Supreme Court which under our Constitution has the primary authority to deal with fiscal matters.

Under our Constitution, all revenue bills must originate in this House and, by long tradition, all appropriation bills originate in this House.

But rather than assume the responsibility which the Constitution and long tradition have imposed on this body to shape the fiscal course of the Nation, the Democratic leadership now proposes to give away our historical constitutional powers to the executive branch, as the gentleman from California has described.

I think that shows that the Democrats, after 38 years of control of this House, have simply lost the ability to govern and to fulfill the constitutional responsibilities and the historic responsibilities that this House has.

Giving away our powers to the executive branch is not the answer. Exercising those powers, responding to our responsibilities under the Constitution and our historical traditions is the way to deal with the deficit.

And if the Democratic leadership is not prepared to do that, I think it is time for the Nation to change that leadership and give others with more responsibility that opportunity.

The CHAIRMAN pro tempore (Mr. MFUME). The Chair would advise Members controlling debate time that the gentleman from Missouri [Mr. GEPHARDT] has 13 minutes remaining. The gentleman from New York [Mr. FISH] has 6½ minutes remaining, and the gentleman from Texas [Mr. STENHOLM] has 10 minutes remaining.

Mr. GEPHARDT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Chairman, I thank the gentleman for yielding time to me.

I do rise in support of the balanced budget amendment to the Constitution of the United States. I think it is extremely important, however, that we understand what it is that we are about to do should we adopt the Gephardt amendment, the one that I support.

Mr. Chairman, today I reluctantly rise in support of a balanced budget amendment to the Constitution. Reluctant not because I disagree that as a matter of public policy a balanced budget is necessary or that a constitutional requirement for such is not desirable; but because the Stenholm amendment does not do what it claims to do. The Stenholm amendment will not balance the budget. I have long been a supporter of a balanced budget amendment. As a member of the Texas State Legislature, I operated under a constitutional requirement to maintain a balanced budget for 10 years. For 10 years, my colleagues and I did just what you and I should be doing now, that is to make the tough decisions and to establish priorities for government spending. We must balance the Federal budget and we must take the steps to balance it immediately. Today, Mr. Chairman, I rise in support of the majority leader's substitute because it is a better amendment. The Gephardt substitute is a real amendment—not just another charade, not a lie to the American people. This substitute amendment will require George Bush to finally, after 12 long years, submit a balanced budget to the Congress for consideration.

This substitute measure does not require supermajorities of votes to conduct the business of government. The supermajority provisions contained in the Stenholm amendment, which would serve only to empower the minority, are both ill-conceived and dangerous. Majority rule has prevailed in this country for 200 years, and I see no reason to change that system of government now. Majority rule lies at the very heart of democratic government. I am not willing to let the minority, particularly this minority, set fiscal policy for this country. Because we all know what sort of economic policies the minority embrace. They support the supply side, trickle down, voodoo economics of George Bush and Ronald Reagan. An economic policy which declares we can reduce government revenues and increase spending, that we can shift the tax burden from the wealthy to the working men and women of America, shift massive amounts of wealth from the middle class to the wealthiest and everything will be fine because the free market will take care of us. Well, we all now know from painful experience that that policy is a dismal failure. Now 12 years later, as we find ourselves in a seem-

ingly unending recession, when this President is in serious political trouble, he is looking for cover in the form of an amendment which will give power to the minority. The failure of Republican economic policies over the last 12 years has brought us where we are today.

More importantly, under the Gephardt substitute Social Security will be exempted from the budget calculations under the provisions set out in the substitute. It therefore protects Social Security from possible spending cuts. Social Security is not a social welfare program. Social Security is a contract between this Government and the people of the United States, many of whom have served our country valiantly in two World Wars, people who have contributed into this system and relied upon their Government to protect their retirement benefits. The American people understand that payments into the Social Security trust fund are separate from revenue. They work hard in the fields and factories of this country to make their contributions into the Social Security trust fund; those payments should not be subject to any fiscal policy relating to our inability to balance the national budget.

Additionally, the Gephardt substitute will take effect immediately upon ratification; not in 5 or more years, but immediately. It is not enough to make a politically easy vote and then simply ignore the problem for the next 5 years. Let us make everyone who claims to support balanced budget amendments live with the consequences of the vote we will be making today. Let us vote for legislation that will take effect immediately. While the President purports to be a champion of a balanced budget amendment, he has had 12 opportunities to present a balanced budget to Congress and has yet to do so. His latest budget, submitted just a few months ago, provides for \$2 trillion of new debt over the next 5 years. It is imperative to pass legislation that takes effect immediately if we are serious about reducing the debt and not simply paying the measure lip service in an election year.

Make no mistake about it, our decision today will have a lasting impact on government's ability to deal with the problems of a modern America and rapidly changing world politics. The easy vote today, the most politically attractive vote today is, of course, to vote for the Stenholm amendment. But it is the wrong vote. Why do we not start today making the tough decisions. Why do we not start today casting the tough votes and support the Gephardt substitute and defeat the Stenholm amendment. If you think government is stalemated today, if you think there is a mess, if you think that we cannot get anything done today,

just wait until the Stenholm amendment becomes law. Let us not compound the mistakes of the past 12 years by tying our hands. Let us do the right thing. Let us make the tough choices. That is what we were sent here to do.

□ 1440

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL of North Carolina. Mr. Chairman, our Constitution is a document of freedom, and the first 10 amendments go even further to protect our people from damaging government action.

I've come to see this constitutional amendment to require balanced Federal budgets in much the same light as I see our first 10 amendments—as a limitation on the Government's power to harm our people.

Mr. Chairman, if we could choose one policy that would do more than any other to solve our country's economic problems, it would be to increase our level of savings. And the Federal budget deficit is the single largest dissavings in our economy.

Savings are essential if we are to generate new plant and equipment to provide new, more competitive, higher paying jobs for our people. Increased savings is the key to a prosperous future. And conversely, Mr. Chairman, hardly any policy will do more damage to our people than continued deficit spending. If not reigned in, deficit spending will turn our country into a banana republic, staggering under a load of debt, unable to compete, unable to grow and provide jobs, unable to improve education, unable to care for our environment, unable to improve health care, unable to fight drugs and crime, and unable to offer hope and opportunity for our people.

In just the last 12 years, Mr. Chairman, we have quadrupled the national debt. It took over 200 years to accumulate just under \$1 trillion of debt and most of that debt was incurred during wartime. But in the last 12 years we have increased our national debt by over 400 percent to more than \$4 trillion. We did so by following policies recommended by Presidents who were reputed to be the most conservative in recent times.

It is a shame that this constitutional amendment is necessary. But if we won't be fiscally responsible under a conservative President, during peacetime, when economic conditions are good, then when will we? I am convinced, Mr. Chairman, that we will not solve our budget problems without the discipline of this constitutional amendment.

Mr. Chairman, there always seem to be good reasons to increase debt. In the 1960's it was for guns and butter—to finance the Vietnam war and social pro-

grams at the same time, without increasing taxes. In the 1970's it was to avoid recession and create employment. In the 1980's it was to cut taxes and increase military spending. In the 1990's it is simply because government seems unwilling to face up to the deficit problem—an unwillingness to pay our bills. It is that unwillingness to pay for what we want, a continuing unwillingness to take the responsible view, that necessitates a constitutional amendment.

I became convinced a long time ago, even before the last 12 years of folly, that we should require the discipline of a balanced budget. In 1977, I first introduced a balanced budget amendment, one that I think is superior to what we're considering here today, because of its simplicity and its consistency with the rest of the Constitution. I will not be able to offer my amendment because of the rule under which we are proceeding today. But let me point out that if we had passed such an amendment when I first offered it in 1977, this Nation would have \$3 trillion less in debt. But, better late than never and definitely better the Stenholm approved than nothing. We can spare ourselves and our children, and our grandchildren a lot of debt and agony if we pass the amendment before us today.

My version of an amendment House Joint Resolution 25, says quite simply:

Except in cases of national emergency, as determined by a three fifths vote of the Congress, expenditures of the United States government in fiscal year shall not exceed its revenues for that fiscal year.

This is a broad statement of principle, consistent with other amendments to the Constitution. It's clear and easy to understand. It's not a complicated formula, and it provides for much needed flexibility if there is a war, recession, disaster, or other national emergency. Under this approach, a balanced budget would be required, but Congress and the administration would be able to deal with any true national crisis. I like it better than the Stenholm version but its really not very different.

In essence, both amendments would make it more difficult for us to spend and would require us to choose. That is really what a Constitutional amendment to stop deficit spending is all about—a requirement that we establish priorities and choose. We would set limits and then decide in our democratic way how to spend a limited pot of money.

Mr. Chairman, in addition to House Joint Resolution 25, I have also introduced House Joint Resolution 26. House Joint Resolution 26 includes the same language as House Joint Resolution 25, but also limits spending to no more than 20 percent of the gross national product. The 20-percent limitation also could be waived in a national emergency, as determined by the Congress.

The 20-percent cap commits us to at least an 80-percent private sector economy. I know that this is a little arbitrary, but for a long period of time, from after World War II, for about 20 years, we had generous social programs and paid for much of two wars, and yet Federal Government spending never exceeded 20 percent of the gross national product.

Our economic strength and jobs are essentially derived from our private sector. It is our strength and we should maintain a commitment to it. Incidentally, if spending is not allowed to exceed 20 percent of gross national product, taxes should not exceed that amount either, so this approach would automatically have the effect of capping taxes.

I think this concept of a commitment to a private sector economy is as important as a commitment to a balanced budget. We could have a balanced budget with government taking and spending half, or 60 or 75 percent, of the gross national product, and that certainly would not be a desirable outcome. I think that political pressures will hold Federal spending to some reasonable level over time, but I believe this 20-percent limit would be a most valuable one and I wish we could have adopted it today.

If we had passed an amendment in 1977 we also would not have to be spending about \$240 billion a year to pay interest on the new debt that we've accumulated under the Republican economic plan. This debt is like a whole new government program; the interest payments are the third largest item in the budget—after defense and Social Security. This new program is totally nonproductive and devours revenue that should go to other national priorities such as education, health care, and the environment.

Mr. Chairman, I would now like to deal with some of the criticisms raised by our colleagues regarding this proposed constitutional amendment. First, the argument that all we need are laws, that a constitutional amendment is not needed. We should all know by now that laws against deficit spending are inadequate. We have passed numerous laws against deficit spending over the years, but all of these have failed because any law can be superseded by another law. Clearly, a law alone is not adequate.

Some argue that this amendment is not a good idea because it doesn't say how we will accomplish a balanced budget and doesn't contain any mechanism to enforce a balanced budget. That's correct but it is also irrelevant. Neither the first amendment guaranteeing freedom of speech and religion, and so forth nor any of the others are self-enforcing. That's up to our Government.

Of course we won't end deficits just by passing this constitutional amend-

ment. The amendment sets national policy, but it will be up to the Congress and the President to implement that policy. Just as there are constant challenges to and debates about the constitutional amendments protecting our freedoms of speech, religion, and so on, we will have to face challenges to the balanced budget amendment. There will be attempts to evade or modify the amendment.

Mr. Chairman, we will have to work constantly to make sure that the balanced budget concept is implemented honestly. We will have to enforce this amendment by appropriate legislation. Laws will be needed to lay out procedure for developing annual budgets and one of these should require that the President submit an annual balanced budget.

Congress might have to pass other laws as well to assure that the amendment is not evaded through clever accounting or creative definitions. A new process of adopting and passing budgets might have to be developed. And Mr. Chairman, I expect the courts may eventually rule in cases affected by this amendment, at which time Congress and the President might agree that fine tuning through the legislative process is necessary.

None of these potential problems is a legitimate argument against passing the amendment.

Mr. Chairman, others have argued that passing this amendment would somehow violate the spirit of our Founding Fathers, that the Founding Fathers would not have wanted any economic ideas in the Constitution, that we would trivialize our Constitution by adding this constraint.

Not so, Mr. Chairman, I did a little research to determine what the Founding Fathers had to say on this subject. I quickly found that the men most active in writing our Declaration of Independence, Constitution, and Bill of Rights looked favorably on the kind of amendment we are considering today. The Founding Fathers would be appalled by our Government's financial mess and probably would regret not having included a balanced budget provision in the Constitution.

Let us consider these words of advice from the Founding Fathers:

THOMAS JEFFERSON

"I wish it were possible to obtain a single amendment to our constitution. I would be willing to depend on that alone for the reduction of the administration of our government to the genuine principles of its constitution; I mean an additional article, taking from the federal government the power of borrowing."—letter to John Taylor, 1798.

"I place economy among the first and most important of republican virtues, and public debt as the greatest of the dangers to be feared."—letter to Governor Plumer, 1816.

"I am for applying all the possible savings of the public revenue to the discharge of the national debt."—letter to Elbridge Gerry, 1799.

"To preserve our independence, we must not let our rulers load us with perpetual

debt. We must make our election between economy and liberty, or profusion and servitude."—letter to Samuel Kerchival, 1816.

"There does not exist an engine so corruptive of the government and so demoralizing of the nation as a public debt. It will bring on us more ruin at home than all the enemies abroad * * *"—letter to Nathaniel Macon, 1821.

GEORGE WASHINGTON

"Avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions in time of peace to discharge the debts which unavoidable wars have occasioned, not ungenerously throwing upon posterity the burthen which we ourselves ought to bear."—Farewell Address, 1796.

JAMES MADISON

"I go on the principle that a public debt is a public curse, and in a republican government a greater curse than in any other."—letter to Henry Lee, 1790.

Yes, Mr. Chairman, the Founding Fathers knew well the dangers of public debt. They would not find fault with what we are doing here. In fact, they probably would scold us for not doing it sooner, for letting ourselves get in this mess.

Mr. Chairman, by adding a balanced budget amendment we will help protect our citizens from irresponsible government—from fiscal policies that, if not checked, will bankrupt our country and rob us of our economic potential and freedom. It is essential that we pass this amendment today.

Mr. GEPHARDT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, on August 14, 1935, when he signed the Social Security Act, President Franklin Roosevelt said this:

We can never insure 100 percent of the population against 100 percent of the hazards and vicissitudes of life. (But we have tried to frame a law which will give some measure of protection to the average citizen and his family * * * against poverty-ridden old age.

This program, in good times and in bad, in peacetime, and in war, has been the most successful, most effective and most popular social program enacted by this Government in our history.

Uniquely, among the arsenal of Federal efforts, Social Security is running a surplus and doing its job.

In its very first budget, the Reagan-Bush administration asked for \$20 billion in Social Security cuts. These were the cuts that became law in the Omnibus Budget Reconciliation Act of 1981. The minimum benefit was eliminated, and death benefits were trimmed back. None of the savings were dedicated to the solvency of the system; all were claimed for deficit reduction.

Now, \$3 trillion in Federal debt later, in a year the Federal Government will spend \$400 billion more than it will take in, the supporters of the Stenholm amendment say we can balance the Federal budget without touching Social Security.

If that argument is correct, and I believe it is, there is every reason to

write into the balanced budget amendment to the Constitution an exemption for Social Security, and every reason to be concerned about an amendment that is silent on this issue, in view of what occurred a little more than a decade ago.

The fundamental difference between the Gephardt-Obey-Bonior amendment and the Stenholm amendment is that our resolution specifically protects Social Security and the Stenholm amendment is silent and leaves it vulnerable.

There is no disagreement between the sponsors of the amendments voted on today over whether the budget should be balanced.

Yes; we will still need enforcement tools, and the will to make the difficult decisions. But we will also need the moral authority of the Constitution to buttress and reinforce our efforts to get control over deficit spending.

So our amendment requires the President to submit a balanced budget every fiscal year. Although Presidents Reagan and Bush believe so much in a balanced budget, and as President Bush lobbies hard for an amendment without the Social Security exemption, neither of these Presidents in 12 years submitted a balanced budget to the Congress. Adoption of our amendment will require that this be done.

We will dispense with the annual dead on arrival exercise of political gamesmanship and require the exertion of national leadership on both ends of Pennsylvania Avenue.

Although the Congress has appropriated less than what both of these Presidents requested, our amendment prevents this body from approving any budget which spends more than the budget submitted by the President.

Our amendment acknowledges that severe emergencies may force this Government to take extraordinary measures or risk economic collapse. These circumstances may impel the President to send Congress a declaration of national urgency.

If the cause is legitimate, our response should not be encumbered by the actions of a willful minority. So our amendment preserves the concept of majority rule in adopting unbalanced budgets when they are necessary.

If a balanced budget Constitutional amendment is to be adopted, as the sponsors of this amendment believe it should, it must embody the right policy, it must require Presidential leadership, it must preserve the principle of majority rule, and it must protect Social Security. Our amendment accomplishes these ends.

I urge my colleagues—do in your heart what you know is right. Vote your conscience and for the right policy to get this important job done. Choose a path for deficit reduction that embraces good values, and that offers the best approach for a balanced bud-

et and a just society. I urge adoption of the pending amendment.

□ 1450

Mr. FISH. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GRANDY].

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

Mr. Chairman, I am going to provide reluctant support for the Stenholm amendment, but I will rise in vigorous opposition to the Gephardt balanced budget alternative, because this proposal is the epitome of how we should not proceed in the discussions on balancing the budget.

Attempts to fence off heretofore sacrosanct programs such as Social Security from budget calculations are exactly what has caused us to reach the sorry impasse that now requires a constitutional remedy for what statutes could not fix. And if we support Gephardt today, we are basically taking what is already a fairly cynical exercise and imbuing it with a hypocrisy which is unworthy of this debate.

I did not support the Barton amendment because I do not think you can take taxes off the table if you are going to try and solve a \$400 billion deficit problem. And simultaneously, you cannot take entitlements off the table if we are serious about enforcing the mechanism we hope to pass today. In the last few days, if you are like me, you have received many calls from seniors terrified that what is going to happen is that they will be impoverished by deep cuts in Social Security because of this balanced budget amendment. These politically generated horror stories are speaking volumes about the need for a constitutional amendment, a mechanism that does not prefer one program over another.

Let us replace that politically motivated horror story with a real one. Today, one in every five children in America lives in poverty, yet 60 percent of all Federal spending goes to just 12 percent of our population, the elderly. The elderly in America have the highest amount of discretionary income of any demographic group. In 1991, however, we spent \$4.6 billion providing Medicare benefits to households with incomes over \$100,000 or more. Of the \$1.78 trillion the Federal Government spent in 1989, \$339 billion or about 28 percent went to people over 65—nearly all of it distributed in nonmeans tested programs. But in contrast, children received only \$47 billion or about 4 percent of total Federal spending, and almost every one of those programs is means tested. Means tested, Mr. Chairman, for people who have no possible means of income.

If you support this amendment, if you support this version, you are not just pitting entitlements against discretionary spending, as did Gramm-

Rudman. You pit entitlements against each other. You pit Social Security against Medicare. But what you are really doing is pitting grandparents against grandchildren. That is an intergenerational war which nobody wants, and nobody can win.

Vote "no".

Mr. GEPHARDT. Mr. Chairman, I yield such time as he may consume to the gentleman from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. Chairman, I rise in support of the Gephardt-Obey amendment.

Mr. Chairman, the concern for the specifics of a deficit reduction plan apply whether a balanced budget amendment is passed or not—unless you believe that the continued massive deficits are sustainable over the long term. The grim reality of an explosion of interest payment liability has already resulted in a budget that applies more money to paying off bonds to the wealthy than is contained in the entire discretionary portion of the Federal budget. This liability is not only threatening to tie Congress' hands for all time relative to developing new responses to domestic problems, but constitutes world history's greatest transfer of wealth from working people to the affluent.

Since health care cost increases are combining with interest payment increases as the engine pushing higher budget deficits, it appears to me that a balanced budget approach will virtually mandate an aggressive national program of health care and cost containment.

Keynesian economics is supposed to involve governmental deficits during times of economic recession. We have been creating huge deficits during times of economic growth and now find the budget so strapped that meaningful pump priming from the Federal budget is impossible. The balance between revenue and operating budgets has to be restored to make future Keynesian initiatives possible. Further, the amendment being considered allows deficit spending with a 60-percent vote—the same vote that is required in the Senate for cloture. The House will have to live with voting requirements that have always existed in the Senate, but that shouldn't prove impossible.

Implementation of a balanced budget will likely involve a combination of tax increases, means testing of entitlements, and program cuts. It must include an aggressive health care cost containment plan.

I sometimes have the impression that some of the people who speak in opposition to a balanced budget amendment are not really so concerned with the Constitution as they are worried about actually having to terminate a \$400 billion per year addiction to public debt. Withdrawal from addiction is always painful, but for the sake of preserving the Federal Government's ability to deal with social problems of the future, it is essential that we begin the process now.

Greater leadership from the White House and Congress would have been far preferable to an amendment, and there is assurance that an amendment will work significantly better than Gramm-Rudman or the 1990 bipartisan budget plan. Nonetheless, I support efforts to

impose on elected officials a need to make clear choices, and on American public to recognize that the Reaganomics have your cake and eat it too days are over.

Mr. GEPHARDT. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I come to the well today not opposed to a constitutional amendment. I can support the amendment offered by the gentleman from Wisconsin [Mr. OBEY], because I believe it provides the flexibility needed for us to face up to our fiscal emergencies, and because I think it does provide for a shared responsibility between the executive and the legislative branch. And I am going to be among I guess many who will admit that when the Budget Act of 1974 was adopted we left the Executive out of the process.

The President today is not accountable really. He sends a package up here, and it is either dead on arrival or ignored by his own administration. We need to bring the Executive into the process. But we need to do it on a fair and equitable basis, and the Obey resolution does that. It gives the President the burden and the glory, if he can succeed in submitting a balanced budget. And it makes him play a role that I think we have long neglected.

But it also forces us to face up to our responsibilities and to vote up or down every year if we are not prepared to pass a balanced budget.

We need in this process more accountability. We do not need supermajorities that cause us to spend more money to induce the minority into coalition politics so in fact we can do our business.

I come from the State of California which is in constant gridlock because it requires more than a majority to pass any kind of funding, whether it is taxes or spending increases, the State budget, what have you. We do not need to go down the road toward further gridlock. We need to be working back toward accountability so that the majority can rule, and if it does not do the work of the people, it is more easily identified and thrown out of office.

The public understands that we have not been making the tough decisions. It seems to me the best way to make sure that in the future they can tell who has been doing the job is to let the majority rule, and if they fail, let them pay the price.

It seems to me that the Obey resolution does preserve that very important principle, and I urge my colleagues who believe it is time for a constitutional amendment to balance the budget to take that fair and equitable solution.

Mr. FISH. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. ARCHER], the ranking Republican on the Committee on Ways and Means.

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

Mr. Chairman, I would say to my colleagues that in my opinion, this moment, this week, is historic for this country. We will probably not make a more important decision in our congressional lives as to whether we keep this democracy under the framework of a constitutional republic or whether we jeopardize it, because we are only a 200-year-old experiment, doing rather nicely, but with no guarantee that it will go on forever.

Four hundred years before Christ, Socrates in the great Greek democracy said, "when the masses of people find they can vote themselves prosperity from the public treasury, democracy is no longer possible." How close are we to that?

And there are those who say all we need to do is embrace our responsibility as Congressmen, by simple statute. What have we been doing for the last 21, 22 years? Budget act after budget act, balanced budget act after balanced budget act, Gramm-Rudman, the Budget Enforcement Act of 1990. Where has that responsibility been exercised by a majority in Congress.

We are kidding ourselves when we talk about flexibility. Greater flexibility is not what we need. We need a discipline written into the Constitution of this country to give us a chance to survive for another 200 years. And we need it without taking major areas off of the inclusion within the mandate to debate the priorities in full, then make those decisions, tough as they are. We have done it in Texas year after year because it is in our Constitution, and it works.

But when it became clear to the Democrat leadership that we were going to have a significant chance to pass the Stenholm-Smith constitutional amendment, which has the only broad-based support on a bipartisan basis with a chance to get two-thirds of the vote, there was a concern that maybe it just might pass. And so they devised this stalking horse, the Gephardt-Obey amendment, to siphon off enough votes, and to give cover for those who do not want the discipline. It is that pure and simple.

If you want the discipline, vote against Gephardt-Obey and vote for Stenholm-Smith.

□ 1500

Mr. STENHOLM. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Chairman, as I have done many times, I rise in support of a balanced budget amendment, but I have to rise in opposition to the majority leader's amendment.

The gentleman from Missouri [Mr. GEPHARDT] is a good majority leader, but today he is wrong on this amendment.

Fourteen years ago when I first came to Congress, I stood proudly with the

gentleman from Texas [Mr. STENHOLM] and six other Members and advocated a balanced budget amendment. I came to this body under unusual circumstances. My husband had died while a Member, and he was running for reelection. Within 24 hours, I was the nominee to take his place on the ballot. I was elected to represent the people of the Sixth Congressional District of Maryland.

It seems to me, as a housewife and a mother and a volunteer in my community, that you had to pay your bills. You could not spend what you did not have. If the money was not there, it did not come out of the checkbook.

How naive I was. We have continued to spend, and spend, and spend. The things that I thought were true then are still true today, all except for one: spend, spend, spend. Now, 14 years later, you, my colleagues, have an opportunity to join with that original group of eight and support the Stenholm amendment.

Mr. Chairman, we can show the American people that Congress can and will address and make the hard choices. We need to defeat the Gephardt amendment.

Mr. FISH. Mr. Chairman, I yield such time as he may consume to my friend, the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, I rise in opposition to the Gephardt amendment and in strong support of the Stenholm amendment.

Mr. FISH. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Chairman, Oliver Cromwell said of the unproductive Long Parliament in 1654, "It is not fit that you sit here any longer," and with that it was dismissed. The American people, I think, should be looking to say the same thing to the House of Representatives in which I serve today.

I rise in support of the Stenholm amendment and in opposition to the Gephardt amendment.

I want to share with my colleagues and the American people that there is hope for all of us without savaging Social Security or cutting it one bit. This Member from California, a member of the Committee on the Budget, presented an alternative budget earlier this year that, would you believe, would have got us to a balanced budget by 1996 by restraining the growth in Federal spending. That is what is necessary. What is lacking in this institution is any ability to restrain growth. It would have gotten to a balanced budget not by raising anybody's taxes but by restraining growth in domestic discretionary, and in defense, and foreign aid. We would have frozen them essentially. With foreign aid, we would have cut it 25 percent. For defense, we would have cut it 5 percent for 1993. Domestic discretionary we would have

frozen it for 1993, with a 2-percent raise thereafter. As to the whole host of the social welfare spending in this country, we would have let Medicare and Medicaid grow with the rate of inflation plus 2.5 percent plus the increase of new beneficiaries. It would have preserved all of the benefits for Social Security, for Federal retirement, for veterans' compensation and pensions. For other entitlements such as Food Stamps and AFDC and SSI, there would have been no changes.

One major change and one that is necessary is for us to recognize that this experiment with a dollar backed by nothing for the last 24 years should be over. We would have refinanced a good portion of the national debt with gold-backed bonds that can be sold at 2-percent interest and reduce the horrendous interest cost expense. These are the changes that are needed.

I would suggest to my colleagues that I have heard the statement made that we are in this mess because Presi-

dents are spending more than Congress appropriates. I have an analysis here of the budget requests of President Reagan in his 8 years versus what Congress appropriated. In every year except one, Congress appropriated far more money than what President Reagan asked for.

We are in this mess not because we are undertaxed but because Congress has no fiscal discipline.

FEDERAL BUDGETS—THE PRESIDENT VERSUS CONGRESS

[Outlay dollars in billions]

Function	President's requests			Actual outlays		
	WED ¹	CBO ²	OMB ³	WED	CBO	OMB
Fiscal year 1982:						
National defense	188.9	188.8	186.3	185.3	185.3	185.3
Medicare	46.6	47.1	43.2	46.6	46.6	46.6
Social security	159.6	154.7	156.7	156.0	156.0	156.0
Net interest	82.6	82.5	68.4	85.0	85.0	85.0
Other	217.8	221.1	253.6	272.8	255.5	272.9
Total	695.5	695.3	708.1	745.7	728.4	745.7
Fiscal year 1983:						
National defense	221.1	221.1	220.0	209.9	209.9	209.9
Medicare	55.4	55.4	51.0	52.6	52.6	52.6
Social security	173.5	173.5	175.3	170.7	170.7	170.7
Net interest	112.5	112.5	97.1	89.8	89.9	89.9
Other	195.1	195.1	230.1	285.3	273.0	285.3
Total	757.6	757.6	773.3	808.3	796.0	808.3
Fiscal year 1984:						
National defense	245.3	245.3	245.0	227.4	227.4	227.4
Medicare	59.8	59.8	59.8	57.5	57.5	57.5
Social security	178.2	178.2	178.9	178.2	178.2	178.2
Net interest	103.2	103.2	106.3	111.1	111.1	111.1
Other	262.0	262.0	273.4	277.6	267.6	277.5
Total	848.5	848.5	863.3	851.8	841.8	851.8
Fiscal year 1985:						
National defense	272.0	272.0	272.0	252.7	251.5	252.7
Medicare	69.7	69.7	69.8	65.8	64.3	65.8
Social security	190.6	190.6	190.6	188.6	190.2	188.6
Net interest	116.1	116.1	116.1	129.4	129.4	129.4
Other	277.1	277.1	291.7	309.8	301.4	309.7
Total	925.5	925.5	940.3	946.3	936.8	946.3
Fiscal year 1986:						
National defense	285.7	285.7	285.7	273.4	273.4	273.4
Medicare	67.2	67.2	67.2	70.2	70.2	70.2
Social security	202.2	202.2	202.4	198.8	198.8	198.8
Net interest	142.6	142.6	142.6	136.0	136.0	136.0
Other	276.0	276.0	276.1	311.9	311.6	311.6
Total	973.7	973.7	973.9	990.3	989.8	989.8
Fiscal year 1987:						
National defense	282.2			282.0		
Medicare	70.2			75.1		
Social security	212.2			207.4		
Net interest	148.0			138.6		
Other	281.4			300.7		
Total	994.0			1,003.8		
Fiscal year 1988:						
National defense	297.6			290.4		
Medicare	73.0			78.9		
Social security	219.4			219.3		
Net interest	139.0			151.7		
Other	295.3			323.7		
Total	1,024.3			1,064.0		
Fiscal year 1989:						
National defense	294.0			303.6		
Medicare	84.0			85.0		
Social security	233.8			232.5		
Net interest	151.8			169.1		
Other	330.6			352.4		
Total	1,094.2			1,142.6		
Fiscal year 1990:						
National defense	303.0			297		
Medicare	94.9			97		
Social security	246.7			249		
Net interest	170.1			179		
Other	337.1			380		
Total	1,151.8			1,202		
				COM⁴		
				COM		

FEDERAL BUDGETS—THE PRESIDENT VERSUS CONGRESS—Continued

[Outlay dollars in billions]

Function	President's requests			Actual outlays		
	WED ¹	CBO ²	OMB ³	WED	CBO	OMB
Cumulative:						
National defense	2,389.8	2,389.7	2,385.8	2,316	2,315	2,316
Medicare	620.8	621.3	613.1	630	629	630
Social security	1,816.2	1,811.3	1,815.9	1,800	1,802	1,800
Net interest	1,165.9	1,165.8	1,139.3	1,186	1,186	1,186
Other	2,472.4	2,476.7	2,569.2	2,816	2,768	2,815
Total	8,465.1	8,464.8	8,523.3	8,749	8,700	8,749
Deviations fiscal year 1982—1988⁴						
National defense	-74	-75	-70			
Medicare	+9	+8	+17			
Social security	-16	-9	-16			
Net interest	+20	+20	+47			
Other	+344	+291	+246			
Total	+284	+235	+226			

¹ Rep. W.E. Dannemeyer: President's budgets as submitted (FY 82 Reagan budget submitted in March, 1981); actual outlays as reported.² Congressional Budget Office: President's budgets as submitted, excluding off-budget programs (FFB); actual outlays (updated), excluding off-budget programs.³ Office of Management & Budget: original budget requests adjusted for comparable accounting (defense includes imputed accruals for military retirement, Medicare includes premiums as offsetting receipts, totals include off-budget outlays).⁴ Composite: estimates have been identical beginning in FY 1987.⁵ Estimated.⁶ Actual outlays less President's requests.

I ask for an "aye" vote for the Stenholm amendment.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, yesterday a young man from North Dakota named Rick Hieb came to see me. Rick was an astronaut on the last shuttle mission. I told Rick how I sat at home and watched transfixed when that shuttle mission ran into trouble. I sat in the evening and watched them traveling through space at 18,000 miles an hour, three of them walking in space trying to manhandle a 9,000-pound satellite. They failed twice before in the previous 2 days. Now they were out there 6 hours, walking in space at that speed, trying to get this satellite under control.

The lesson, I told him, was to all of us once again that there is no dishonor in trying and failing. There is dishonor, in my judgment, in failing to try.

That is what I worry about here today in Washington and in this Chamber. Look, we do not have a choice anymore.

I am going to vote for a constitutional amendment today. We do not have any choice about doing that. We rode straight into a box canyon and, yes, Reagan and Bush rode the lead horses, and they were proud of it, and, yes, we rode in columns of two right into the canyon behind them.

Mr. Chairman, there is simply no running room left. There is only one way out.

This country is losing its edge, it is losing its grip, it is losing in international competition, and it is losing its economic future. Some way, somehow, someone has to stand up and decide we have got to change things.

Today, Thursday, we will add \$1.5 billion to the Federal debt. Our Govern-

ment will spend \$1.5 billion more today than we take in.

Can anyone here justify that?

If we said we spent \$400 billion more this year than we had, but we cured cancer with it, I would say amen, hallelujah, that was a wonderful investment. We are not talking about that. We are talking about operating budget deficits that cripple this country's economic future. Somebody somehow has to do something about it.

Frankly, I do not want to continue serving in public office if we are servants to further slipping into the quagmire of economic decline. I want to be a part of the solution.

Will this solve the problem today? I do not know for sure. But it does create the right framework for action. I intend to vote for anything that changes what has been happening in this country, because I want this country to grow again, and I want this country to be great again.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Chairman, today I must reluctantly rise in opposition to the amendment, with all respect to my majority leader. I must disagree with him on this amendment.

We do want to include the President. We want to involve him. We want to give him more responsibility in the budget process, but we do not want a king.

Our Constitution must direct us for the next 200 years as it has the past 200 years.

There are two fatal flaws in this amendment which I believe would transfer the power of the purse from this body where it rests in the Constitution to the President. Those flaws are, first of all, we cannot act without a declaration of national urgency from the President under this amendment; and, second, under section 3, we cannot act to spend money in excess of that which the President recommends.

Now, shortsightedly that may, in fact, be a good idea. But suppose in the future we have surplus, suppose in the future this body and the Senate decide that we need to spend for education or infrastructure and we were to increase taxes to do that. We could not, if in fact the President submitted a budget with less spending. We by the Constitution would be restricted.

This amendment would transfer power of the purse to the President. I must affiliate myself with my friend, the gentleman from California. This amendment must not be passed. I must oppose it.

□ 1510

Mr. FISH. Mr. Chairman, I yield the balance of our time to the gentleman from California [Mr. CAMPBELL].

Mr. CAMPBELL of California. Mr. Chairman, I would like to ask the distinguished majority leader this question.

If the President submits a horrible budget, but it happens to be balanced, does not the Gephardt amendment prevent two-thirds of the House and two-thirds of the Senate from overriding him?

Mr. Chairman, I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Chairman, the gentleman is correct in understanding that one of the efforts in our amendment is to give more responsibility to the Chief Executive for how much is spent and when and whether or not we will try to get out of the requirement that we have a balanced budget, because we feel that is the most appropriate way to go about this.

Mr. CAMPBELL of California. Reclaiming my time, Mr. Chairman, I thank the gentleman. I believe that makes the point. We must not give the President an absolute veto. Two-thirds

of the Senate, two-thirds of the House, in the final analysis should have the power to express the will of the people.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. Mr. Chairman, the Gephardt/Obey alternative to the balanced budget amendment is an ineffective alternative to the real balanced budget amendment, which is the Stenholm amendment.

Our distinguished majority leader, Mr. GEPHARDT, moments ago said the Gephardt/Obey alternative gives more responsibility to the President regarding deficit spending and a balanced budget.

Is it now time we in Congress should take some responsibility regarding wild, reckless Federal spending and a \$4 trillion national debt?

Surely the time has come—today—when we in the U.S. House of Representatives do the responsible task and vote a two-thirds majority for a constitutional amendment which will require us to balance our Federal budget.

Our Nation is drowning in debt.

This is the time and this is the place to vote for the best way to ultimately balance the Federal budget.

Thomas Jefferson said in 1789: "The public debt is the greatest of dangers to be feared by our Government." that was true then. And now, 203 years later, it is truer than ever.

I urge my colleagues to vote "no" on Gephardt/Obey and "yes" to the Stenholm amendment.

Mr. Chairman, I include the following open letter:

THE BALANCED BUDGET
AMENDMENT COALITION,
June 5, 1992.

AN OPEN LETTER TO MEMBERS OF THE HOUSE OF
REPRESENTATIVES

The undersigned organizations urge you to vote for and support the Balanced Budget Amendment, H.J. Res. 290, as introduced by Representatives Stenholm, Smith, Carper, and Snowe.

H.J. Res. 290 has broad bipartisan support (278 total house cosponsors) and certainly holds the greatest potential for House passage. In 1990, a similar amendment fell just seven votes short of the two-thirds required for passage.

The need for this Constitutional Amendment has become obvious. Last year's federal budget deficit reached a record high of \$269 billion. This year's deficit is estimated at an incredible \$400 billion and FY '93 is presently expected to produce a deficit in excess of \$350 billion.

Together, FY '91, '92, and '93 will add a total of \$1 trillion in new federal debt. This shocking achievement contrasts sharply with the fact that it took 200 years for the federal government to accumulate the first \$1 trillion in national debt.

We can no longer afford to postpone the passage of an effective Constitutional restraint on federal debt. In FY '93 alone, the cost of financing a \$4 trillion plus national debt will exceed \$315 billion in interest payments, the largest single expenditure in the federal budget. The time for action is now.

H.J. Res. 290 is a sound amendment that has evolved through years of work by the principal sponsors. It provides the Constitutional strength to make balanced federal budgets the norm, rather than the rate exception (once in the past 30 years), and it offers the proper flexibility to deal with national emergencies.

H.J. Res. 290 is also designed to make raising federal taxes more difficult. It would require a majority of the whole number of both houses of Congress—by roll call vote—to enact any tax increase. This adds accountability as well as an appropriate focus on spending restraint.

Unless action is taken now, federal debt and deficits will continue to cripple our economy and mortgage our children's future. For those important reasons, we urge you to pass H.J. Res. 290, the Balanced Budget Amendment.

Sincerely,

National Taxpayers Union, National Cattlemen's Association, Associated Builders & Contractors, American Farm Bureau Federation, Concerned Women for America, Americans for a Balanced Budget, American Legislative Exchange Council, International Mass Retail Association, National American Wholesale Grocers Association, Independent Bakers Association, National Independent Dairy Foods Association, and Irrigation Association.

Motorcycle Industry Council, American Supply Association, American Machine Tool Distributors, and American Tax Reduction Movement.

National Lumber & Building Material Dealers Association, National Truck Equipment Association, Door & Hardware Institute, Steel Service Center Institute, American Association of Boomers, and National Grange.

U.S. Federation of Small Businesses, Associated Equipment Distributors, Beer Drinkers of America, Truck Renting and Leasing Association, American Bakers Association, National Association of Homebuilders, National Association of Plumbing-Heating-Cooling Contractors, American Subcontractors Association, Howard Jarvis Taxpayers Association (CA), Connecticut Taxpayers Committee, Alliance of California Taxpayers & Involved Voters (ACTIV), and Citizens for Limited Taxation (MA).

United Taxpayers of New Jersey, Citizens Against Higher Taxes (PA), North Carolina Taxpayers Union, Texans for Limited Taxation, National Taxpayers Union of Ohio, Iowans for Tax Relief, Hands Across New Jersey, National Taxpayers United of Illinois, Tax Accountability '92 (IL), Angry Taxpayers Action Committee (IL), Northwest Ohio (Toledo) Taxpayer Action Network, and Cleveland Taxpayer Action Network (OH).

Alameda County Waste Watchers (CA), Taxpayers United of Minnesota, Texas Association of Concerned Taxpayers (TACT), West Virginia State Taxpayers Action Network, El Paso Voters Coalition (TX), Akron Taxpayers Alliance (OH), San Jose Family Taxpayers Outreach (CA), Taxpayers United for the Michigan Constitution, Taxpayers United for Assessment Cuts (MI), Delaware Taxpayer Mobilization Corps., Floridians for Tax Relief, Macomb County Taxpayers Association (MI), Florida State Citizens Against Govern-

ment Waste, Tax PAC, Inc. (NY), Westchester Taxpayers Alliance (NY), and South Carolina Association of Taxpayers.

Mr. STENHOLM. Mr. Chairman, I yield the remaining amount of my time to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, with all due respect to our distinguished and respected majority leader, I rise in opposition to his proposal and in support of the Stenholm amendment.

The proposal before us has a number of serious flaws. The most substantive serious flaw is the fact that it sets up two budgets essentially. It sets up a disciplined budget and an undisciplined budget.

On the one hand it sets up a budget that contains the spending of the United States which would achieve a balanced budget, and yet it exempts another section called Social Security.

Now, while it exempts that other budget called Social Security, it does not pin down the definition of that budget. It does not say that Social Security shall mean what Social Security means to most people in America, retirement, health care, and disability.

It does not say, for example, that the Congress of the United States could not include a whole host of other programs under the title of Social Security and thereby accomplish spending in an undisciplined budget.

In effect, this budget proposal for a balanced budget sets up on the one hand a case for discipline; on the other hand, a wide open loophole for Congress to spend as we have spent in the past, without regard to how much money we take in, without regard to how much deficit we create, without regard to how much debt we pile on future generations.

Now, there are some, and here is another serious flaw, there are some in this House who will vote for this amendment because they do not want to appear to be voting against Social Security and they like the notion that this seems to protect Social Security.

For those who want to vote that way and nevertheless still vote for the real balanced budget amendment that will be proposed before us as the king of the hill amendment, the Stenholm amendment coming up, I have no quarrel; but the problem I have with this amendment more than any other problem is that intended or not, it is a heck of a good place for people to hide. It is a heck of a good place for Members to say, "Well, I voted for a balanced budget amendment, the one that would have protected Social Security, but I didn't want to vote for that Stenholm amendment because it didn't have any language on Social Security in it," and to go home to the people of their district who want a balanced budget amendment, who want a chance to vote for one and say, "I'm sorry we didn't

give you one, but I really voted for one. I voted for the Gephardt amendment to protect Social Security."

The truth is if you want to protect Social Security for Americans, we have to pass a balanced budget amendment and put some discipline in our spending. If we do not, every social program, our defense, our roads, our highways, our bridges, our hospitals, everything we do good for Americans or try to do good from this body will be in jeopardy, everything we do good.

As the interest on the Federal debt creeps up higher and higher, occupies a larger portion of our budget, drives away money we ought to have to take care of our senior citizens and our sick and our elderly and our children ought to get a good education, to put together roads and bridges and infrastructure for America and build a strong economy, as that interest eats up that money, Social Security and every program we have is threatened.

If you really want to protect Social Security, do not hide under this amendment. Do not go home and try to tell your folks you really were for a balanced budget, but you are sorry you did not get one.

Vote either for or against this amendment, I really do not care, but make sure in the end you end up voting for the only one that will be king of the hill, that will give Americans a chance to put some controls on this outrageous Federal spending and give us a chance to really protect Social Security for Americans who depend on it and who ought to have a right to depend on it in the future.

We are piling up this debt. It has got to end. It ought to end here. It ends with the adoption of the Stenholm amendment.

Mr. GEPHARDT. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas [Mr. THORNTON].

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

Mr. Chairman, I rise in support of the Gephardt balanced budget amendment.

Mr. Chairman: I am for a balanced budget and believe we should get started right now. We ought to be able to meet this responsibility without amending our Constitution, but I am supporting a constitutional amendment today to make certain we live up to our responsibilities.

There is only one amendment before us today which would require action during the first year after it is adopted. That same balanced budget amendment, the Gephardt amendment, is the only amendment which would prohibit the Congress from spending more than the President requests during any budget year.

The Gephardt balanced budget amendment is the only amendment which protects our Social Security system by recognizing that the Social Security trust fund, which is operating at a surplus, should not be subject to constitu-

tionally required reductions because we spend money somewhere else.

The other proposed amendments before us today have serious flaws. They all make distinctions in the size of the vote required to spend money. A simple majority can send aid to Russia in the interest of our national security, but it would take a supermajority of 60 percent of the Members of the House and Senate to approve relief for earthquake victims in California, or flood relief in Arkansas.

The alternative measure would not become effective before 1998. I cannot support an amendment which once again shifts responsibility to future Congresses. We should be bound today by whatever limits we impose on the future, and our goal of a balanced budget will be advanced by adopting the Gephardt balanced budget amendment.

Mr. GEPHARDT. Mr. Chairman, I yield the balance of our time to the gentleman from Illinois [Mr. ROSTENKOWSKI], the distinguished chairman of the Committee on Ways and Means.

Mr. ROSTENKOWSKI. Mr. Chairman, I rise in strong support of House Joint Resolution 496, the Gephardt-Bonior-Rostenkowski-Obey resolution.

As chairman of the Ways and Means Committee, I have devoted much time and energy over the last 12 years to reducing the deficit. All of the major bills reported from the Committee on Ways and Means during the last decade have either reduced the deficit significantly or have been deficit neutral. The Tax Reform Act of 1986, catastrophic health insurance, the Family Support Act of 1988, and various other bills reported from the Ways and Means Committee have all been revenue neutral and adhered to the pay-as-you-go discipline. The Rostenkowski challenge, which I was proud to unveil in March 1990, was the forerunner of the 1990 budget agreement.

The need to reduce the deficit has never been greater. Our current deficit of \$400 billion is now at an all-time high and is escalating rapidly. As a result, we are borrowing more and saving less. Such actions impede, rather than promote, economic growth. The standard of living of our children and grandchildren is greatly at risk if we do not get the deficit under control. This much, I hope we all can agree on.

The question, then, is how to achieve this critical goal? I am absolutely convinced that the Stenholm constitutional amendment is not the answer. Experience has taught us that it is difficult to achieve agreement on any kind of deficit reduction package whether it reduces spending or increases taxes or both. The supermajority vote required under the Stenholm proposal will paralyze this body by granting minority coalitions even more power. At the same time, the President will be absolved of nearly all responsibility for deficit reduction. In addition, any constitutional amendment will give rise to inappropriate uses of governmental mandates or

other forms of off-budget spending or accounting gimmicks.

I have served in Congress under eight different Presidents. In the last 12 years, the debt held by the public has quadrupled from \$700 billion when Jimmy Carter left the White House to \$4 trillion today. The huge deficits and increases in public debt are due to the lack of Presidential leadership evidenced by the fact that deficit reduction has never been a priority of either the Reagan or Bush administrations. Never once in 12 years has either President Reagan or President Bush ever submitted a balanced budget to Congress for its consideration.

However, this lack of Presidential leadership should not stampede us into making deficit-cutting legislation more difficult to pass, as the Stenholm amendment would do, or turning over critical questions of enforcement to either the executive or judicial branches of Government.

I support the Gephardt substitute as the lesser of evils. In my opinion, the appropriate way to reduce the deficit—one that worked for over 200 years—is for the President to lead the country and for the Congress to enact spending and tax policies that produce a balanced budget.

Unfortunately, the runaway deficit makes that task an extremely painful one today. But procedural or constitutional mandates cannot alone produce a balanced budget. Difficult and painful choices must be made by elected officials—who are both representatives of and accountable to the American people.

I fear, however, that many Members will claim that, by voting for a balanced budget constitutional amendment, they have voted to reduce the deficit. Nothing could be farther from reality.

I cannot stand idly by and watch Members of this Congress pretend to be for fiscal discipline and a balanced budget, while repeatedly sponsoring bills and signing discharge petitions that would bring bills to this floor that would add billions of dollars to the deficit.

Our colleague from California, Mr. PANETTA, and the Budget Committee have produced a variety of scenarios that could lead to a balanced budget. They have provided a valuable service to this House and the American people by presenting the tough choices that would have to be made to achieve a balanced budget. Let me provide three examples of my own. First, to eliminate the deficit by 1997, corporate and individual income tax rates would have to be raised by 6 percent; itemized deductions would have to be cut by 30 percent; the tax on Social Security benefits would have to be increased, as would cigarette taxes, alcohol taxes, and energy taxes. As an alternative, in order to eliminate the deficit by 1997

with an entirely new revenue source in addition to all existing taxes, we would have to impose a value-added tax at a rate of 20 percent.

Finally, for those of you who think we should balance the budget solely by cutting spending, let me explain its implications: Defense would have to be cut by another 20 percent; all non-defense discretionary spending would have to be frozen for 5 years, as would COLA's and Medicare provider payments. In addition, the Medicaid matching rate would have to be reduced by 21 percentage points; Veterans Disability Program and agricultural subsidies cut; and various fees for hydroelectric power, grazing fees, water, and recreation increased.

Obviously, any of these options as well as those of Mr. PANETTA will be very difficult to achieve. But make no mistake about it. If a balanced budget amendment is passed by the necessary two-thirds vote of the Congress and ratified by the necessary three-fourths of the States, painful options such as those I have described will be brought to the floor of this House for votes.

The time has come to stop passing the buck. If you are prepared to support a balanced budget amendment today, you must also be prepared to make the difficult choices and cast the difficult votes to reduce the deficit when the implementation bills are brought to this floor. You will not be able to deceive your constituents and the American public—and you shouldn't deceive yourselves.

I support the leadership substitute for two reasons. First, the substitute would expressly exclude Social Security from the balanced budget requirement and shield the program from mindless and heartless reductions. Second, the substitute would also maintain the principle of majority rule.

Social Security is not running a deficit—the rest of the Government is. Social Security is fully financed. In fact, it is running a surplus. It does not make sense to cut Social Security benefits when the deficit spending is being done by the rest of Government.

In addition, the leadership substitute eliminates a vote on the most objectionable feature of the Stenholm amendment: The three-fifths majority that would be required to increase the deficit or the debt limit. In effect, elimination of this provision would prevent any minority coalition from easily obstructing the will of the majority. It would prevent minority coalitions from blocking responsible economic stabilization in times of recessions, and spending that may be necessary to avoid disruption of public services or entitlement payments.

Mr. Chairman, for all these reasons, I urge my colleagues to support the leadership amendment.

Mr. KLECZKA. Mr. Chairman, I rise in support of the Gephardt-Obey constitutional

amendment to balance the Federal budget. I supported a balanced budget amendment in the 101st Congress. It did not pass the House.

As you know, there are several alternatives to provide for a constitutional budget. One would effectively prevent tax increases to help balance the budget. Another requires 6-percent supermajorities to deficit spend. Both are too restrictive because both hamstring our ability to provide the balanced budget the American people request.

The Gephardt-Obey substitute is a well-thought out plan. It is more responsible than the other proposals. It recognizes the sacrifices required to reach a balanced budget must be shared fairly. It allows a majority in Congress to approve tax changes or deficit spend if necessary.

On spending, under House Joint Resolution 290, the majority does not rule unless there is a declaration of war. Economic emergencies or recessions would be worsened by the restraints contained in this plan. We may not be able to provide unemployment benefits for those laid off in recessions, or food or heating assistance for children put into poverty.

The Gephardt-Obey amendment establishes a procedure for the President to respond to economic distress. He could sign a declaration of economic urgency to make adjustments which unbalance the budget.

On taxes, the Gephardt-Obey substitute allows additional revenue to be prescribed by the majority, and its enforcement plan would spread the burden among the income classes.

Mr. Chairman, we are here to try to undo over two decades of deficits. Our last balanced budget was achieved in fiscal year 1969. Reversing this course will be a formidable task. One can draw an analogy to the courageous firefighters in Kuwait who capped oil wells raging in flames. They had to have the tools necessary to perform the unpleasant but critical task. The Gephardt-Obey substitute ensures Congress has the tools it needs to do its job, which may also be unpleasant, but critical to our economy and standard of living.

Some say all we have to do is reduce spending, and only spending. With that in mind, note the Congressional Budget Office estimated that some \$600 billion in deficit reduction is needed to prepare for a balanced budget. To put this amount in perspective, \$600 billion in reduced spending would require elimination of all transportation funding for 18 years—18 years. True, spending cuts can be spread out among programs. Take our largest discretionary expenditure—defense. To prepare for this deficit reduction, all defense funding would have to be completely killed for 2 full years. No troops. No transport. No national security. That is the magnitude of the task. The Gephardt-Obey substitute allows the majority to achieve deficit reduction with all available options, not just reduced spending.

The Gephardt-Obey substitute also correctly separates Social Security receipts and expenditures from budget calculations. Social Security is social insurance. It is self-financed with payroll contributions into a trust fund, and benefits are paid from this trust fund. Its separate outlays are funded by separate payroll taxes, so it should continue to be separate from other budget items. Our Nation's elderly paid into this system. The Gephardt-Obey plan ensures benefits will be there for them.

Another concern with the other proposals is the 60-percent votes on revenue or spending. This is very significant. It puts the will of the House in the hands of a minority. While a majority of the House is 218 Members, a 60-percent supermajority is 261 members. In other words, only 43 Members of the House will control the destiny of legislation in the House. That is 9 percent of the membership of this body. This minority rule would put a stranglehold on the will of the House.

Clearly, we need to have the tools to balance the budget, to ensure the integrity of Social Security, and to protect majority rule in our legislative body. I urge my colleagues to join in support of the Gephardt-Obey substitute for a balanced budget.

Mr. CHANDLER. Mr. Chairman, I rise in opposition to the Gephardt substitute to the balanced budget amendment.

Today's up or down vote on the balanced budget amendment is a rare opportunity for Congress to show the people of America that Washington is listening.

But, last week, we learned that old time, business as usual politics, would taint this debate in the form of legislation to provide political cover for the big spenders who oppose the balanced budget amendment.

The Gephardt substitute is a crass political maneuver. It is a political trick trotted out by politicians worried about their jobs. With defeat imminent, the big spenders have resorted to Chicken Little tactics in an attempt to scare senior citizens.

Scaring older Americans by telling them their Social Security benefits are at risk is a desperate attempt by the big spenders to run from tough choices and keep the pork flowing.

I find such political tricks deplorable. We should be able to debate the merits of the balanced budget amendment without resorting to shameless maneuvers that denigrate the overwhelming majority of Americans who demand that we adopt this amendment.

I urge my colleagues to vote against business as usual. I urge my colleagues to reject crass political maneuvers. Vote against the Gephardt substitute.

Mr. CUNNINGHAM. Mr. Chairman, after listening to this debate, I am left with the impression that some Members just do not get it. When the American people are crying for action and change here in Washington, some Members think that we can go through the usual charades, avoid action, and blame the White House for everything.

Well, Mr. Chairman, it won't wash this time. The Gephardt amendment before us is hollow. It finally became clear that the House would work its will on this issue. Despite the public opposition of the Democratic leadership, we are voting on this today because a majority of members are saying, enough. This House and the American people know that the Gephardt amendment won't do what it's supposed to do.

Why does the Democratic leadership oppose the Stenholm balanced budget amendment? It's simple—this will take away the power to spend and spend. It will put a brake on the practice of doling out pork here and there, with no regard to the impact on the deficit of the economy.

Now, I have heard some strange comments since I arrived here in 1991, but today just

may break some records. The Gephardt amendment will supposedly balance the budget, yet it relies on a simple majority. Well, Mr. Chairman, that is precisely the problem we face today. It is too easy today to spend money. And despite claims to the contrary, a meaningless amendment without a supermajority requirement won't change that.

I've heard some Members criticize the Stenholm amendment saying that it will lead to minority rule, that it will leave Congress paralyzed and hostage to the special interests. This couldn't be further from the truth. House Joint Resolution 290 will give us the power to say "no." The Stenholm amendment will simply mean that there will have to be an overwhelming need for deficit spending.

Some Members have called the Stenholm amendment dangerous. Well, obviously the American people don't see it that way. The only people who perceive a balanced budget as dangerous are those who profit from deficit spending: the special interests and the pork-barrel elite.

Years of congressional irresponsibility mean that we need some discipline. I can assure my colleagues that need will have to be demonstrated. And that is the point of the Stenholm amendment.

It is too easy to spend here today. We designate anything and everything as emergency spending. We pass meaningless statutes to reduce the deficit, then exempt every program in sight, and wonder why the deficit climbed again.

I have heard that today that the American people have no faith in Congress. Well, many Members on this side of the aisle have no faith in the majority. The Gephardt amendment is the same old Democratic song, third verse. It is more taxes and more deficit spending, just as we saw in 1986 and in 1990.

Mr. Chairman, the Stenholm amendment is the American people's check and balance against a Congress that is sadly out of touch and out of control. We need to pass this amendment and we need to clean House. I urge my colleagues to defeat the Gephardt amendment and support the real balanced budget amendment, the Stenholm amendment.

Mr. RAY. Mr. Chairman, I rise in opposition to the Gephardt amendment. This amendment would do nothing to change business as usual. Under this proposal, a simple majority in Congress could determine each year to approve an unbalanced budget, and drive us deeper in debt.

Mr. Chairman, that is what we have got now. That is why we have a \$3.8 trillion debt. Now is not the time for smokescreens or gimmicks.

Let's do something real. Let's do something that will really attack our national debt.

Mr. Chairman, I urge my colleagues to vote against the Gephardt alternative, and to vote to pass the Stenholm amendment.

Mr. MARKEY. Mr. Chairman, the last time we voted on the balanced budget amendment, I vetoed "no." That was 2 years ago, and under normal circumstances, there would be no reason to change my position now.

But these are not normal circumstances. For years we have been on a spending spree—not just with the public purse, but with our pri-

vate purses as well. Our \$4 trillion national debt should be viewed not just in contrast to previous national debts, but also in relation to the nearly \$8.5 trillion in private debt that now hangs over our economy like a storm cloud, blocking any growth. Slowly, but surely, we are grinding to a halt.

Instead of investing in educating our children, or cleaning up toxic waste, or repairing our roads and sewers, or funding a national health care system, we make interest payments on the debt. Next year this interest alone will total \$300 billion. This is a crisis. It is getting worse, not better. It demands a crisis response.

So today we are seriously contemplating an amendment to the Constitution of the United States as a source of budget discipline. We have been driven to this point by a cascading series of blunders which, in my mind, have been committed by just two Presidents of the United States, Ronald Reagan and George Bush.

Now I am not saying that others have not abetted these blunders, particularly Congress. But in our constitutional system, only the President is given a national mandate. President Reagan ran for President by ridiculing President Carter's unbalanced budgets. The public believed he was sincere and gave him a mandate. President Bush did the same thing and was given the same mandate.

What did these two men do with their balanced budget mandate?

They proposed 12 unbalanced budgets in a row, every single one of them a whopper compared to anything Jimmy Carter ever proposed.

Yes, it is true that Congress has been unsuccessful in reducing the overall deficit levels that the President has proposed. We have mighty wars over which programs should be cut and which should be saved, but all within a deficit target that is provided to us by the President. We accept that target, provided to us by the Office of Management and Budget. Every single budget target sent to us by the President has been met every single year, but we have not done the dirty work that he refuses to do.

So here we are, stuck with a \$500 billion annual deficit, a national debt of \$4 trillion, and an anemic economy that no longer has the vigor needed to grow out of this mess.

As a result, I have given balanced budget amendments a closer look, and I have concluded that if we adopt such an amendment, the President would be more likely to send Congress a balanced budget and the Congress would follow that lead.

But that is only half the story.

I'm under no illusions about the priorities of a Republican President that would be reflected in a balanced budget. His balanced budget will protect the wealthy and the cold war military-industrial complex from the demands of our undereducated children, of our desperate poor, of our uninsured sick, and of our decaying public infrastructure. His budget will spark the moral equivalent of war, a war between those who want to maintain the status quo and those who want to break with the cold war and begin a new era of rebuilding our domestic strength.

Nor should we harbor any illusions that this will be good for the economy any time soon.

In fact, this will involve a sudden contraction of debt not unlike the contraction of lending by the banks that followed the rampant speculation of Reagan's deregulatory 1980's. That contraction has been devastating to the economy of my State. Tens of thousands of people have been thrown out of work as the national credit pendulum has swung wildly from cowboy capitalism to the credit crunch.

Therefore, while I believe that a balanced budget amendment has become necessary, I cannot support something as radical as the Stenholm amendment. This is going to be a very difficult balancing act, moving out of this valley of debt without killing the economy, and doing it in a way that is fair to all Americans. We already have enough gridlock in Congress without creating new, artificial barriers such as the supermajorities required by Stenholm.

The only way this can be done is to maintain enough flexibility that we can adjust to national emergencies as they arise, and to prevent the President from trashing the Social Security system to escape his responsibility for controlling the deficit. The Stenholm amendment, for example, would cut average Social Security benefits to the elderly by \$1,000 a year.

That is why I favor the approach of the majority leader, Mr. GEPHARDT. It will force the President to propose a balanced budget, it will prevent him from raiding the Social Security system, and it will provide enough flexibility that unforeseen fiscal disasters can be addressed wisely when they arise.

I urge my colleagues to support the Gephardt amendment and to vote against the Stenholm amendment.

Mr. HUGHES. Mr. Chairman, I rise in opposition to all of the proposed constitutional amendments.

There has been a lot of debate about the causes of our current economic quagmire, and there are many. I do not think it serves any purpose for us to try to rehash what went wrong in the 1980's that brought us to where we are today. Many of us on both sides of this issue knew that the tax cuts, excessive military buildup, and inadequate financial regulation made it very likely that we would one day land in the economic crisis that we face in this country today.

Now the question is how should we move ahead—how do we create a brighter future for us and for our children. I really believe that balancing the Federal budget would be the best economic growth package that the Congress could pass. For those of you that agree with me, the next question then becomes what is the best way to balance the budget. I do not believe that the so-called balanced budget amendments before us today are the answer to that question.

Indeed, I am afraid that they are just political gimmicks—another way for Congress to claim it did something without doing anything at all. I am very concerned that these proposals will do more harm than good since they contain no mechanism for actually producing the balanced budgets that I think we all really seek. These vague and simplistic amendments might make us feel better, but they would not accomplish their stated goal.

For example, none of the proposals specifies exactly what it means. What do terms like

revenues mean? Are the proceeds from issuing Treasury bonds revenues? If they are, these amendments would have no impact on the deficit at all. Other questions that need to be resolved include how we are going to deal with off-budget items.

We heard some testimony in the Judiciary Committee a number of years ago from the Congressional Research Service on what would be required to clear up these kinds of questions. They estimated that 14 to 15 pages would have to be added to the Constitution to define all of the necessary terms and rules for deciding how to treat all of the Government's various financial operation—15 pages.

If we put into the Constitution every time we had a crisis, political, social, or economic in this country, we would have a Constitution that would be 100 pages long. Can you imagine what that would do to our basic fabric, our organic law that we all revere? It would decimate it.

The Constitution provides fundamental rights and divides responsibilities among the branches of Government, a balance of power that a balanced budget amendment would destroy. Do we in Congress and do the American people really want to give the unelected Judiciary the responsibility for setting tax and spending priorities? Is that what you want to do to representative Government in this country?

There should be no question in anybody's mind, and certainly not in the minds of the American public, that the borrow-and-spend policies of the past 12 years have left our Nation mired in debt and struggling under anemic growth. The long painful recession we are experiencing now is, in my judgment, in large measure due to the irresponsible policies that we have seen of late.

Spend now and pay later is a great philosophy when you are in the now part of it. Unfortunately, we have reached the later part where we have to pay for what we spend, and we have indeed mortgaged the futures of our children and our grandchildren, and it scares me to think of all that has happened in this country.

The citizens of our country are aware of the fact that the spending binge is over and feel-good politics is no longer acceptable, but that is what we have once again. In fact, the balanced budget amendment should be named the feel-good amendment, because there is no mechanism, or even a suggestion of how to proceed, to balance the budget if Congress and the President fail to agree on a balanced budget.

The only way to deal with this problem is to make the tough choices on spending and taxes. I have heard a lot of debate today about what needs to be done and the failure of leadership, and there is enough failure to go around.

It is certainly up to the Congress to pass a budget each year, but the budget process begins, as my colleagues know on both sides of the aisle, with the President. The President submits a budget and Congress takes that document as the starting point for its own actions. Year after year, Congress passes a budget that is very close in overall spending to what the President initially proposed.

I have not seen a balanced budget submitted to Congress by any of the four Presidents

who have held the office since I was first elected. I have not seen one budget submitted that was anywhere near in balance. Without leadership from the President, without the President explaining to the American people what types of painful sacrifices will be needed, it is impossible for Congress to build the consensus needed to enact a balanced budget.

It is ironic that less than 2 years after this Congress and this President agreed on a deficit reduction plan that, by the President's own estimates, will leave us with a \$180 billion deficit in 1997, we hear a lot of rhetoric about putting something into the Constitution that will balance the budget by that same year. No one in this Congress was willing to propose a package of spending cuts that would balance the budget by 1997, nor would anyone propose enough tax increases to do it. What is more, many members, and the President, now say that they would not support the tax increases that bill imposed.

The 1990 budget agreement, which I opposed because it did not go far enough, is also a prime example of why we do not need to amend the Constitution. Congress has stayed within the spending guidelines of that statute, and Congress is again on a path to keep spending below the level requested by the President in his budget. Nothing in the Constitution would prevent us from passing a new law requiring smaller deficits.

For years I offered, along with Congressman HENRY HYDE, a balanced budget amendment that would require the President to submit balanced budgets to Congress each year, and prohibit Congress from even considering any budget where spending exceeds revenues, except in times of declared war or national emergency. That is a realistic way to balance the budget without tinkering with the Constitution and without having to wait years until a constitutional amendment can be ratified by the States.

Frankly, I am also disappointed that some of the proposals would take off the table any area of the budget, whether it be entitlements, military spending, or the nondefense domestic part of the budget. Every part of the budget, even taxes, must be considered if we are to succeed in the difficult task of balancing the budget.

In conclusion, Mr. Chairman, we do not need a constitutional amendment. We need to be honest with the American people about the choices before us. We cannot afford to be all things to all people. We have to focus our resources on the key investments our country needs to prosper. Do we need basic science or a superconducting super collider? Do we need highways or space stations? A domestic technology base or military bases in Europe.

By the same token, we have to focus our tax code on more efficient incentives—targeted investment incentives rather than across-the-board giveaways. We also need a through review of corporate tax breaks to make sure that incentive programs are producing economic growth in our country.

The keys to our success will be setting priorities, making choices, and taking the tough steps necessary to live within our means. None of the proposed amendments will help us achieve any of these goals, and I urge my colleagues to vote against them.

□ 1520

The CHAIRMAN pro tempore (Mr. MFUME). All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Missouri [Mr. GEPHARDT].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 103, noes 327, not voting 4, as follows:

[Roll No. 185]

AYES—103

Abercrombie	Gaydos	Murtha
Ackerman	Gephardt	Natcher
Andrews (NJ)	Gibbons	Neal (MA)
Applegate	Gonzalez	Oakar
Aspin	Gordon	Obey
Bacchus	Hall (TX)	Olver
Bevill	Hamilton	Pallone
Bilbray	Hayes (LA)	Pastor
Billirakis	Hertel	Peterson (FL)
Bonior	Hoagland	Poshard
Boucher	Hochbrueckner	Price
Boxer	Horn	Rahall
Browder	Hoyer	Reed
Brown	Jefferson	Richardson
Bruce	Johnson (SD)	Roe
Bustamante	Jones (NC)	Roemer
Campbell (CO)	Jontz	Rose
Carr	Kaptur	Rostenkowski
Chapman	Kennedy	Sangmeister
Coleman (TX)	Kleczka	Sarpalius
Cooper	Kolter	Schroeder
Costello	Kopetski	Skaaggs
Cox (IL)	Kostmayer	Stallings
de la Garza	Lancaster	Sweet
DeFazio	Lantoso	Taylor (MS)
DeLauro	LaRocco	Thornton
Dingell	Lipinski	Torres
Durbin	Long	Torricelli
Early	Manton	Volkmer
Eckart	Markey	Vucanovich
Engel	Mazzoli	Wilson
English	McMillen (MD)	Wise
Fazio	McNulty	Yatron
Feighan	Moran	
Frost	Murphy	

NOES—327

Alexander	Byron	Dooley
Allard	Callahan	Doollittle
Allen	Camp	Dorgan (ND)
Anderson	Campbell (CA)	Dornan (CA)
Andrews (ME)	Cardin	Downey
Andrews (TX)	Carper	Dreier
Annunzio	Chandler	Duncan
Archer	Clay	Dwyer
Armey	Clement	Dymally
Atkins	Clinger	Edwards (CA)
AuCoin	Coble	Edwards (OK)
Baker	Coleman (MO)	Edwards (TX)
Balleger	Collins (IL)	Emerson
Barnard	Collins (MI)	Erdreich
Barrett	Combest	Espy
Barton	Condit	Evans
Bateman	Conyers	Ewing
Bellenson	Coughlin	Fascell
Bennett	Cox (CA)	Fawell
Bentley	Coyne	Fields
Bereuter	Cramer	Fish
Berman	Crane	Flake
Blackwell	Cunningham	Foglietta
Bliley	Dannemeyer	Ford (MI)
Boehert	Darden	Ford (TN)
Boehner	Davis	Frank (MA)
Borski	DeLay	Franks (CT)
Brewster	Dellums	Galleghy
Brooks	Derrick	Gallo
Broomfield	Dickinson	Gejdenson
Bryant	Dicks	Gekas
Bunning	Dixon	Geren
Burton	Donnelly	Gilchrist

Gillmor	McCrery	Sanders
Gilman	McCurdy	Santorum
Gingrich	McDade	Savage
Glickman	McDermott	Sawyer
Goodling	McEwen	Saxton
Goss	McGrath	Schaefer
Gradison	McHugh	Scheuer
Grandy	McMillan (NC)	Schiff
Green	Meyers	Schulze
Guarini	Mfume	Schumer
Gunderson	Michel	Sensenbrenner
Hall (OH)	Miller (CA)	Serrano
Hammerschmidt	Miller (OH)	Sharp
Hancock	Miller (WA)	Shaw
Hansen	Mineta	Shays
Harris	Mink	Shuster
Hastert	Moakley	Sikorski
Hatcher	Molinari	Sisisky
Hayes (IL)	Mollohan	Skeen
Hefley	Montgomery	Skelton
Henry	Moody	Slattery
Herger	Moorhead	Slaughter
Hobson	Morella	Smith (FL)
Holloway	Morrison	Smith (IA)
Hopkins	Mrazek	Smith (NJ)
Horton	Myers	Smith (OR)
Houghton	Nagle	Smith (TX)
Hubbard	Neal (NC)	Snowe
Huckaby	Nichols	Solarz
Hughes	Nowak	Solomon
Hunter	Nussle	Spence
Hutto	Oberstar	Spratt
Hyde	Olin	Staggers
Inhofe	Ortiz	Stark
Ireland	Orton	Stearns
Jacobs	Owens (NY)	Stenholm
James	Owens (UT)	Stokes
Jenkins	Oxley	Studds
Johnson (CT)	Packard	Stump
Johnson (TX)	Panetta	Sundquist
Johnston	Parker	Swift
Jones (GA)	Patterson	Synar
Kanjorski	Paxon	Tallon
Kasich	Payne (NJ)	Tanner
Kennelly	Payne (VA)	Tauzin
Kildee	Pease	Taylor (NC)
Klug	Pelosi	Thomas (CA)
Kolbe	Penny	Thomas (GA)
Kyl	Perkins	Thomas (WY)
LaFalce	Peterson (MN)	Towns
Lagomarsino	Petri	Trafficant
Laughlin	Pickett	Unsold
Leach	Pickle	Upton
Lehman (CA)	Porter	Valentine
Lehman (FL)	Pursell	Vander Jagt
Lent	Quillen	Vento
Levin (MI)	Ramstad	Visclosky
Levine (CA)	Rangel	Walker
Lewis (CA)	Ravenel	Walsh
Lewis (FL)	Ray	Washington
Lewis (GA)	Regula	Waters
Lightfoot	Rhodes	Waxman
Livingston	Ridge	Weber
Lloyd	Riggs	Weiss
Lowery (CA)	Rinaldo	Weldon
Lowey (NY)	Ritter	Wheat
Luken	Roberts	Williams
Machtley	Rogers	Wolf
Marlenee	Rohrabacher	Wolpe
Martin	Ros-Lehtinen	Wyden
Martinez	Roth	Wyllie
Matsui	Roukema	Yates
Mavroules	Rowland	Young (AK)
McCandless	Roybal	Young (FL)
McCloskey	Russo	Zeliff
McCollum	Sabo	Zimmer

NOT VOTING—4

Anthony	Traxler
Hefner	Whitten

□ 1542

Messrs. MARTINEZ, GILCREST, McDADE, KANJORSKI, and NAGLE changed their vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STENHOLM

Mr. STENHOLM. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. STENHOLM: Strike all after the word "Resolved" and insert the following: *by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:*

"ARTICLE —

"SECTION 1. Total outlays for any fiscal year shall not exceed total receipts for that fiscal year, unless three-fifths of the whole number of each House of Congress shall provide by law for a specific excess of outlays over receipts by a rollcall vote.

"SECTION 2. The limit on the debt of the United States held by the public shall not be increased, unless three-fifths of the whole number of each House shall provide by law for such an increase by a rollcall vote.

"SECTION 3. Prior to each fiscal year, the President shall transmit to the Congress a proposal budget for the United States Government for that fiscal year, in which total outlays do not exceed total receipts.

"SECTION 4. No bill to increase revenue shall become law unless approved by a majority of the whole number of each House by a rollcall vote.

"SECTION 5. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect. The provisions of this article may be waived for any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security and is so declared by a joint resolution, adopted by a majority of the whole number of each House, which becomes law.

"SECTION 6. The Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts.

"SECTION 7. Total receipts shall include all receipts of the United States Government except those derived from borrowing. Total outlays shall include all outlays of the United States Government except for those for repayment of debt principal.

"SECTION 8. This article shall take effect beginning with fiscal year 1998 or with the second fiscal year beginning after its ratification, whichever is later."

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. STENHOLM] will be recognized for 30 minutes, and a Member opposed, the gentleman from California [Mr. PANETTA], the chairman of the Committee on the Budget, will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. STENHOLM].

□ 1550

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Chairman, I rise in support of the Stenholm-Smith amendment and against fiscal irresponsibility by special interest groups.

Mr. Chairman, I rise in strong support of a constitutional amendment to force this Congress to balance the budget. We have already heard many strong arguments in favor of this proposal and I will not cover them again.

Instead, I would like to take this opportunity to point out to my colleagues that the dynamics of this debate only serve to highlight the reason we need a balanced budget amendment even more.

The public should take notice that the groups which feed the most at the public trough are screaming the loudest in opposition to a balanced budget amendment.

What are these groups afraid of?

The balanced budget amendment would force this Congress to simply set priorities.

Are these groups afraid of competition?

The big-spending, liberal special-interest groups are not interested in competing for the limited Federal taxpayers' dollars. They prefer that the Government just print more money for them to spend. Fiscal responsibility is not in their vocabulary.

These groups have always opposed cutting any waste or fat in the Government. They have no problem at all with heaping ever more debt on our children.

The balanced budget amendment has been considered several times over the last decade. And each time the liberal special interests have opposed it and chose instead to pile more debt on our children.

In 1980, each child born that year immediately inherited a debt of almost \$4,000.

In 1985, because no balanced budget amendment was adopted, children that year inherited more than \$7,600 in debt. Yet, still the liberal special interest groups worked hard to block passage of the amendment in 1989.

By 1990, our children were burdened with almost \$12,800 in debt.

Is that enough?

Is it any wonder that young families have trouble saving money for a downpayment on a home?

Is it any wonder that the Federal Government's consumption of more than one-quarter of all of our economic activity has driven up interest rates and halted economic growth?

Economic growth increases the wealth of our country and that means an increase in the standard of living.

I ask my colleagues if saddling each new child born this year with more than \$14,000 of debt is enough?

Is burdening each and every American with more than \$1,000 in interest payments each year on this debt enough?

The big-spending, liberal special-interest groups say "no." They want to kill this amendment for fiscal responsibility. They want the debt for each child born in 1995 to soar to almost \$20,000.

This special-interest spending has got to be controlled. The time to pass the amendment is now.

The American people are overwhelmingly in favor of Congress passing a constitutional balanced budget amendment. Yet the special interests are working overtime to abuse the will of the taxpayers.

What's worse, is that the vast majority of the money being used to lobby against the balanced budget amendment is coming from the forced dues of union workers.

Let me just take a moment of my colleagues' time to mention a list of just some of the unions who are using coerced dues from their union members to oppose the balanced budget amendment:

Amalgamated Clothing and Textile Workers Union [ACTWU].

American Federation of State, County, and Municipal Employees.

American Federation of Government Employees [AFGE].

American Federation of Teachers.

American Postal Workers Union [APWU].

International Association of Machinists and Aerospace Workers [IAMAW].

International Brotherhood of Teamsters.

International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers [IUE].

National Association of Retired Federal Employees [NARFE].

National Farmers Union.

National Council of Senior Citizens.

National Association of Social Workers.

National Education Association [NEA].

National Rural Letter Carriers' Association.

Service Employees International Union.

United Brotherhood of Carpenters and Joiners.

Union members, like all Americans, are outraged at the fiscal irresponsibility of Congress.

Union members, like all Americans, want to see a balanced budget amendment to the Constitution passed.

Unfortunately, this is just another example of union workers' money being used against their political wishes by the special-interest union bosses. Union members have a right to demand a refund of their union dues going to political causes, like opposition to the balanced budget amendment. That's their right under the Supreme Court's Beck decision.

I urge union workers to demand an end to abuse of their dues and I urge my colleagues to demand an end to fiscal irresponsibility and support the constitutional amendment to balance the budget.

Mr. STENHOLM. Mr. Chairman, I ask unanimous consent that my time of 30 minutes be divided equally between myself and the gentleman from Oregon [Mr. SMITH] and that we be recognized alternately.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. STENHOLM. Mr. Chairman, I would like to summarize the changes made in the Stenholm substitute. It should be noted that the changes included are generally minor and technical in nature, and in no case significantly change the intent or operation of the amendment. The changes are a result of suggestions from other Members for improved language which will clarify what the intention of the amendment has always been. In addition, the changes reflect agreement with our counterparts in the other body, Senator PAUL SIMON, Senator LARRY CRAIG, and other leaders in this effort who will be offering identical language when that body considers this issue.

The changes are as follows:

The concept of using estimated receipts is moved from Section 1 to a new enforcement section stating that "Congress shall enforce and implement this article by appropriate legislation, which may rely on estimates of outlays and receipts." This allows Congress to set estimated receipts targets exactly the same way as in House Joint Resolution 290, as introduced, and also recognizes that in the regular budget process and in the implementation and enforcement of this amendment, the Budget Committees, other committees, CBO, OMB and other agencies sometimes must deal with estimated outlays and receipts in order to influence or control actual outlays and receipts; this is a simple matter recognizing the practicalities of the new budget process.

The effective date will be 1998 or the second fiscal year beginning after ratification. This simply reflect the passage of time since the introduction of the amendment and allows a reasonable phase in time for the amendment.

The waiver for times of declared war is expanded to include "any fiscal year in which the United States is engaged in military conflict which causes an imminent and serious military threat to national security * * *". This is exactly the same language offered by Senator HEFLIN and was approved by the full Judiciary Committee.

I understand that there has been some misinformation being spread about this last section. This waiver only applies when U.S. forces are engaged in a shooting war. It will not, as has been suggested, allow us to waive the amendment to send money to foreign countries faced with a crisis or to spend money on a military buildup when U.S. forces are not engaged in hostilities. The substitute does not change the intent of House Joint Resolution 290, not but simply reflects the reality that U.S. forces may be engaged in a military conflict that is a real, shooting war in every respect, but for which the formality of a declaration is missing.

I would again emphasize that no substantial change is created by these improvements in language. All materials explaining the impact of the amendment which I have distributed previously remain valid and relevant. Those of us who have long supported House Joint Resolution 290 appreciate all input we received into these changes and feel that a stronger constitutional proposal has resulted.

I urge our colleagues to support the Stenholm substitute and vote for final passage of the balanced budget constitutional amendment.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Chairman, among our Constitution's great contributions is that it protects the basic rights of our people from each other and from their government. Now that great contribution continues. To assure that no generation of Americans has the right to pass its own financial burdens forward, we consider the balanced budget amendment to the Constitution.

In previous years I have always opposed this effort. I believed that finan-

cial responsibility, lost during the Reagan years, would be restored without constitutional change. In good faith, I can no longer maintain that belief.

A conspiracy of irresponsibility between succeeding Presidents, the Congress and current generations of Americans must be broken. Future generations must be protected.

This is the moment to take a stand. It invites years of difficult choices and real pain, but it is right. It is responsible. It is time to begin restoring financial sanity to America.

The Stenholm balanced budget amendment offers this choice. It is right. I urge my colleagues today to take a stand for the future and protect future generations.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Chairman, as a primary cosponsor of the Stenholm amendment, I rise today in support. We all recognize that amending the Constitution is a serious undertaking, but the time has come not to allow this and future Congresses and Presidents to blithely continue wayward fiscal practices. This amendment will require the President and the Congress to govern responsibly. It is the only vehicle before us that will guarantee that a balanced budget will be the rule rather than the exception.

The real strength of this amendment is that it requires a three-fifths majority vote to incur a deficit. Without such a requirement, a simple majority will be able to override the constitutional directive to balance a budget and reduce these provisions to a mere constitutional suggestion.

To allow a majority in Congress to continue deficit spending is nothing more than the status quo. That is what makes the three-fifths requirement in this amendment an imperative.

If the economic circumstances are not sufficient to generate bipartisan support of three-fifths of each House to create a deficit, then, in my view, the budget ought to be balanced.

The issue is very simple. Except in extraordinary times, a balanced budget should be the norm. The States have to balance their budgets under any circumstances. But we recognize that we have macroeconomic considerations, and that is why we have the three-fifths supermajority in the amendment.

At its very essence, this amendment is the only proposal that will actually ensure a balanced budget. That is why it rises above all others.

My colleagues, the purpose of amending the Constitution is not for window dressing. It is not for more games or gimmicks. It is to protect present and future generations from the crushing weight of every-escalating debt that we have failed, as an institution, to con-

trol. It is time to show the American people that we understand the grave nature of growing deficits and that we are as concerned about them as they are.

I want the children of this country to be able to live and thrive and work in a Nation that is free from the bondage of debt. Our generation owes that much to the next.

The stakes are to high. The future of this country is too precarious. If my colleagues agree with that statement, that we cannot proceed with business as usual, I urge them to support the Stenholm amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Chairman, I rise in support of the Stenholm-Smith amendment. It is the only way to ensure that the Congress and the President will face up to the hard realities of fiscal responsibility.

Mr. Chairman, we need a constitutional amendment to balance the Federal budget—statutes just won't do. In every Congress since I was first elected, I have sponsored a bill calling for just such an amendment, and I rise today as an original cosponsor of House Joint Resolution 290, to urge my colleagues to support the bill.

If simply passing a balanced budget statute were enough to force Congress to get its act together, the deficit would have been eliminated years ago. Since 1917, Congress has passed legislation to control Federal spending at least a half dozen times. In recent years, I have voted for several of these measures, believing they were positive, if inadequate, steps in the right direction. But, over the longrun, every one of these statutory attempts at fiscal responsibility has failed. Congress, fearful of making tough decisions, has either used accounting gimmicks to get around its own spending restrictions, or has, with a wink and a smile, passed a new law overriding the old.

The result of this lack of fiscal discipline is appalling. Our national debt is approaching \$4 trillion—it took us 200 years to rack up the first \$1 trillion, and only 10 years to accumulate an additional debt 3 times that level. During the coming year, this country will spend more to service its debt than the entire Federal Government collected in revenues just 20 years ago. Our deficit is adding up at the rate of \$7.7 billion per week, \$1.1 billion per day, \$12,731 per second. By the time debate on the balanced budget amendment has been completed, our deficit will have grown by almost \$600 million. There is no time to waste.

To say that Federal spending is out of control is an understatement. Yet, even in the face of these astounding figures, some are still insisting that a balanced budget amendment, which will force Congress to adhere to its budget rules, is not necessary. Well, they're wrong. History makes it very clear that Congress will take definitive action to control the deficit only when it has no other choice. Congress may be able to ignore the laws it passes, but it cannot—and will not—disregard the Constitution.

Today we have the opportunity to end, once and for all, the deficit cycle destined to drag us into decline and decay. We have the opportunity to call a halt to the endless shell games and accounting chicanery that have all too often resulted from earlier efforts to control the deficit monster. Today we have the opportunity to ensure that Congress, and the President, face up the hard realities of fiscal policy.

Only when a balanced budget amendment is included in the Constitution will Congress approach this matter in a way necessary to prioritize spending and get the deficit under control. I strongly support this balanced budget amendment, and I urge my colleagues to join me in voting for the bill.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. MFUME].

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

Mr. PANETTA. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I rise in strong opposition to the Stenholm amendment.

Mr. Chairman, I rise in opposition to a constitutional amendment to require a balanced budget and urge my colleagues in the strongest possible terms not to buy into this new budget deception, the latest in a long string of gimmicks thrust upon us by those who would have us abdicate our responsibility to make the choices our constituents sent us here to make.

Gramm-Rudman. The son of Gramm-Rudman, the Budget Enforcement Act. All of these were feeble attempts to rein in the deficit by remote control. Pass a law, pass the buck really, and hope the fiscal policy choices required to comply with that law suddenly will become easier. All the smoke and mirrors in those trick game boxes did not work. They did not reduce the deficit.

Who are we trying to fool? Is the deficit any smaller? No way. In 1985, when the Gramm-Rudman law was passed, the budget deficit was \$212.3 billion. This year, Mr. Chairman, 7 budget-crunching years later, the fiscal 1992 shortfall will be a staggering \$399.4 billion.

Who are we trying to fool? The American people can see for themselves the deficit isn't getting any smaller. They can see for themselves an economic recovery that, instead of gathering steam, is hiccuping, because the deficit's drain on our fiscal reserves restrains the upward trend. That drain, in terms of interest payments to foreigners, and the Government's voracious appetite for borrowing, holds us back when we so desperately need to be investing in our infrastructure and our future, our children, our people.

Who are we trying to fool? To my Democratic colleagues I say this: Adopting a constitutional amendment to balance the budget is handing President Bush and the Republican party an underserved political victory no Democrat should support. This administration and the Reagan administration before it fought desperately for this amendment to hide, to disguise, and to cover up their own failures. Ronald Reagan and George Bush promised they would balance the budget. Not once, not one

single time in the decade they have controlled the White House have they proposed a balanced budget for this country.

Just who are they trying to fool? A balanced budget amendment to the Constitution is a travesty. We should be embarrassed to tell our citizens that we have failed so miserably at the most basic responsibility of our elected office that we are going to clutter up the Constitution to divert their attention.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, I rise in strenuous opposition to the constitutional amendment. It is misnamed the balanced budget amendment. Really it is the Trojan horse amendment.

Mr. Chairman, if you really think that voting for this amendment will get you through this year's election and then all will be well, you better look in the mouth of this gift horse. Inside you will see the budgetary shell game perpetuated on the American people back in 1981 with so-called supply side economics. If this amendment is ratified, we will enshrine in our constitution the soak-the-middle-class philosophy of the recent decade of greed.

We all remember the voodoo economic principle that underlay supply side economics. It was the siren call that you could have your cake and eat it too. You could cut taxes. Somehow deficits would not balloon because magically revenue would increase if marginal tax rates fell.

The noted political scientist, Aaron Wildavsky, in his definitive history of Reagan-era budgetary politics, "The Deficit and the Public Interest: The Search for Responsible Budgeting in the 1980's," identified the most important reason for the 1981 tax cuts—to force spending cuts. Wildavsky calls the 1981 tax cuts the children's allowance theory, quoting President Ronald Reagan's own words in a February 1981 address to the Nation:

Over the past decades, we've talked of curtailing Government so that we can then lower the tax burden. Sometimes, we've even taken a run at doing that. But there were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cure their extravagance simply by reducing their allowance.

Well, we reduced the Federal Government's allowance during the 1980's. The best measure of the impact on the economy over time of Government taxation or spending is to express the revenue or spending as a percent of gross domestic product [GDP]. As a percentage of gross domestic product, Federal revenue declined from 1980 to 1990 from 19.6 to 18.9 percent. This 0.7-percentage-point decline is not an insignificant sum. In 1991 dollars, 0.7 percentage points of GDP equals \$40 billion. If it were not for the Social Security tax increases from the 1983 amendments, the revenue decline would have been 1.5 percentage points, or \$85 billion in 1991 dollars.

Far more than we usually admit in these days of congressional criticism, we cut spending in the 1980's. Thus, we bought into Reagan's children's allowance approach to the

Federal budget. Domestic discretionary spending declined 1.6 percentage points from 4.9 to 3.3 percent of gross domestic product, or \$91 billion in 1991 dollars. It is well known that spending for defense and international affairs, the other two types of discretionary spending, increased during the 1980's. Less well known, is the fact that the increase for these categories was far less than the decrease in domestic discretionary spending. In 1980, defense and international affairs combined consumed 5.6 percent of gross domestic product. By 1990, their share had risen to 5.8 percent, or a 0.2-percentage-point increase. In 1991 dollars, this was an increase of \$11 billion. In other words, the 1.3 percentage points of gross domestic product cut in domestic discretionary spending was more than six times the 0.2-percentage-point increase for defense and international affairs combined.

Another budgetary myth the balanced budget amendment seeks to perpetuate is the hoary notion that entitlement spending is out of control. Somewhat at variance with that myth is the fact that between 1980 and 1990, entitlement spending as a percentage of gross domestic product decreased 0.6 percentage points from 11 to 10.4 percent. Actually, the only entitlement programs which are now growing at a rapid rate are Medicare and Medicaid. These programs increased by 1 percentage point over this period. Thus, the decline as a percentage of gross domestic product of all entitlements, except Medicare and Medicaid, was 1.6 percentage points between 1980 and 1990.

The Social Security Program deserves particular attention in any discussion of entitlement spending. In 1980, Social Security spending was 4.4 percent of gross domestic product. By 1990, it had increased one-tenth of 1 percentage point to 4.5 percent. To show Social Security's burden on the deficit, however, you have to factor in revenue from the Social Security payroll tax. In 1980, the Social Security payroll tax, excluding Medicare, was 4.3 percent of the gross domestic product. Social Security was running a deficit.

The Congress took decisive action to halt this deficit in the 1983 Social Security amendments. To ensure the solvency of Social Security, Congress increased the payroll tax, reduced the benefits of all current Social Security recipients, and reduced the future entitlement of all American workers and their families. These harsh measures were necessary to restore the system to solvency.

The strong medicine worked. In 1990, the Social Security payroll tax revenue was 5.2 percent of gross domestic product. Revenue was 0.7-percentage-points above spending. Social Security was financially sound again, and because its surplus is included in the deficit calculation, it is being used to mask spending in the operating budget.

What these statistics show is that the Congress held down spending much more than the proponents of this misguided constitutional amendment would lead us to believe.

It is imperative that we understand the reasons for deficit spending if we are to successfully bring the deficits under control. For that reason, I am a cosponsor of H.R. 4192, the Truth in Budgeting Act of 1992, which will make clear the degree to which retirement programs are self-financing.

What is really driving the deficit now are three factors:

First, we gave the wealthy a lot of tax cuts in the 1980's. While the huge middle class tax increase as a result of the Social Security Amendments of 1983 offset about 60 percent of revenue loss from these tax cuts, the corporate and income tax base is far less than it was at the beginning of the 1980's.

Second, our interest payments are going through the ceiling. Just the interest payments that the Treasury makes to the public went up 1.4 percentage points of gross domestic product between 1980 and 1990. These interest payments are a regressive form of expenditure. Tax payments by Americans at all income levels finance these interest payments which are paid on securities held primarily by upper income taxpayers.

Third, spending for deposit insurance for commercial banks and savings and loans skyrocketed during the 1980's. This spending was actually negative in 1980. The premiums that banks and savings and loan associations paid were greater than the spending to cover insolvent banks. In contrast, by 1990, spending was \$58.1 billion, or 1.1 percent of gross domestic product in that year.

Thus, proponents of this constitutional amendment, particularly those who want to make it harder to raise revenue than to cut spending, are really engaging in a form of political demagoguery. First, they ignore the spending reductions that the Congress enacted in the 1980's. Then, they insist that the budget be balanced through spending cuts. They want the rich to be able to take the money and run in the form of the massive tax cuts enacted in the 1980's. Thus, this amendment is really an effort to enshrine in our Constitution the 1980's decade of greed.

I urge my colleagues to reject this Trojan horse and show the American people that Congress can and will govern.

BACKUP TABLE FOR GROSS DOMESTIC PRODUCT ESTIMATES

Sources of increase in deficit as a percentage of GDP from -2.8 percent in 1980 to -4.0 percent in 1990

Tax Cut (+)/increase (-):	
Social Security	-0.9
Other revenue	1.5
Subtotal: Revenue7
Spending increase (+)/reduction (-) entitlements:	
Social Security1
Medicare/Medicaid	1.0
Means-tested other than Medicaid1
Other entitlements	-1.8
Subtotal: Entitlements	-6
Discretionary:	
Domestic	-1.6
Defense/international2
Subtotal: Discretionary	-1.4
Deposit Insurance	1.1
Net Interest	1.4
Subtotal: Spending5
Total deficit increase	1.2

Mr. PANETTA. Mr. Chairman, I yield 2 minutes and 45 seconds to the gen-

tleman from Texas [Mr. BROOKS], the distinguished chairman of the Committee on the Judiciary.

Mr. BROOKS. Mr. Chairman, I rise in firm opposition to the Stenholm substitute to House Joint Resolution 290. For too long now, we at both ends of Pennsylvania Avenue have abdicated our responsibility to make the difficult choices necessary to put our fiscal house in order. Instead, we have erected mechanical structures that supposedly would do the job that we, in fact, were elected to do. This is really what the budget process, and all its refinements like Gramm-Rudman I, Gramm-Rudman II, and so on, were all about. They were legislative erector-set structures whose elaborate looks and fancy bells and whistles disguised their essential unreality.

Now comes the mother of all erector sets, the ultimate tribute to our child-like fascination with mechanical structures—a balanced budget constitutional amendment. All we have to do is plug it in and stand back and watch it balance the budget. Let's forget the functional craftsmanship that used to mark legislation like the workings of a hand-made watch. Let us just get a battery operated drug store model and we'll keep perfect fiscal time. If you believe that, then there will be a run on magic wands and divining rods in the near future.

Mr. Chairman, the reality is that this amendment is an outrageous and dangerous abdication of our responsibilities as elected officials. It stands on its head the basic principle that should guide our activities as representatives of the people: The principle of accountability. It is filled with words and phrases that open the door to the same games and dodges and abuses that got us in the fix we're in today. "Total outlays for any fiscal year shall not exceed total receipts," it says. What are total outlays? Total outlays, it tells us, are all outlays (except debt repayment). What are total receipts? Total receipts, it seems, are all receipts (except borrowed money). Those who find these definitions a little circular should be pleased to know that section 6 of the Stenholm proposal gives the Congress the power to enforce and implement the amendment by appropriate legislation. And so, presumably, through this appropriate legislation, we could simply define ourselves into a balanced budget, and right out of reality-based fiscal accountability.

Mr. Chairman, we have heard speaker after speaker come to the well over the past several days and tell us that we must pass a balanced budget amendment because the people are fed up. I agree that the people are fed up, but we might ask ourselves just what it is they are fed up about. I believe that more than anything else they are fed up with the cynical manipulation of the legislative process, the games that

have been played with definitions and guidelines, the record of current and past Presidents using their bully pulpit to piously proclaim their support for a balanced budget while adding \$2 trillion to our national debt.

Mr. Chairman, all this amendment will do, all this amendment can do, is to add to the people's sense of frustration, cynicism, and anger. The effective date section of the Stenholm amendment, ensuring that it will go into effect no sooner than fiscal year 1998, is the final straw. It gives the proponents of this amendment on both ends of Pennsylvania Avenue the chance to show that they've gotten religion, without making them do anything of substance for years and years and years. In this regard, the Stenholm balanced budget constitutional amendment is the updated legislative embodiment of St. Augustine's prayer: "Give me chastity and continence, but not just now."

Mr. Chairman, the American people deserve better than this. They deserve more than another round of games and charades that serve only the purpose of getting us by the next election by covering us on the budget-is-out-of-control issue. Let us put aside this amendment and get down to the real work of making tough decisions, of deciding what it is we want Government to do, and how we want Government to pay for it. That's what we were sent here to do. Or, at least that's why I came here.

□ 1600

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Utah [Mr. OWENS].

Mr. OWENS of Utah. Mr. Chairman, I rise in strong support of the Stenholm amendment, and ask my colleagues to do the same.

I do so because this is a time of genuine economic distress in our country, and it is past time for partisanship and petty politics. The American people want us to put aside election year antics, to act, and to act now. The Stenholm amendment provides the course least likely to cause greater economic turmoil and most likely to bring a strong and growing economy long term. Only by increasing both public and private investment can America solve the problems which are eating at our social stability, and only when deficits are brought under control are these investments possible.

I am not a strong supporter of President Bush's budgetary policies. I have found them to be almost totally lacking in vision and completely devoid of courage, except for the 1990 budget agreement, which, alone among Utah's congressional delegation, I stood to support in October 1990. Earlier this spring, however, I voted for the Republican tax package because it was more inductive of growth and because I believed then, as I do now, that it was time for us to provide a bipartisan response to helping America's small business community. After the President's veto of the tax bill sent to him by the Congress, I cast what was, I believe, my

only vote ever to sustain a Presidential veto. Throughout my congressional career I have pushed for a capital gains differential, and for investment tax and research and development tax credits—all in pursuit of allowing America's small businesses and entrepreneurs the opportunity to better compete in world markets.

Today, once again, I vote with the President to force future presidents and congresses to abide by the discipline of a constitutional requirement to balance our budget. I am embarrassed that congressional lack of courage and political will have brought us to the strange position that we must place future congresses in tighter strictures, to give them less flexibility with future budgets. I do so very, very reluctantly, and only because I have concluded that the prime element of fiscal discipline, courage, is lacking here, and that procedural and structural changes are required to deal with that reality.

When I campaigned to return to Congress in 1986, I did not think we needed to amend the Constitution to balance the budget. I argued that all we needed was courage. But, 6 months into the job, after giving serious attention to the budget, I was led to the conclusion that the obligation to balance our spending and revenues does, in fact, require this drastic action. We still need courage, now more than ever. But we also need the legal and institutional discipline which only an amendment can impose on our actions.

First, let's consider the political history of budgets and budget deficits. Back in the days when budgets were kept in line, basically until the 1960's, courage played only a minimal role. Budgets were balanced through the power structure of the Congress and through the discipline of the two-party system. In those good old days of imposed balanced budgets, fiscal austerity did not arise from the collective good judgment of a democratically elected body. It came from the iron fist of congressional leadership. Members of the leadership could take tough actions in part because they could impose discipline, and because they usually held safe, unthreatened congressional seats, operating inside the private places of the institution where opponents and the media did not have access to the information which could cause political grief back home. Rules were structured so that the Leadership was not as subject to the whims of its backbenchers. Under such a system, now gone the way of the Edsel automobile, it was comparatively easy to balance the budget.

Then came Watergate and the Vietnam war and instantaneous, live television coverage and investigative reporting. With these events came a terrible public distrust of concentrations of power, and a concomitant politicians fear of looking weak at home. I remember vividly this wave of antigovernment sentiment when I was first elected to Congress in 1972. That era's distrust of the military and the Presidency carried over to impact reforms in the structure of the budget process. In my first term in Congress, now nearly 20 years ago, we stripped the President of his impoundment authority and democratized the authorization and appropriations processes.

We have since evolved into a body of free agents. We no longer campaign on the basis of our seniority or of our party affiliation. Rath-

er, we tell our constituents "I'm one of you. I'm working for you." Mr. Chairman, Congressmen work harder at staying in touch with their constituents, and that is good. But the unfortunate result is that too many in Congress are so sensitive to and preoccupied by short-term parochial interests that they find it impossible to grapple with challenges to our Nation's fiscal stability.

Lack of discipline in the Congress, combined with the Reagan-Bush administrations' voodoo economic policies, have left us with a cumulative debt approaching \$4 trillion. As a percentage of our GNP, debt held by the public has doubled in the past 12 years. Debt service is the second or third highest item in the budget, depending on how you calculate it, and is sapping resources away from our children's future by taking precious resources from education and infrastructure and R&D and health care. It is the single greatest impediment to short term economic recovery and the long-term quality of life of our children and their children's children.

The promises of the Reagan and Bush Administrations, combined with congressional unwillingness to say "no" to any job-producing scheme, usually under the heading of "national defense," have given too many Americans the notion that deficit reduction is somehow a painless task. Those who have perpetuated that myth have done America's budgetmakers—and all Americans—a terrible disservice, and presented today's Congress with an almost impossible political conundrum.

Opponents of the amendment claim that we unduly jeopardize Social Security and Medicare benefits with passage of a Constitutional amendment. Mr. Chairman, that is simply not true. The independence of the social security trust fund will not only be protected, it will be strengthened. The retirement fund which is to be built up to take care of the huge numbers of America's postwar baby boomers will have better prospects under the discipline which this amendment lays down. If we don't address our growing deficits now, we will place the Social Security trust fund under more jeopardy 20 years down the line. Under today's gross overspending, that trust fund is in genuine danger, and one can gloomily predict that unless we start balancing our budget, and doing it now, there will come a time within the next 10 to 15 years when stress between the generations will reach breaking point.

Nowhere in the balanced budget amendment is Social Security ever mentioned. Any serious deficit reduction scheme, be it by statute or constitutional amendment, has the potential to impact entitlement benefits, but will not jeopardize the independence of the Social Security trust fund. We will not allow the budget to be balanced on the backs of retired Americans—that is an absolute commitment.

Social Security is insulated both by statute and by political reality. Under existing law, Social Security remains off-budget for the purpose of meeting deficit reduction targets. Any legislation that would change the actuarial balance of the Social Security trust fund remains subject to a point of order in the Senate and the House. The balanced budget amendment does not change existing law. The interests of Social Security recipients are well-protected in the current political system, and will remain protected upon passage of an amendment.

Critics of an amendment make the valid point that the Congress must not be hamstrung in its ability to enact effective countercyclical fiscal policies. Unfortunately, our current budget structure and statute have already precluded such action, because of our huge accumulation of debt.

Upon passage of the Stenholm amendment, I will pursue further my hope that a capital account can be established within the Federal budget, whether this constitutional amendment is ratified or not. We must reclassify Federal spending as "capital investment" or "current expenses." Regardless of whether a majority or supermajority is required to allow the Government to borrow, we should make certain that we are borrowing for the future of our children rather than our own generation's consumption. In fact, a credible case can be made that borrowing to rebuild America's infrastructure is a legitimate policy goal. State governments, as members know, balance their operating budgets—not their capital budgets. It is this capital account in state budgets that allows for investment in public works and transportation, and that enables states to promote and facilitate economic development and growth.

Mr. Chairman, I and many others in the Congress from both sides of the aisle believe that we must move to a similar system of capital budgeting for the Federal Government. If we're going to deficit-spend into the future, we should make certain to borrow only for those programs which truly constitute investments in our economy. Should the amendment pass, we must establish a capital account in the budget which would include the progrowth programs of the Federal Government—programs in commercial infrastructure, civilian R&D and education. Each is integral to our economic vitality and must not be undermined by the amendment.

By sheltering long-term investments from short-term political winds, a system of capital budgeting will minimize the impact of the balanced budget amendment on the Federal Government's investment-oriented expenditures. A balanced budget amendment will kill our economy only if we, as representatives of the people, fail to prioritize our spending responsibly. A capital account can enable us to prioritize our spending without undermining those programs integral to our economic growth. When we move on to debate enforcement and implementing legislation in the months ahead, I think I speak for a number of Members who believe that a capital budgeting system must be the eventual goal of those deliberations.

Mr. Chairman, our entire political system deserves the blame for our fiscal mess, from voters all the way up to Presidents. Columnists and pundits are quick to blame the shortsighted ways of our constituencies and the compliant nature of Members of the Congress. They have a point, but we are fooling ourselves and trying to fool the public by absolving ourselves of our responsibilities.

These responsibilities go well beyond looking after the specific needs of our own districts. Our responsibilities begin with matters of national importance. Where there are bad national programs with good jobs created at home, we must take a stand and be willing to

say "no" to such wasteful, unneeded Federal expenditures. Our folks at home must reevaluate their stake in federally funded programs. We must use our access to the public and the press to educate our constituents of the tough choices that must be made. It is not easy, but it is necessary.

A full-fledged, thoughtful and candid debate about the budget is long overdue. I'm going to support the Stenholm amendment, because I think it is the most properly focused and intellectually honest. We must put on display our priorities, our courage, and the realities of our budgetary excesses, and the President must join us by using his bully pulpit to educate voters as to where our real budget-cutting opportunities lie.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. TAUZIN].

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

Mr. Chairman, I lost my dad this year. He was at the same time a very ordinary and yet extraordinary man. Dad rarely earned above the poverty line, but he never had a credit card. He never signed a mortgage. He never made any time purchase, never in his life. Yet dad left my mother fairly well off. She is well taken care of.

Dad, ordinary and extraordinary man that he was, understood something that I think most ordinary Americans understand, that the easiest dollar to spend is the dollar we do not have to work for, the dollar we do not have to earn, the dollar we never get except by borrowing it. Even those credit card companies that used to send dad credit cards, before he would send them back, begging him to borrow money and spend it, even those credit card companies who sent those cards to us understand something most ordinary Americans understand. They put a limit on us. They put a limit on the easy spending of those borrowed dollars. Dad understood it, and most Americans understand it.

For the moms and dads across this country who watch us pile up debt, spending that easy money that we never have to raise, that we never have to earn, they would like the chance to put a limit on our credit card. They would like a chance to put some limits on our spending habits. The Stenholm amendment is our chance to give them a chance to instruct us to set some limits and then live by those limits. It is that simple. It is not any more complicated than that.

What we vote on in just a few minutes is the opportunity for every mom and every dad and every taxpayer in this country to begin to discipline us in a way dad disciplined his spending habits in his life. On his behalf, on behalf of all the taxpaying citizens in America, let us adopt the Stenholm amendment and give them that chance.

Mr. PANETTA. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, the Stenholm amendment is a product of desperation, not inspiration. It reflects the frustration of a Congress and a nation which have seen recordbreaking deficits ignored, but before we embark on the historic mission of amending our Constitution we should recall how we arrived at this moment.

This amendment is the direct result of the mismanagement and misguided policies of Presidents Ronald Reagan and George Bush and the compliance of conservative Democrats who supported this amendment. Their devotion to supply-side economics, reduced taxes on the wealthy while wasting billions of dollars on military spending, this discredited economic theory literally bankrupted America.

More than anything, this amendment is Ronald Reagan's revenge. He came to Washington dedicated to slashing social programs like Social Security and Medicare. He could not get the job done, but he left a deficit behind him that is nothing short of a time bomb that will explode and reduce the benefits of the poor elderly across America.

The Reagan-Bush agenda did not end with shredding America's safety net. No, their reactionary program was also dedicated to reducing the power of the most direct representation of the American people in our Government, the Congress. The Stenholm amendment, more than anything else, marks a historic transfer of power from the people of this Nation through their Congress to unelected Federal judges and the faceless number crunchers in the executive branch.

While the Republicans have failed to win control of the Congress, they now, through this amendment, seek to strip it of its power, and ironically, they are joined by Democrats who are supporting the idea of a 60-percent majority to carry on the ordinary business of government. These same Democrats sign on to an amendment which gives Federal courts more power in decision-making than has historically been the province of Congress.

Constitutional scholars as liberal as Lawrence Tribe, as conservative as Robert Bork, have predicted the Stenholm amendment will result in a litigation nightmare. Courts will make the decisions, the people will not. It should be noted the same coalition of Republicans and conservatives who bring us this amendment today brought us Gramm-Latta in 1981, which created this mess.

A word about the words of debate. If the Members have listened for 2 days, they have heard two words from this well more often than not, "courage" and "discipline." But if the Members will look at the voting records of the so-called champions of the Stenholm amendment, they will find their fervor for balanced budgets is not matched by their voting records. Of the 279 cospon-

sors of the Stenholm amendment, exactly 57, 57, voted last week to cut \$1 billion out of the wasteful star wars program. Sixty-nine of the 279 voted to cut the cost overrun space station. Only 100 would vote to eliminate the super collider boondoggle.

The supporters of the balanced budget amendment are long on rhetoric but short on political courage when it comes to actually cutting the deficit.

President Bush, who has never produced a balanced budget, anxiously supports this amendment, which delays the day of reckoning beyond the term of the next President. President Reagan and President Bush have preached the salvation of balanced budget amendments while practicing the policies, the wasteful policies, of Reaganomics and recordbreaking deficits.

If the Stenholm amendment is not the answer, what is? The American people know the answer to that. We do not need an amendment, we need a leader. We need a President of the United States who next January will take his hand off the Bible, turn to the people of the United States, and give them the truth about dealing with this deficit. He will anger some of us with his candor, but we will follow his leadership.

□ 1610

It is clear that the incumbent President cannot face that responsibility. I hope the President is of my party and can, or perhaps he will be an independent party candidate who will have that kind of courage.

This amendment cannot give a spinal transplant to the President or to Congress. It will replace a deficit crisis with a constitutional crisis. It is an act of political desperation which could haunt us for generations.

I beg my colleagues to resist the impulse to enact this simple, misguided amendment.

Mr. SMITH of Oregon. Mr. Chairman, I am delighted to yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Chairman, I would like to address my remarks to my colleagues on both sides of the aisle who are wary of using the Constitution to do that which we should do ourselves, because I share that wariness. In fact I did not decide until yesterday that I was going to join in this effort, because I perceive a danger to the Constitution by amending it for these purposes, and I believe that danger is real. But I also believe that danger is manageable.

But the danger to our Republic of constant deficit spending and rising debt is even more real, and shows absolutely no sign of being managed by this administration or other administrations or this Congress.

The only thing that is more sacred to this organization, to myself than our Constitution is our Republic. And I

would far rather see an amended Constitution which will govern a strong, vital, vibrant Republic than to see an unamended Constitution which will govern over a republic that is a mere shell of itself, its destruction caused by deficits and by debt.

Please vote to support our Republic.

Mr. PANETTA. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I do not claim to return to this Chamber with a clear mandate on any particular issue. But there is one thing that I learned very clearly in my Senate race in California, and that is that the American people want leadership, not false promises.

This balanced budget will eventually be seen as exactly what angers the American people, a false promise instead of the disciplined leadership which is needed to make the very tough choices that we are faced with every single day in this body. We do not need to tinker with the Constitution of the United States to balance our budget.

Mr. Chairman, I rise in opposition to all of the balanced budget amendments on the floor today.

I do so not because I am not concerned about the Federal deficit, I am. No society can tolerate the fiscal irresponsibility which has allowed our national debt to more than triple over the last 12 years.

Unless some fiscal discipline is brought to the budget process, we endanger our country's economic future and take from future Congresses the ability to set priorities and spend Federal dollars on important national priorities.

The fact that we are here debating these amendments, and that so many of my colleagues are willing to support what many of us know is bad economics is an indictment of our political system and the failure of our leaders to lead.

The task facing government in the 1990's is to increase productive Federal investment in our future.

That means rebuilding our decaying infrastructure, improving the quality of our schools, and building the information highways necessary for the knowledge-intensive economy of the future.

These kinds of investments helped make our country the most powerful and prosperous in the world and laid the foundation for what is rightfully known as the American century.

Unfortunately, none of the amendments before us today make a distinction between the kind of productive expenditures necessary for the future and the orgy of waste and consumption which characterized the 1980's.

At precisely the time when we should be increasing spending in our future, passage of any of these amendments will limit the Federal Government's ability to invest in the future.

If the President wants to balance the Federal budget, let him submit one to Congress, and if a majority of my colleagues want a bal-

anced budget let them make the tough choices needed to craft one.

The failure of our political leaders to do this is precisely why the public is so angry and frustrated with our political system and elected officials.

I urge my colleagues to join with me today in defeating these well intentioned but misguided proposals, and begin the process necessary to get our economy back on a sound footing and building a prosperous and secure economic future for our children and theirs.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes and 45 seconds to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I rise in strong support of the Stenholm amendment.

It took 200 years of this country's history—39 Presidents—to run up \$900 billion worth of debt. In the last 12 years, this body along with the President of the United States has quadrupled that debt. It now costs us \$315 billion a year worth of interest alone to pay off that debt.

I am supposed to have joined, according to some of the last speakers, with the cabal of Republicans and conservative Democrats that are designing a plan to eventually hurt the working people and the poor people of this country. Nothing could be farther from the truth. The debt as it is set up in this Nation today has more destructive power over the poor people in this country than any single program or any single raising or lowering of taxes on the rich that has occurred. When we think about what is going on with this debt, we see the fact that if we had held onto the debt the way it was in 1980 we would have \$245 billion a year, every single year to pay for national health insurance, to pay for housing, to pay for health care, to pay for the education of our kids, to stop the crime on the streets.

But that money is gone. And think of where it goes. It goes to the wealthiest Americans, and it goes to foreigners overseas, and it goes to our corporations, those individuals that buy up the debt of this land. That is what is going on. We have an enormous transfer of wealth from the working people and the poor who pay the taxes to the superwealthy that buy the bonds, and it is time that we understand that when we talk about what has gone on in America, when we talk about the fact that real men of courage would stand and vote for the bills, I would certainly vote for the bills that call for a balanced budget, but the reality is that we cannot get the votes. We have simply never even come close to the votes that are necessary to get any kind of semblance of a balanced budget in this Congress on any year since I have been here, and I do not see anybody coming down the pike that seems to be going to stop.

So if we are really interested in standing up to the powers that be in

this country, then let us get together and get a balanced budget amendment passed in the Constitution that will draw a line across to the future generation's tracks that say that we care, as every other generation of Americans has cared about the future generations of this land.

I have two young sons, Matt and Joe, and this is going to be the first generation of Americans, our generation, the people in this Chamber today are going to hand down a Nation that is less able to compete with the Germans, less able to compete with the Japanese, less able to pick up the destiny of this land because of our excesses.

If our generation cannot get its act together, then by goodness we need to have a constitutional amendment that, as my father used to say, will get us on with ourselves. Let us get it on with ourselves, Mr. Chairman, and let us get this bill passed.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. For my friends, supporters of the Stenholm amendment have come up with a very novel idea, a novel solution to all of America's problems. It is so good I think we should extend it everywhere else.

If you are worried about your constituents being mugged and hit over the head, let us pass a constitutional amendment abolishing crime. Abacadabra, our streets are safe.

Worried about the conflict in Yugoslavia? A constitutional amendment prohibiting fighting between the Serbs and the Croats. Shazam. Peace comes to Yugoslavia.

Worried about the scourge of AIDS? A constitutional amendment abolishing AIDS, no more incurable diseases. Hocus-pocus.

My friends, those amendments are absurd. This amendment is equally absurd for the very reason that you cannot, cannot, cannot just wish something away.

In this body we have not had the fortitude and courage to either raise taxes or cut spending on programs we care about. Until we do that we will not balance the budget, constitutional amendment or not.

And do you know what, ladies and gentleman? I will bet half the Members who vote for this are quaking in their boots hoping that it does not become part of the Constitution, because if it does and they are then asked to raise taxes, to cut Social Security, to cut defense, to cut spending programs, they will vote no and be stuck between a rock and a hard place. I was going to say something else, but I figured my words would be taken down, Mr. Chairman.

So my colleagues, do not fall for this. Yes, I say to my colleague from Massachusetts, we are mortgaging away the future, but that is not because we did

not have a constitutional amendment. It is because every one of us does not want to cut spending in the programs we care about, and does not want to raise taxes on our constituents. And no constitutional amendment will convince either the American people who feel the same way we do or the Members of this body to change.

Reject this nostrum, reject this hypocrisy and get down to the business of really solving America's problems.

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Mr. SMITH of Oregon. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. NICHOLS].

Mr. NICHOLS. Mr. Chairman, this morning I left my home in McPherson, KS, to come back to Washington because I wanted to be here to vote in favor of the balanced budget amendment.

I was in McPherson in the middle of the week to be with my wife, Connie. She has just been diagnosed as having cancer and faces surgery in the morning.

But, Connie and I decided I should come back to Washington to speak for the people of my State because this issue, more than any other, symbolizes the reason I decided to run for Congress and the frustration of the people of Kansas.

For years, the people of my State have pleaded with the Government to do something about the deficit. They stood by patiently as one politician after another promised them Gramm-Rudman would balance the budget. It didn't. More politicians stepped forward and told them the 1990 budget agreement, which raised their taxes, would reduce the deficit. It did not.

The people of Kansas elected me to Congress not to talk about reducing the deficit, but to do something about it. I promised them I would, and that is why I am voting in favor of the balanced budget amendment.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I have served in this body for 10 years. I followed the Congress before I came, and certainly since I have been here, and I do not think this Congress is that much different than the Congresses which have for the first 200 years of this Nation's history done the business of the people.

But in that same 10-year period, what was an \$800 billion total accumulated national debt skyrocketed to \$4 trillion, five times what it was. Is it the Congress' fault? Did these five Congresses that I participated in become so different and so profligate in spending that they could do five times what had been done in the 200 previous years? The answer is no.

What happened was that the leadership in the White House changed, changed so dramatically, so drastically, and so badly for the fate of this country that we are now in the position of having to debate amending the Constitution of the United States to right the wrong of the Presidencies of Reagan and Bush.

Not once in 12 years that they sent a budget here did they send one up that was balanced. Yet, in that 12 years, this Congress and the four preceding ones appropriated less money than they asked for.

Mr. and Mrs. America out there, do you want to know how you fix deficit spending and what we have got in the way of national debt? Elect a President who will do what he says. For 12 years they did not. They lied to the American people. It is the time now to tell the truth.

Get a leader and elect a leader that will submit a balanced budget. We have done our job. We gave them less money to spend than they asked for.

This Congress is not that different than the 100 previous Congresses that preceded it. It is what the leadership of the country in the White House was all about, and the Americans who paid for this profligate spending for that 10-year period are going to pay again if you adopt this, the elderly, the poor, the sick, the infirm, Meals on Wheels, student lunches, student loans, NIH for research into cancer, you name it, they will suffer. Let us do the right thing. Do the thing we were elected to do.

Keep spending less than the President asks for. Make the American people vote for a President who will, in fact, lead for a balanced budget. That is the way to solve this problem, not this roundly condemned amendment.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I rise in support of the Stenholm amendment.

Mr. Chairman, I rise in support of House Joint Resolution 290, the Stenholm balanced budget amendment.

Let no one question the peril we face as a nation and the importance of this debate. The clearest and most present danger to our country's security is a national debt that has tripled in 12 years and budget deficits that have increased from some \$59 billion in 1979 to over \$400 billion today—with no end in sight.

Past experiences have shown that statutory fixes and procedural changes mandating a balanced budget have not worked. We have held budget summits and passed deficit reduction plans, that I have supported. However, in the end, we continue to run huge deficits. Over the past decade, we have passed at least five statutes intended to create a balanced budget, while at the same time, the debt continues to bloat.

By now we all should know that political will alone is not enough to balance the Federal budget.

This amendment asks the Federal Government to live within its means—as every citizen and most States must do. Already, 62 cents of every dollar of personal income tax paid is used to pay off interest on the national debt. Our overreliance on the debt to finance the Government is heading us toward economic disaster.

In the State of Texas, we have a similar provision in the State constitution. Texas has to make the hard choices necessary to balance its budget. It is time that the Federal Government do the same. We need to begin making constitutionally compelled choices. We cannot fund everything we are asked to fund. The Federal Government is already overextended and cannot afford to fund everything it has.

Some argue that this amendment will somehow hurt senior citizens. It concerns me to hear from constituents who have been told that this amendment calls for huge cuts to Social Security. This argument is not true. What should terrorize seniors is \$400 billion deficits and a debt that has tripled in just 12 years. That burden of debt threatens every program and our overall economy.

The amendment does not change in any way the existing status of Social Security. The current protection of the trust fund would not be eliminated by this amendment. We know that the greatest threat to the Social Security Program is the rapidly increasing Federal debt. As interest payments continue to soar, they will continue to crowd out other spending including, eventually, Social Security.

The Stenholm amendment will force the President and Congress to take responsibility for setting budget priorities. Critics say that this amendment will cause deep cuts in specific programs. In truth, with \$400 billion deficits, too many unnecessary programs get funded. No one has to ask the tough questions? To make the hard choices. It is future generations that have to pay the bill. When my Committee on Ways and Means markup a bill, lobbyists of all stripes and persuasions line the halls outside our committee room. There is only one constituency that is never adequately represented: children. And they are the ones who have the most to lose by this ever-increasing debt. We have no right to push this debt on them.

Haphazard changes should not be made to our Nation's most important document. But we are faced with continued deficits of hundreds of billions of dollars, a national debt that soars toward \$4 trillion, and a government so out of control that it cannot and will not curb its insatiable appetite. These are realities that threaten our future and our children's future. I have two young daughters and it is for them and their generation that I am standing here today. The United States has run a growing deficit in every year of my young daughters' lives. That is unacceptable and it must change. A constitutional amendment is the only option we have that will force us—Democrat and Republican, liberal and conservative alike, the Congress and the President—to work to get our fiscal house in order and bring about the balanced budget that we so urgently need.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. SANGMEISTER]

Mr. SANGMEISTER. Mr. Chairman, I rise in strong support of the Stenholm amendment.

Mr. Chairman, I rise today to support the balanced budget amendment offered by my colleague from Texas [Mr. STENHOLM]. I support the balanced budget amendment because I believe that fundamental change is required for Congress to reduce spending. Clearly, both Congress and the President have had the opportunity to reduce the deficit—but neither have chosen to. In fact, the sad truth is that the President and Congress have not worked together to balance the budget since 1969. The gentleman from Texas, amendment would elevate the issue of a balanced budget to a constitutional responsibility and force all of us—the President, Congress and citizens who benefit from Government spending—to finally make the tough choices.

Make no mistake about it, however, balancing our \$1.5 trillion budget will be much more difficult than cutting \$500,000 to renovate the home of Lawrence Welk. It will require all of us to set policy priorities and decide between tax cuts, military buildups, and national health care. We can make these tough choices, and if we were forced to decide between national health care and B-2 bombers, I am confident we would finally cancel the B-2.

From the days of our Founding Fathers until the start of World War II, balanced budgets were the unwritten rule by which the Government abided. Today, we have abandoned this principle and deficit spending has become the norm. The time has come for Congress to change the rules back and specifically add a balanced budget requirement to the Constitution. I urge my colleagues to support House Joint Resolution 290.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. MAZZOLI].

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

Mr. Chairman, I rise in support of his amendment, but very reluctant support because I really do not think that we need an amendment to balance the budget. What we need is a plan and some sort of fortitude to take that plan on.

Mr. Chairman, I would ask the gentleman from Texas just what his thinking is as to when we might have what I consider to be the real essence of this effort, a plan brought forward to the House. Does the gentleman have any thoughts on that, when that could happen? Because we do not want to leave the American people, I hope, with a misimpression that passing this today or tomorrow or whenever is going to balance the budget. I will not do it.

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

Mr. MAZZOLI. I am happy to yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I refer the gentleman to section 6 of our amendment in which it says:

The Congress shall enforce and implement this article by appropriate legislation.

Much has been made of the fact that we are ducking and weaving. If we pass this today, we, 290 of us, are dedicated to starting that process tomorrow.

Mr. MAZZOLI. May I ask one further question? Because if the amendment passes here and the other body, it would go to the people. What is the gentleman's feeling on what this Chamber should do with regard to spending while this process of ratification is under way?

Mr. STENHOLM. If the gentleman will yield further, I think we ought to continue what we started in the budget process this year. For the first time in modern history, at least my time in Congress, we passed a budget that froze spending and cut from it. I think we can do better for the remainder of this year.

Mr. MAZZOLI. I hope so. I thank the gentleman.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, I am outraged at the budget deficit. I voted for every major deficit reduction agreement since I have come to Congress. I have conducted numerous town meetings.

At first, the Government was spending \$5 for every \$4 it took in, then \$4 for \$3, now it is down \$3 to \$2.

Today the Government spent nearly as much on interest as on all our domestic discretionary programs. We are mortgaging our children's futures, my grandchild's future.

I am so outraged at the deficit that I oppose the Stenholm amendment. We need action now, not later, real deficit reduction, not a new facade, no more palliatives, no more smokescreens, no more delays. We need to step up to the plate right now and take a whack at the deficit, not send out a lineup that will not play until 1996.

For example, health care, some of us have been working on a plan to cut health care costs \$75 billion the first 5 years in the public sector and 200 in the private sector.

In a word, the Stenholm amendment is the wrong idea at the right time. I cannot support it. Instead, I urge we get busy on the deficit and right now.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. LENT].

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

Mr. Chairman, as a lifelong fiscal conservative and cosponsor of House Joint Resolution 290, I rise in strong support of the Stenholm amendment.

Mr. Chairman, with a soaring national debt and American families straining to meet a growing tax burden, now is the time for Congress to do its part to add real accountability and real discipline to the budget process. While the balanced budget amendment will

not solve our deficit problem by itself, it will give us a vital weapon, and more importantly, compel us to fight for fiscal responsibility.

The trends are as obvious as they are alarming. The fiscal year 1992 Federal budget is a record \$1.475 trillion and the Government will have to borrow nearly \$400 billion to pay its bills, up from \$150 billion as recently as 1989. When adjusted for inflation, this year's deficit is equal to the entire Federal budget for 1965. To put it in a historical perspective, 1992 marks the 23d consecutive year and the 31st out of the last 32 that the Federal Government will spend more than it takes in.

Every single dollar of deficit spending places a financial burden upon future generations. This year, as the price for excessive spending in the past, Americans will pay \$200 billion in net interest payments. As long as our deficit is allowed to grow, interest payments will consume ever increasing percentages of the Federal budget. It is simply no wonder that my Long Island constituents and most of the American people believe that our country is heading in the wrong direction.

My neighbors across Nassau County, who already face a tax burden among the very highest in the Nation, want to see an end to wasteful government spending. They are tired of reading about pork barrel projects and unnecessary and ineffective government programs. Yet, year after year, in spite of the talk; in spite of the promises; in spite of the Gramm-Rudman law; in spite of the budget summits; the leaders of the majority party in Congress have shown that they are unable to resist demands from their special interest friends for more and more spending.

With this vote, we can stand up for today's overburdened taxpayers and generations as yet unborn who have had their future mortgaged by the profligate spending of this and recent Congresses.

Mr. Chairman, amending the Constitution is a serious step that should never be taken lightly. However, the American people can no longer tolerate a budget process that provides political rewards to those who would willingly leave our children and grandchildren with nothing but a mountain of debt. The magnitude of the problem demands that prompt and meaningful action be taken to decisively change Congress' attitude toward spending. That is why I urge the House to pass House Joint Resolution 290, send it to the States for ratification, and help ensure prosperity for current and future generations of Americans.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina [Mr. SPENCE].

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

Mr. Chairman, I rise in strong support of the amendment.

Mr. Chairman, I ask that you and my colleagues indulge me for a moment in a trip down memory lane.

It is September 12, 1973.

And it is probably a beautiful autumn day in our Nation's Capital.

On the floor of this House on the day I introduced a resolution—a resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget.

Mr. Chairman, now 19 years later, I stand on the floor of this House, speaking on behalf of a constitutional amendment to balance the budget.

I am sure you may understand that I have an acute sense of *deja vu* all over again.

In fact, let me just recycle a few words from remarks I made on behalf of a constitutional amendment in 1973. "Now, however, I think the time has come when the people again * * * expect their elected Representatives to behave in responsible ways which will bring Federal spending under control, eliminate [the] deficit, and begin to reduce our gigantic national debt * * *"

Nineteen years later, and our country needs more than ever, to bring Federal spending under control, eliminate the deficit, and begin to reduce our gigantic national debt.

Since 1979, our debt has quadrupled, from \$897 billion to \$4 trillion today. Four trillion dollars—that's 4, followed by 12 zeros.

Just the interest on the national debt has grown from \$37 billion in 1976 to \$200 billion in fiscal year 1993. This part of our budget was the third largest item in 1976 but will now consume the largest share of our budget, 21 percent of all Federal spending! This will exceed, by over \$80 billion, all funds spent on domestic discretionary programs—programs such as housing, education, medical research, transportation, and law enforcement.

Let me highlight some other statistics.

The United States now faces a \$400 billion annual deficit and it's growing by \$1.1 billion a day. That translates to \$45 million every hour or \$12,000 per second.

The national debt has increased 1240 percent since 1970.

The Federal debt per person is \$19,984. For a family of four, that adds up to \$64,000.

The United States has not had a balanced budget since 1969.

Consumers pay 62 cents of every personal income tax dollar to pay interest on the debt.

I know we have all heard these statistics over these past 2 days, and we have been wrestling with the problem of the deficit for the last 2 decades.

But maybe we have become immunized to the real impact of these statistics.

Let's look at the real impact of the Federal deficit. We know that in capital markets, we all compete—private and public borrowers—with the Federal Government for funds. And it is personal savings that basically underwrites our borrowing and debt, including the national deficit and private mortgages on homes.

Well, the deficit on personal savings currently stands at 225 percent—from 38 percent in the 1970's. That translates into higher interest rates and skyrocketing inflation—and subsequent recession and unemployment. That means less capital to build new factories which provide new jobs. That means less capital for investing in research and development for the new technologies that will be the industries of tomorrow. That means less capital to address the needs of our crumbling infrastructure—our interstates and bridges. That means a lower standard of living for all of us.

Critics might argue that our interest rates have actually gone down, and inflation is low, so maybe the deficit isn't all that bad. I agree that our interest rates have decreased, and

yes, inflation has not risen appreciably. But there's a reason for it—foreign investment. During the 1980's, these foreign investors purchased billions of dollars of Government securities—in effect loaning us the money to pay not our deficit, but to pay the interest on our deficit. And in a global economy which is increasingly experiencing difficulties, foreign investment isn't going to be able to bail us out in the future.

I am sure my colleagues would agree that the \$200 billion that the Federal Government spends on interest payments would be clearly more wisely spent on programs for our senior citizens, jobs for our workers, and education for our children.

Mr. Chairman, during these deliberations, we've also discussed the hardship and pain cutting the Federal deficit will cause. And I understand and empathize with those. But if I can remind my colleagues, there's real pain in our communities today. Right now. We cannot afford to put potential reductions in Federal spending off until sometime down the road.

I join 77 percent of the American people who favor a balanced budget amendment. On behalf of those individuals and communities hurting today, and on behalf of future generations, we must pass this measure today.

Mr. Chairman, America is waiting.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON. Mr. Chairman, I rise in strong support of House Joint Resolution 290.

I rise to offer my very strong support for House Joint Resolution 290, the constitutional amendment to balance the budget. As a co-sponsor of the Stenholm amendment, I am pleased that this debate has refocused critical attention on the important issue of Federal fiscal responsibility.

When I was elected to Congress in 1986, balancing the budget was one of my top priorities. Since my first day in office, I have consistently supported a variety of efforts aimed at reducing the size of government. Whether it was rescinding appropriations or implementing the recommendations of the Grace Commission, I have supported measures to reduce the budget deficit and the national debt. Because the President, Congress, and the American public cannot voluntarily agree on how to restrict government spending, I feel that I have absolutely no choice but to support the balanced budget amendment.

Although it is an imperfect tool, enactment of the balanced budget amendment is imperative if we are to maintain our Nation's long-term economic security. We cannot continue to spend money that we do not have. If we cannot control this rapidly growing monster, it will quickly overwhelm us. Clearly, Congress has been negligent in its fiscal duty. But, no matter how late in coming, the balanced budget amendment presents us with a historic opportunity to exercise some political leadership.

The portion of our annual budget devoted to the interest on the national debt is mindboggling. It not only crowds out private sector borrowing and investment, which slows economic growth, but it also crowds out Federal spending on important and desperately

needed domestic programs. We cannot continue to ignore this sad reality: The budget deficit is a self-inflicted wound on our Nation's ability to remain competitive in the international economy.

If we do not balance the budget, more and more money will be needed to service the national debt. That means less money for the programs we all want to fund. As the deficit and national debt continue to grow, we will not be able to afford more money for education, child care programs, infrastructure, et cetera. While the balanced budget amendment will require some tough, painful choices in the near future, the long-term prospects for increased domestic spending, without a balanced budget, worries me much, much more.

Regrettably, this debate has been turned into a struggle of generations by both proponents and opponents of the balanced budget amendment. However, it is too simplistic to frame this debate as one generation battling against another. Every American, no matter what age, should be concerned about this issue. If we do not do something today, the entire Nation will greatly suffer.

It is important to note that the Stenholm amendment does not specify cuts in any discretionary or entitlement programs. Those decisions are left for later, but they will eventually be made. While I know that many seniors in my district are concerned about maintaining the integrity of the Social Security system, I am confident that older Americans can remain secure about the status of this program.

In the past, Congress has rejected any efforts to raid the Social Security trust fund. I do not anticipate that this situation will change. Our seniors deserve to receive what they have paid into the system, and I will help to ensure the safety of our Nation's Social Security system.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from Washington [Mr. CHANDLER], an outstanding Congressman.

Mr. CHANDLER. Mr. Chairman, I rise in support of the balanced budget amendment to the Constitution and will be voting for the Stenholm substitute.

Americans are angry. They are frustrated with congressional gridlock and the inability of Congress to get anything done.

They look on in disbelief as this place flounders.

But if you think the American people are mad now, just defeat this one ray of hope we have for reducing the Federal deficit, and you will really see a revolt.

Today's vote is an opportunity to show the American people that Congress is finally listening.

At kitchen tables around our Nation, Mr. Chairman, American families impose their own balanced budget amendment.

It is called balancing the checkbook to pay the mortgage and other household bills, build a nest egg and try to have something left over for family recreation.

And when the bottom line does not show a positive balance, families sacrifice.

They eat at home, not in restaurants. The old car does the trick for another year. A camping trip to the lake wins out over Disneyland.

American families want the same kind of restraint on the Congress of the United States.

Mr. Chairman, the days of asking the liberal big spenders to show some restraint are over. It is time to force restraint.

If they will not rein themselves in, we will do it for them. The balanced budget amendment is not business-as-usual nor another attempt to rearrange the deck chairs on a sinking ship. This is real reform.

Mr. Chairman, those who argue today that Congress will balance the budget without a constitutional amendment are simply wrong.

Congressional spending habits of the last decade expose the hollowness of that argument.

When I was first elected to Congress, my top priority was fiscal responsibility.

Our 1992 group proposed spending reduction plans—budget leading to a balance.

We never had a majority. We did not just lose. We were often laughed at.

I have worked with my good friend and colleague from Oregon, Mr. SMITH, and Mr. STENHOLM of Texas for passage of reduced budgets.

We have tried.

In the last decade, Federal spending has more than doubled.

In spite of our attempts.

Interest payments on our accumulated debt consume 13 percent of the Federal budget each year.

The deficit is now estimated to be over \$350 billion, and the national debt is close to topping \$4 trillion this year.

Deficits gnaw at the future of our children. Deficits are an anchor on this great ship of state.

Without the balanced budget amendment, big spenders will continue to put off tough decisions.

It is time we stopped the big spenders from mortgaging the economic future of our children and grandchildren.

Mr. Chairman, the big spenders are out of touch with the American people.

Let us pass the balanced budget amendment. We dare not let the people down now. Let's prove, for once, we hear and we respond.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I rise in opposition to the Stenholm amendment.

If you want to assure that the Social Security trust fund is raided, vote for this amendment.

Now, you know, the Reagan-Bush team had tried to raid Social Security for a long time. Remember the first Reagan budget? They raided Social Security by \$29 billion.

The Gephardt amendment held harmless Social Security. Not this amendment, it is smack in the middle of it.

We all know that Social Security is the second largest item in the budget. Where do you think they will go? To money that does not belong to them. Social Security is a contract. We should hold it harmless from this amendment.

This amendment will slash Social Security benefits for 42 million Americans. It will force a million of the elderly into poverty. It will make millions more to be near poor. And think of the future generations who will not have those billions of dollars that are current in surplus in that budget.

Some of us are trying to reform Social Security. We want my offset bill to pass. We want the Notch bill to pass.

If you want to assure that this will never happen, vote for the Stenholm amendment.

Now, President Bush says he lacks the constitutional power to enforce a balanced budget, and yet he has never submitted to Congress a balanced budget. I submit that the President's problem is not a lack of constitutional power, but a lack of political constitution.

Defeat the Stenholm amendment. Do not let them raid the Social Security trust fund.

And incidentally, they will also be privy to raiding the retirees' trust fund for Federal employees, railroad retirees and veterans who have access to a source of income.

Mr. Chairman, defeat this amendment. It is bad news.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. LIPINSKI].

Mr. LIPINSKI. Mr. Chairman, I rise in strong support of House Joint Resolution 290, the Stenholm balanced budget amendment to the Constitution. I do so because we must get our runaway deficits under control.

With a \$4 trillion national debt—most of it from the last decade—we cannot afford to continue these deficits. Our economic future depends on it. The debt deprives us of the investment we need to improve our economic productivity and the skills of our work force. Without this kind of forward-looking investment, the General Accounting Office projects that living standards in America will begin to decline by the year 2015.

The debt is also taking its toll on our present economy. Interest payments on the debt are the fastest growing expenditure in the Federal budget and are expected to exceed \$300 billion next year. That is larger than our entire budget for discretionary domestic programs.

I realize that a balanced budget amendment is not the ideal solution to this budgetary crisis. Ideally, Congress and the President would balance the budget every year as a matter of good policy. But I have come to realize that the ideal is not possible in this case. On seven occasions in the last two decades we have

passed balanced budget laws to bring our deficits under control. Seven times these efforts have failed. The most recent was the budget agreement of 1990.

I also realize that a balanced budget amendment is going to require some tough decisions. Decisions that may be unpopular at home. But that is exactly the point. It is time we stop passing budgets that please every interest group at the expense of the general welfare of the Nation.

Unfortunately, Mr. Chairman, I believe there is no other way we can bring fiscal responsibility back to our Government. We have come to the last resort. A necessary last resort. I urge my colleagues to adopt the Stenholm balanced budget amendment.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes and 45 seconds to the gentleman from Wisconsin [Mr. MOODY], one of the chief cosponsors of this legislation, who has worked extremely hard to get us to this point in the debate.

Mr. MOODY. Mr. Chairman, everyone, including those who blame the Congress and those who blame the President, knows that the deficit policies we operate under cannot continue. They are crippling our country's future, stealing from our children, mortgaging America to foreigners and transferring billions of dollars of income from middle-income Americans who pay the taxes to bond-holding Americans who tend to be high on the income scale. That cannot continue.

The GAO study that was put in the RECORD last night lays out the dire situation we are in.

So what do we do? Do we rely on human nature to change, including in this body? Should we wait for a change in human character? Do we wait for that will power we have been hearing about to suddenly materialize, or do we change the rules under which we work? We have to change those rules.

In every walk of life, changing the ground rules changes the behavior.

This amendment that the gentleman from Texas [Mr. STENHOLM] and others of us have put forward is not a sign of weakness. It is a sign of realism, that we will not change behavior without changing the rules.

It is not a substitute for action, as many have stood up and claimed. This will force action, require action, starting right away. It is a guide to action.

And by the way, in reference to the comments of the gentlewoman from Ohio [Ms. OAKAR], this is not a threat to Social Security. Social Security is running a surplus. It is a contract that should not and need not be violated to balance the budget. No Congress that I know of would do that in any event. I would oppose any effort to reduce Social Security benefits.

It will challenge Medicare's administrative costs, which is the most rapidly rising part of the entire debt. Medicare benefits should not be cut. The overhead and administrative waste should be cut.

Here is why I like the Stenholm amendment. It will force choices to occur. Let me show you this chart.

There are three things that we can do when we know we are going to have an imbalance. We can raise taxes. We usually say no to that.

We can cut spending. Well, we know what happens to that—we do not do it.

Those each require a simple majority of 218 votes.

Or under the Stenholm amendment we can select debt. Notice, only under this amendment do we have to actually select debt.

Right now under our current arrangement, we do not select debt. We say no to this, no to that, and debt happens. It is an outcome. It is not selected. It just happens. Debt is the shock absorber of the economy under current rules. That cannot continue because we know where it is leading us.

We have to force ourselves to say that we will accept a specific level of debt.

And notice, to raise debt it does not take a simple majority. It takes 60 percent, and that is how it should be, because debt is a serious outcome. Debt is a very bad outcome. It is one that we have to confront and begin to change.

So the 60-percent majority in this instance is warranted, and I urge my friends to support this amendment.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Mr. Chairman, I rise in opposition to the Stenholm amendment.

This vote on the balanced budget amendment is one of the most difficult I have faced since I have come to Washington. Many people have told me that it should not be a difficult vote: I am listed as a cosponsor of House Joint Resolution 290, I have voted for versions of it in the past and people at home know that we absolutely must bring our financial house in order or face certain economic decline. All of my colleagues from South Carolina, including those in the other body, support a balanced budget amendment. So what is the problem? All I need to do is to get on board this resolution and go home as the champion of fiscal responsibility. But I will not vote for the Stenholm amendment.

It would be much easier to be consistent, to not admit I had changed my mind, to go ahead and vote with my South Carolina colleagues. What changed my mind is the hard fact that as we are about to vote on this, there is not a wisp of a plan between the President and the Congress to actually make the hard choices, to do the heavy lifting, to balance the budget. To pass this command into our Constitution, without having the slightest consensus on how to do it, is not leadership. It is the flailing of a Congress and a President who are 5 months away from an election, facing an angry electorate, with a recordbreaking \$400 billion deficit. And we see our calendars, we're already in the middle of June and feeling the election jitters and the pressure to convince

people that things are going to change around here, without actually changing anything around here.

These amendments are the opposite of change, believe it or not. When you put it in simple terms it sounds kind of crazy: What we are wanting to do is pass an amendment to take effect years from now, which two-thirds of the States have to approve, which would tell us to do something from above that we already know the people want us to do now: Balance the budget. It is a picture of indecisiveness, of weakness and of irrelevance.

I believe the people of the Sixth District, and the Nation, will see, if they do not already, that we have a leadership problem, not a problem with our Constitution. And putting this in our Constitution will not provide the leadership. In fact, it shows the opposite. Instead of actually balancing the budget, we want the painless courage of a balanced budget amendment.

To pass the Stenholm amendment will be worse than doing nothing. It has serious implications for our system of government and the economy. The supermajority requirement will tie the Congress' and the President's hands in reacting to recessions and national emergencies. There is a great deal of credible evidence that it will have the effect of deepening and prolonging recessions.

There are many troubling questions regarding how this amendment would operate. The Constitution is a sacred document. I believe it should be reserved for setting the fundamental structure of our political system and for setting down and ensuring civil liberties. It should not be used to clean up the mess we have made, largely in the last 12 years, by not making the tough decisions. Imagine all of our convoluted budget procedure becoming a matter of constitutional law.

We have the tools we need to get our fiscal house in order. The Congress has the power to appropriate and rescind funds; the President has the power to veto spending bills and to propose a budget. The only thing lacking is the will to do it. And I don't believe for a minute that vague language which has been hastily nailed onto our beautiful Constitution will suddenly give everybody religion, and we will assemble under the pure light of this amendment and make hard and wise choices.

I am not willing to gamble the American economy and the U.S. Constitution on a distant mirage. The Congress has the tools and the power to make these hard choices beginning now. The people rightfully expect us to make these choices as their Representatives. They should not have to wait on an academic mandate from the Constitution.

So let us get on with it. Make no mistake about it—I support immediate action to balance the budget. That is why I am opposed to this amendment. We do not need to wait years for a command to come out of the sky to tell us what the people of this country want us to do.

While I oppose the amendment, I am thankful for the debate, which may finally provide the wake-up call for this body and President Bush to stop blaming everyone else in sight and take real and responsible action to reduce and eventually eliminate the deficit.

One more trick in the bag, one more mirage, one more political grandstand will not do it.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. SYNAR].

Mr. SNYAR. Mr. Chairman, we, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves, are now considering adding an accounting provision to the document that has guided the Republic for over 200 years. For those two centuries and more, empires have fallen and monarchies have vanished, nations have come and gone like the passing of the seasons, and yet our Republic has endured. Am I wrong in giving some credit to the Constitution in creating this unprecedented political miracle and am I wrong in considering any change to its text is an undertaking in which we should engage with the utmost skepticism and trepidation?

This amendment is nothing more than the constitutional equivalent of hanging garlic in the widow to ward off vampires. It does not balance the budget, does not restore the public credit, does not bring integrity to the Federal accounts, and does not reduce the outstanding indebtedness of the United States. It does nothing except make us feel good. And like most feel-good philosophies, it creates a superficial aura of good will by providing a convenient excuse to avoid the painful responsibility for our own actions. It places the deliberations of the U.S. Congress on some sort of automatic pilot so that we can shrug our shoulders back in our district and tell the voters that we cannot be held accountable for the choices we made in this Chamber. Instead, like a legislative version of the insanity defense, we will claim that our votes were not the product of a free will and we are not therefore responsible for them. Like an army that will not fight, like a choir that will not sing, like a navy that will not go to sea, like a football team that will not enter the stadium, we seem to be heading toward the oxymoronic spectacle of a Congress that will not vote. This is not why you were elected and it is not why I took my seat in this House. I urge rejection of this amendment.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa [Mr. NUSSLE].

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Mr. NUSSLE. Mr. Chairman, I rise in very strong, committed support to the Stenholm amendment. I challenge the Congress to write a strategic plan for the future of this country.

Mr. SMITH of Oregon. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. I thank the gentleman for yielding this time to me.

Mr. Chairman, to those who supported the Kyl-Allen amendment, thank you.

I also supported Tauzin-Barton. I strongly urge my colleagues to vote "aye" on Stenholm-Smith.

If 435 amendments would have been made in order, each of us would have introduced different proposals to solve our budget woes. But 435 proposals will not produce a consensus. Stenholm-Smith is a consensus of Republicans and Democrats, House and Senate, liberals and conservatives. It is the only proposal that can become law.

Let us not make perfection the enemy of the good. Each of us can find some fault with Stenholm-Smith, but it will help to get our financial house in order. In effect, it will shift the burden from those who want to tax and spend from those who want to balance the budget. That is a worthwhile improvement in our process.

Some say this amendment is not needed, that we can exercise willpower. Others say it is unworkable because we cannot; we will find ways around it. Both of these arguments cannot be true.

I believe the second argument is partially true. Some in Congress will seek ways to avoid complying, but that proves that the first argument is wrong, and it proves the need for the amendment.

Congress finds it very difficult to exercise constraint on its own. Only by putting roadblocks in its way will Congress make progress in reducing the deficit.

Stenholm-Smith is a significant roadblock to profligate spending.

The idea is to put Congress and the President on an allowance like our hardworking constituents have to do. Do you want to spend money? Money that you do not have? Mortgage your future? Then vote "no." But if you want to put an end to business-as-usual, to really do something about the deficit instead of just talking about it, and if you care about our children and our grandchildren, then vote "yes" on Stenholm-Smith. And if you are still in doubt, vote "aye." Keep the process moving. Let your constituents and State legislatures have their way. They cannot fault you for that. Vote "aye" on Stenholm-Smith.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, this is the constitutional amendment to raise taxes and wreck the economy. A lot of you heroes are going to vote for it, I suppose. But none of you is putting your money where your mouth is; none of you will show us the list of taxes that you will raise, or the programs that you will cut, which will add up to the balanced budget you say you are committed to.

If I am wrong in that, I would like to see Members raise their hands right now. Raise your hands, heroes, and I would like to call out your names. Sub-

mit your list and I will put it in the RECORD, the list of your cuts and taxes, into the RECORD. Mr. STENHOLM, Mr. MOODY, and Mr. VALENTINE raise their hands. I would be interested in reading their list.

Then there is President Bush. He says he can balance the budget by the magic of economic growth. My question is: If that is so, why has he not done so? He and his allies have had 12 years; not only have they failed to produce growth or a balanced budget, but Reagan and Bush have never even proposed a balanced budget.

And now the same political carnival that has quadrupled the national debt says it has yet another magic potion for America, for the economy. But, my friends, this is not a magic potion, this is Jonestown Kool-Aid for the American economy and for social security, make no mistake.

Here is what this charade is all about: The Republican White House and its allies here have tried to cut Medicaid, have tried to freeze Social Security and steal the peace dividend. And what they really want most of all is a national value-added sales tax. What they failed to get through the front door they intend to sneak through this, through the back door.

We have thousands of people coming home from the military looking for work. We have a major economic challenge from Japan and Europe. We must have the private and public investments in order to respond as a country. This amendment stops us cold. It would leave us with a third-rate economy, Third World wages and seniors stranded on third base—and that is wrong.

What we ought to be debating today is a Marshall plan for America: Cut cold war military spending by \$1 trillion by the year 2000, use that for real deficit reduction and for investments that America desperately needs to be No. 1 again economically: education, technology, infrastructure—that is a real plan. That is what we should be debating here today, not some charade that sounds good in an election year but will leave us staggering under a staggering tax increase and leave us with a crippled economy.

Vote "no" on this raise-tax, wreck-the-economy constitutional amendment.

I'll tell you what my voters are saying. On Tuesday, June 9, in Portland OR, over 30 representatives of groups and coalitions organized a press conference urging Congress to oppose the constitutional amendment to balance the Federal budget. Instead, they asked Congress to take responsible action in reducing the deficit and making long-term investments in education, in creating jobs, and in promoting economic growth in our communities. Here's what these voters said:

The call for a balanced budget amendment provides a politically correct sound bite—but

questioning reveals that the amendment does not address the current imbalance in federal programs or payments and that the bite will not be from sound, but rather from domestic programs, particularly discretionary ones.—Ellen Lowe, Ecumenical Ministries of Oregon.

I'm here today because I don't want people to find out, somewhere down the road, that we signed away the chance to complete Westside Light Rail * * *. Instead, I want to see an honest debate over the direction our country is headed. If that happens, I'm confident that people will support investments in transit. People understand that transit saves energy, reduces air pollution, and gives seniors and persons with disabilities and lower-income people a way to get around. But that won't happen with this farce.—Nita Brueggeman, TRI-MET board member.

While the need for fiscal responsibility is unquestioned, a balanced budget constitutional amendment is the wrong mechanism to use to reduce the enormous federal deficit and achieve a balanced budget. This amendment would pose grave risks to the U.S. economy, threaten the already precarious situation of state and local governments around the country, and have long term negative impacts on programs central to the American Jewish community. Programs that target the economically disadvantaged refugee resettlement, and foreign aid are but a few of the initiatives that would be devastated if a balanced budget provision was amended to the Constitution—Judith Kahn, Area Director, The American Jewish Committee, Portland Chapter.

The Human Services Coalition of Oregon (HSCO) has added its voice to the fight against the Balanced Budget Amendment. HSCO, a statewide coalition with more than 175 human service organizations and individuals, has long noted the serious erosion in federal participation in support of housing, health care, and social services, * * *. It would be most appropriate to ask specifically how the gap would be made up. What programs would be cut? What taxes would be raised? These important questions are not answered by the proposed balanced budget amendment. HSCO has already spoken out on the federal budget in support of a "peace dividend," combining cuts in military spending with deficit reduction while investing in education, human services, and public works. We urge Congress to reject the quick fix of the Balanced Budget Amendment and to exercise their existing constitutional authority to provide for a fair and reasonable budget.—John Mullin, HSCO Co-Chair.

The Oregon Student Lobby believes that such an amendment will have devastating effects on domestic programs dealing with human services and human development, and it will certainly make it harder for student financial aid programs to be properly funded. Just look at the track record that funding for these programs has racked up in the last couple of years. With close examination anyone would come to the conclusion, that with the passage of a balanced budget amendment many of the federal government's social programs would be severely crippled due to a lack of funding. OSL believes that such an amendment would tie the hands of the President and the Congress in ways that are not in the best interest of the nation for the long run.—Robert Nosse, Executive Director, Oregon Student Lobby.

The much discussed proposal for a balanced budget amendment to the Constitution would wreak havoc on Oregon forcing its unemployment rate up while lowering the

personal income of its residents * * * Wharton Econometrics Forecasting Associates (WEFA), one of the nation's most prestigious economic forecasting firms, found that Oregon would lose 69,000 jobs and suffer a loss of \$9.4 billion in personal income in 1995 if a constitutional amendment requiring a balanced budget were enacted.—Ken Allen, Oregon AFSCME.

Common Cause . . . also opposes the Balanced Budget Constitutional Amendment for the following reasons: The Balanced Budget Amendment would profoundly change our constitutional system of government. Political gimmicks are no substitute for political will. The balanced budget amendment would undermine the United States Constitution. The proponents' argument that a balanced budget requirement has worked at the state level is an illusionary comparison that simply does not stand up to scrutiny.—David Buchanan, Executive Director, Oregon Common Cause.

Putting the balanced budget requirement into the Constitution would destroy government's ability to manage the economy during economic downturns. The result will be larger, deeper, more frequent recessions.—Brad Witt, secretary-treasurer, Oregon AFL-CIO.

In our zeal to reduce the deficit, we must not abrogate our responsibility for the care of our children. The Balanced Budget Amendment does not distinguish between spending and investment. We have an obligation to invest in our children's future by providing adequate funds for education and other essential programs. The Balanced Budget Amendment would remove the government's flexibility to set priorities and guide economic policy.—Karen Famous, President, Oregon Education Association.

It will drag the courts into setting economic policy. It will make it even more difficult for Congress and the President to resolve domestic issues and to help resolve foreign issues. And it will increase the severity and duration of recessions, and the resulting instability and uncertainty will promote short-term over long-term investment. Can Congress tell us with a straight face that passing a constitutional amendment requiring a balanced federal budget reflects fiscal responsibility? Whenever I face an onerous task I'm invariably tempted to indulge in avoidance behavior such as sharpening pencils or sorting socks. Congress has simply taken avoidance behavior to an extreme. We know the choices are agonizing. We know that setting priorities and distributing the benefits and burdens are tough. But that's what we elected Congress to do. Though it may be too much to expect, it's not too much to ask.—W. Ed Whitelaw, President ECO Northwest, Professor of Economics, University of Oregon.

We need to build America, not reduce America. Only massive public investment in infrastructure, urban redevelopment, education, and health care will bring back industry, jobs, and prosperity to this nation. Members of Congress have shown their unwillingness to tax the rich or massively reduce defense spending, but they seem willing to try this gimmick of a balanced budget.—Jan Mihara, Co-Chair, Portland Rainbow Coalition.

Over the past ten years Congress and the Administration have cut the heart out of the funding of human services, making deep cuts of \$112 billion from those services, exclusive of Medicare and Medicaid. The Balanced Budget Amendment currently before Congress will compound the problems engen-

dered by these short-sighted actions and propel millions of American families into poverty. The burden of the balanced budget will be borne disproportionately by the poor and middle economic classes who receive most of their share of the government they pay for through services and programs * * * many states operate with balanced budgets, but they very sensibly exempt the long-term capital investments which are so necessary to insure a viable, healthy and economically stable future * * *. It is a very myopic view to look for ways to balance the budget by cutting or eliminating programs which provide food, shelter or health care to children. Every dollar saved in the short run is a life-long deficit in the long run. Sound investments in job training, childhood nutrition, education, and access to basic health care represent the only true path to long-term economic stability.—Caroline Frengle, Executive Director, Food for Lane County.

These proposals threaten more than \$200 million of federal student aid programs supporting low- and middle-income college student throughout Oregon—programs that provide more than two-thirds of all student aid in the state.—Dr. Gary Andeen, Executive Director of the Oregon Independent Colleges Association.

We recognize the need to reduce the federal deficit. And we also acknowledge that this cannot be done without reduced expenditures and probably tax increases. However, before supporting an amendment, we would like to know exactly where Congress would take action. In a plan proposed by Representative Leon Panetta, Chairman of the Committee on the Budget, student financial aid programs as well as other college aid programs are likely to suffer substantially. This is an era of increasing revenue problems for state and local governments, especially here in Oregon, that have already resulted in cuts in post-secondary education. We feel that it is incumbent on everyone who vote for this amendment to announce where they propose cuts. Priorities should be in public investment that would lead to economic growth. Education and training at all levels are a key to this strategy.—Karen L. Garst, Executive Director, Oregon Community College Association.

This amendment would obviously require some combination of tax increase and cuts in domestic or military spending. My assumption is that any domestic cuts would require substantial cuts in Title IV financial aid funds which directly impact the ability of low- and middle-income students to attend post-secondary schools here in Oregon. This tied to Ballot Measure 5 cutbacks present a potentially bleak picture for the training needs of Oregon employers as we enter the late 1990's on into the 21st century.—F. William King, Executive Director, Western Business College and Oregon Polytechnic Institute.

The funding of two major federal education programs, both of which contribute heavily to achieving one of the most important National Education Goals—assuring that all students begin school ready to learn—could be placed in severe jeopardy if a Constitutional balanced budget amendment goes forward. * * * In addition to the direct social impact of federal program funding reductions on children and their families, the effect of such a national fiscal policy imposes an economic strain on the nation at a time when it is ill-prepared for the shock. The nation, in some areas, still reels from recessionary unemployment and, despite allegations to the contrary, has yet to experience

the promised economic recovery.—Robert L. "Ozzie" Rose, Executive Director of the Confederation of Oregon School Administrators and John C. Marshall, Director of Legislative Services, Oregon School Boards Association.

Currently, the Federal government spends a disproportionate amount of taxpayer's money on defense and non-direct people services. Due to this historical pattern, we find it hard to believe that those expenditures would suffer under a balanced budget * * *. Again, we vow our support to counteract such actions by the congressional body and endear support of others to join our cause.—Samuel Pierce, Executive Director, Minority Youth Concerns Action Program.

Oregon's congressional delegation could, at this time, be fighting to increase funding for this program because of TEFAP's proven ability to give private nonprofit agencies an effective resource in fighting the effects of hunger and inadequate nutrition in their communities.—Tom Finley, Program Director, Columbia Pacific Food Bank.

Primarily because of the disproportionate effect the amendment would have on human services programs, we urge Congress not to adopt this proposal. The budget should not be balanced at the expense of the poor.—Jerry Bieberle, Community Action Directors of Oregon.

As the statewide association representing artists, arts organizations, patrons, and all Oregonians who value the contribution made by the arts in communities throughout this country, Oregon Advocate for the Arts is concerned about the implications inherent in the proposed balanced budget amendments being put forth in Congress.—Oregon Advocates for the Arts.

On behalf of Oregon Food Bank, which through 19 regional food banks distributes emergency food to over 600 helping agencies covering every county in Oregon, I express our opposition to Senate Joint Resolution 18 and House Joint Resolution 290 to balance the federal budget. It would be impossible for our network to make up for the cuts in federal nutrition programs that will surely happen if the Balanced Budget Amendment is passed in Congress and ratified by a majority of states. Our private, nonprofit network provided emergency food assistance to over 427,000 Oregonians last year. These Oregonians are the unemployed, working poor, children, and elderly. They are also recently laid-off middle-class workers who are suffering the effects of a waning economy.—Rachel Bristol Little, Executive Director, Oregon Food Bank.

Transition Projects, a not-for-profit organization serving the homeless, stands in strong opposition to a Balanced Budget Amendment. The proposed amendment would further jeopardize the already inadequate funding available to support programs for our most underserved and vulnerable members of society. Programs for the homeless have recently suffered severe cutbacks in funding, additional reductions will translate into tragic and unnecessary loss of life.—Transition Projects, Inc.

I wish to humbly express my concerns regarding the Balanced Budget Amendment * * * it represents a serious threat to refugee communities in this country and particularly in Oregon. The refugee communities in Oregon have worked hard to become productive and self-sufficient. For Oregon to maintain its capacity to effectively and successfully resettle current and future refugee arrivals, it is imperative that potential threats to the domestic resettlement program be identified and avoided.—Nady Tan, Execu-

tive Director, International Refugee Center of Oregon.

As professional social workers, NASW members are often on the front lines of human service delivery systems in the United States. We have heard concern expressed by Americans who are worried about job security, lack of adequate health care, housing, education, and training. Investments in these areas are necessary to produce long-term growth. However, if the balanced Budget Amendment is enacted, these are the very areas that would experience massive cuts.—Marie Evans, National Association of Social Workers, Inc., Oregon Chapter.

A few small, modestly funded federal coastal programs have generated benefits estimated in the billions of dollars. Yet, they have been constantly under siege since 1980. Unknowingly and unintentionally, new balanced budget legislation can achieve what the Congress has so long fought, the extinction of programs that have sustained endangered resources, jobs, and ways of life.—Earl Buckley, National Coastal Resources Institute.

The Oregon Primary Care Association, representing community health clinics, is very concerned about the serious consequences the implementation of the currently proposed Balanced Budget Amendment will have upon low-income Oregon residents and upon people without health insurance. The current proposal will wipe out many federally supported programs for unemployed and vulnerable people.—Ian Timm, Executive Director, Oregon Primary Care Association.

Mr. Chairman, the gentleman from Texas [Mr. STENHOLM] has informed me that his tax increase and spending cut figures date from 1985 when the deficit was half what it is today.

I am awaiting the list from the gentleman from North Carolina [Mr. VALENTINE].

The gentleman from Wisconsin [Mr. MOODY] has supplied me with broad categories for 1997: \$110 billion in defense cuts, \$120.8 billion in domestic and foreign affairs spending, \$39.2 billion in tax fairness, and \$34 billion in interest saved by phasing in these measures in the years 1992-96. This totals \$304 billion, which is consistent with the CBO deficit projections for 1997.

The gentleman from Wisconsin [Mr. MOODY] informs me that he is preparing a detailed list of tax and spending measures and will have it ready for release shortly. Mr. Chairman, I appreciate the gentleman's cooperation and I must say we all know Mr. MOODY to be an outstanding Member of Congress in every way; I regret that we are on opposite sides of this issue.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I congratulate the gentleman from Oregon for this work on the balanced budget amendment.

Throughout the history of our great Republic, there have been many times when this body has been called upon to guide the Nation through periods of extraordinary difficulty, or to challenge the Nation to meet new social or moral obligations.

The 37th and 38th Congresses met the challenge of saving the Union. The 60th Con-

gress launched a period of progressive reform, the 73d Congress launched the New Deal, and the 89th Congress launched the Great Society. The 97th Congress radically cut taxes and restructured government.

And for what will this—the 102d Congress—be remembered?

If we were to ask the American people today to describe this Congress, I fear we would hear a great deal about bounced checks, strident partisanship, and inflammatory debate—and very little about substantive accomplishments. We have an opportunity to change that impression. We have the opportunity to have this Congress remembered as the Congress which had the guts to put this country back on the road to fiscal integrity.

There is no issue on which this body will vote this session that will have greater impact on the future of our Nation than that which we are considering today. It is the defining issue of this Congress.

During this debate, we will hear that the balanced budget amendment is: First, completely unnecessary and useless; second, a draconian measure which will bring us to economic ruin; or third, a certain salvation from economic ruin. It is none of these.

To those who argue it isn't necessary, saying that we do not need a balanced budget amendment because Congress already has all of the powers it needs to balance the budget is like saying that we really do not need laws against speeding because automobiles are all equipped with brakes and speedometers. It may be technically accurate, but it sure doesn't stand up in a reality check.

Of course Congress has all of the tools it needs to balance the budget—just like an addict theoretically has all of the mental tools he needs to stop poisoning his body with drugs—but, just as the drug user is addicted to the chemicals he injects or snorts into his body, the Congress and the people we represent have become addicted to programs whose costs have risen beyond our ability to pay, and to a philosophy that it is OK to spend money we do not have. And, just like the vast majority of addicts must be externally restrained and gradually forced off of the addictive drugs, so must we force the Congress and the American people off of the addiction of deficit financing.

To those who say it is draconian and will cause economic ruin, what could be more draconian than bankrupting the country with debt? What could be more draconian than mortgaging our children's future? What could be more draconian than endangering the future of Social Security and Medicare by draining the Treasury to pay the interest on our debt?

To those who say it will be a cure-all, it won't—but, it is a necessary step. We need—and the American people need—the discipline of a constitutional amendment to help us break our horrible addiction to spending what we do not have. We need this amendment to make it clear to those of us here—and to our constituents back home—that we have to pay for what we receive.

But, you say, we can do that without an amendment. Can we? We have given no indication that we can.

In this week alone, we have been asked to vote on legislation to spend \$2 billion we do

not have to assist our cities. It is a worthy cause, but we do not have the money—and yet we were asked to vote for it in spite of the deficit. If this balanced budget amendment were in effect, we could not pass such a measure—unless we cut expenditures elsewhere or raised additional revenue. It will force us to—and help us to—put each vote in proper perspective.

No, this measure will not be a cure-all, but it is necessary. It will be helpful.

The 102d Congress has the opportunity to be remembered for something besides scandals and partisan bickering. We have the opportunity to do something good for our constituents—and for their children. We have the opportunity to do something good for America. It is about time we did.

Mr. SMITH of Oregon. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in support of the Stenholm amendment.

Mr. Chairman, "obscene" is a word that is used quite frequently in this town, and for years the Supreme Court of the United States has grappled to find a definition of the word "obscene."

They have not succeeded. But I can tell you all what is obscene: A \$4 trillion national debt is obscene, a \$4 trillion national debt that requires us to spend \$784 million every single day just in interest on that national debt. That does not feed anybody or clothe anybody or educate anybody or take care of anybody's health care needs. That is \$784 million every 24 hours just to service the national debt. I am not overly excited about the balanced budget amendment, and I have been like a lot of my colleagues not one to worship on the altar of a balanced budget amendment; but the facts dictate that we have to be forced into action. I would like to think that we have the resolve, that we could do it on our own, but we fail year after year after year. And for those of you in this Chamber who are not listening to the American people, let me tell you what they are saying loud and clear: "Get your house in order."

Support Stenholm.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from New Mexico [Mr. SKEEN].

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

Mr. Chairman, I rise in strong support of the Stenholm substitute.

Mr. Chairman, I wish to express my firm support for House Joint Resolution 290, establishing a balanced budget amendment to the U.S. Constitution. I am proud to be a cosponsor of this historic legislation.

The growing Federal deficit and national debt remain the most important problem facing our Nation. We have lost control of the budget process. The Federal deficit has been growing exponentially for the past decade, skyrocketing from \$83 billion in 1980 to more than \$416 billion this year. Such shocking excess ex-

penditures drive up interest rates, stunt economic growth, reduce productivity, and ultimately wither our economy.

Each year brings the addition of billions of dollars of extra debt. In fact, our national debt of \$4 trillion increases by approximately \$12,000 per second. In fiscal year 1993 alone, we will spend \$315 billion—the largest single expenditure in the Federal budget—just to finance the debt, without reducing it a single penny. If our national debt is not significantly reduced, interest payments will continue to grow to the point that they further crowd out other forms of Federal spending, eventually forcing the reduction of entitlement expenditures, including Social Security, just to finance debt interest payments.

We cannot afford not to balance the budget. We are stealing away the hopes of productivity, of meaningful jobs and livable wages, and of an economic climate conducive to entrepreneurship and opportunity from our children.

Many of those who oppose the passage of a balanced budget amendment claim that it cannot substitute for fiscal responsibility on the part of Congress. I agree completely. But I find it ironic that the proponents of this argument often hold the most fiscally irresponsible records in Congress.

The enforcement of a balanced budget amendment won't always be popular. Programs could be cut, benefits may be capped, proposed infrastructure projects may go unfunded, salaries may be frozen, and some taxes may be raised. During the right thing is not always easy, but it is still the best thing to do. I am pleased to fully support House Joint Resolution 290, and I urge my colleagues to do likewise.

Mr. SMITH of Oregon. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. MCCREERY].

Mr. MCCREERY. Mr. Chairman and colleagues, I am struck by the lack of substantive arguments that we hear from the opponents of a balanced budget amendment. I mean they all come up here and rail against amending the Constitution to require a balanced budget, that if we do so, we are going to have a very tough decision, it is going to be tough, there is going to be pain and suffering. But are you against the concept of a balanced budget? I have not heard anybody come to the floor and say we ought not have a balanced budget. Well, if you are for a balanced budget, then what could you possibly have against a constitutional amendment requiring the budget of the United States to be balanced? I do not understand. If it is good, let us put it in the Constitution; if it is bad, say so. But I do not hear the opponents saying that. I think they know it is good and it belongs in the Constitution.

□ 1650

Mr. PANETTA. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman and my colleagues, I began this debate by saying this is perhaps one of the most important debates that we can conduct in the House of Representatives when we consider an

amendment to this Nation's most sacred, our Constitution, and I want to take this time to commend all of those, the authors of the various amendments, those who have joined in this debate, because I believe everyone sincerely desires to try to deal with what I believe is the most serious crisis that confronts this Nation today, our deficit.

I just do not fundamentally believe, Mr. Chairman, that the answer lies in a constitutional amendment. No amendment balances the budget. No amendment makes the tough choices that need to be made. And no amendment will give us the courage, the guts and the leadership to make those tough choices.

History has been mentioned during this debate a number of times, about what kind of heritage we want to leave our children, and, surely, none of us want to leave the heritage of a huge deficit to our children and their children.

But neither do we want to leave a lasting constitutional memorial to the failure of leadership in the 1990's, and that is what this amendment constitutes.

Our forefathers left the greatest heritage to all of us and to our children in the Constitution, and for 200 years that Constitution has worked, not just because of the document, but because there were people and Presidents who wanted to make it work.

Deficits are not new. They are not new at all. Deficits have been faced by 28 of the 41 Presidents of this country.

Thomas Jefferson has been mentioned here as supporting a constitutional amendment. Thomas Jefferson reduced the deficit during his administration by 34 percent. James Monroe faced deficits after the War of 1812 and reduced them; John Quincy Adams, by 40 percent; Andrew Jackson reduced deficits by 93 percent; President Pierce, Johnson, Grant, Hayes, Arthur, Cleveland, Harrison, McKinley, Theodore Roosevelt, Harding, Coolidge, Harry Truman. Every one of them reduced deficits, and they did not need a constitutional amendment to do it.

Here we are at the end of the cold war, and what is President Bush saying, and what are the Members of the 102d Congress saying? We are saying, "We're so weak, we're so cowardly, we're so helpless, that we've got to amend the Constitution of the United States to give us a little spine." That is not the heritage that I want to leave for my children.

My parents came to this country as immigrants. They did not need a law to tell them they had to sacrifice to give their children a better life, and we do not need a constitutional amendment to tell us that we have to sacrifice to give our children a better life.

Mr. Chairman, this issue is not going to go away with or without a constitu-

tional amendment, and I do not intend for it to go away because I will bring to the floor an enforcement procedure to move us toward a balanced budget with tough enforcement regardless of what happens. Because it is in the day-to-day battles on this floor that we decide whether we reduce the deficit or not.

That, my colleagues, is what our forefathers intended. They wanted us to fight those battles each day on this floor. That is what will determine the quality of the character of the Members of this institution and of the President of the United States, and it is that which will determine the true strength of our constitution, of ourselves and of our democracy.

Please stand with history and reject this constitutional amendment.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. RAY].

Mr. RAY. Mr. Chairman, some of my colleagues have argued that a constitutional amendment is not needed to correct a process that produces a deficit every year, and a national debt of over \$3.8 trillion. These nay-sayers claim that such an amendment is impractical and have listed all sorts of opinions as to why such an amendment would not work.

Unfortunately, Mr. Chairman, they have not offered a single reasonable alternative. Rather, they only argue doom and gloom, and snipe at the one idea that might work.

Mr. Chairman, the truth of the matter is that every single American's portion of the national debt currently stands at over \$15,000. This is rising every second, every minute, and every hour of every day. We are driving our grandchildren and their children deeper and deeper into debt. We must stop, now!

The opponents would have it continue business as usual. Buy now, feel good, let our future generations pick up the tab.

I ask my colleagues to stop this disastrous downward spiral. Vote for the Stenholm constitutional amendment. Put in place the one hurdle that might actually slow the dangerous practice of borrowing without regard for our Nation's future. We cannot wait any longer.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes and 45 seconds to the gentleman from Delaware [Mr. CARPER], a member who has worked tirelessly over the last several hours, days, weeks, months, and years to get us to the point today where we are in this debate.

Mr. CARPER. Mr. Chairman, I thank the gentleman from Texas [Mr. STENHOLM] for yielding this time to me. I want to thank him for his strong leadership and for enabling me to pull in harness with him and with many of our colleagues in this effort.

Mr. Chairman, when I came here 10 years ago to this body, I was not con-

vinced that we needed a constitutional amendment to require Presidents to lead on an issue as important as this one and to raise, at least somewhat, the threshold of difficulty for the Congress to unbalance budgets.

In 1974, when we passed the Budget Reform Act, our national debt stood at \$483 billion. In 1981, when we passed the law called Gramm-Latta, our national debt stood at \$994 billion. In 1985, when we passed Gramm-Rudman I, our national debt stood at \$1.8 trillion. In 1987, when we passed Gramm-Rudman II, our national debt had risen to \$2.3 trillion. In 1990, when we passed the 5-year deficit reduction plan, our national debt stood at \$3.2 trillion. And, we are still counting. We will add more than \$300 billion this year, and we will add more than \$300 billion next year. As far as the eye can see, we see more red ink.

When I came here, Mr. Chairman, I believed that Presidents would have the courage to lead. I have not seen that with respect to our fiscal policy. If there is no other portion of our amendment that deserves to be adopted, it is the requirement that, in 1998, the next person that we elect as the President of the United States will be required to submit a budget that is in balance in that year. Not 3 years down the line. Not 4 years down the line, not 5 years down the line, but in that year. And, having required the President to do so, we in the Congress would have some responsibility, too. Could we then unbalance that budget? I bet we can. Yes we could. Would we need a three-fifths vote to do that? Yes, we should raise the threshold of difficulty to that level.

Many of our phones rang off the hook this week. Senior citizens, our friends in the labor unions, other special interest groups; "For God's sake," they would say, "please don't vote for that amendment."

Well, let me tell my colleagues who has not called us this week: my young sons, Ben and Christopher, have not called. Our children and grandchildren have not phoned. Their generations are the ones who have the most at stake in the issue before us today. What do they have to look forward to? What standard of living can they expect if nothing changes? Real family income will not grow; it will contract. Real wages in this country will continue to drop, not rise. Productivity in this country will grow little, if at all. Americans are not investing to make us more productive as a nation. There is little to invest. Our Federal Government deficit is consuming most of what we save.

If we do not pass this amendment, what will we do? I ask my colleague, the gentleman from California [Mr. PANETTA], what will we do? How in God's name are we going to muster the courage to vote for any kind of tough enforcement package that you bring forward if we can't adopt, and take this first step today?

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

Mr. CARPER. No, I do not have the time.

Mr. PANETTA. Just do it, just do it.

Mr. CARPER. My colleagues, if we do not take this step today, we are unlikely to take the others that are needed later this year. We are certainly not going to have a candidate for President who will muster the courage to unveil to the American people a meaningful deficit reduction package. Absent the moral force of the constitution and the political shield that the constitution could provide, the next President is unlikely to lead us back to fiscal sanity. Absent Presidential leadership, the next Congress will not lead our Nation either.

Mr. SMITH of Oregon. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I came to this House 28 years ago, intending to leave a government that was smaller, not bigger. Since that time, Government has grown uncontrollably and spending is completely out of control. There is no discipline or shame.

The deficit problem is a direct result of uncontrolled spending, not a lack of revenue. Taxpayer monies have been poured down a hole that will take generations to get out of, and the ones that dug it are waving shovels yelling something about the sky falling if we pass the amendment.

There are many in the House that oppose the balanced budget amendment because it will prevent Congress from breaking budget agreements and avoiding spending controls. The balanced budget amendment conflicts with their primary goal—expansion of the welfare State.

We have had all kinds of solutions to the debt in various shapes, sizes and forms, but they were simply shadows lost in election year nights. Gramm-Latta, Gramm-Rudman, Gramm-Rudman-Hollings, various budget agreements—all well meaning, but in the end, ignored.

There is no question in my mind that the deficit problem is rooted in the spending habits of Congress. The balanced budget amendment is the only tool remaining to save our children from the burden of irresponsibility.

Mr. SMITH of Oregon. Mr. Chairman, I yield 1 minute to the esteemed whip, the gentleman from Georgia [Mr. GINGRICH].

□ 1700

Mr. GINGRICH. Mr. Chairman, let me first say that I want to recognize the extraordinary bipartisan effort that the gentleman from Texas [Mr. STENHOLM], the gentleman from Oregon [Mr. SMITH], and all of the team on a bipartisan basis has put together.

We are faced with a clear choice. If the current deficits are okay, vote "no"; if a huge debt is OK, vote "no"; if skyrocketing interest payments are OK, vote "no"; if you think we can go on and on without change, vote "no."

But if you believe the time has come to set down a marker for the Federal Government, to insist on a balanced budget, to require real change, if you think that it is patently clear that in fact Congress has not had the will to balance the budget and Presidents have not submitted balanced budgets, and that therefore we simply must change and insist on a balanced budget, then I would suggest that the only step that makes any sense, the only step that has any hope of working, is to vote "yes."

This has been a bipartisan effort on both sides to truly come together, to try to do something for America. I think our children and grandchildren deserve a commitment to a balanced budget, to controlling the deficit, and to controlling spending, and I urge a yes vote.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, Congress cannot substitute a process for a policy. I oppose the Stenholm amendment because it represents exactly what is wrong with Washington. When you do not want to or cannot make the tough choices—pass the buck. When the vacuum of leadership in Washington is exposed to the American people—do anything it takes, as quickly as possible, to create the perception of doing something.

The main problem with this amendment is that it pretends to be something that it is not. It pretends to be a policy that will balance the budget—a magic formula for curing all our budgetary problems. Don't be fooled by the slick packaging. All this amendment will do is lengthen and complicate the budget process. All it will do is add more layers of procedural redtape to the process, and in so doing it will only serve to add to the already destructive budgetary gridlock.

The budget cannot be balanced by words promising fiscal responsibility. The budget can only be balanced through a systematic plan of action which requires that the elected officials of this country make the difficult choices. This is precisely where the Stenholm amendment fails—this is exactly where it pretends to be something it is not.

Mr. PANETTA. Mr. Chairman, I yield the balance of my time to the gentleman from Washington [Mr. FOLEY], the distinguished Speaker of the House.

The CHAIRMAN. The gentleman from Washington [Mr. FOLEY] is recognized for 3½ minutes.

Mr. FOLEY. Mr. Chairman, this is a momentous vote for the House and for the country. I think it is obvious that both proponents and opponents of this constitutional amendment are deeply concerned about the state of our coun-

try's fiscal health, about the enormous deficits, and about the huge debt that is burdening our economic future. The good intentions of Members on both sides should be stated and conceded.

The speaker that just left the well, the distinguished Republican whip, is flat out wrong when he says a vote against this amendment is a vote for national debt and national deficits, a vote for continued high-interest rates and so on.

Nobody in this Chamber has come forward here to argue for the continuation of national debt at the levels we are experiencing it or the deficit. But for some it is extremely difficult to imagine an administration now claiming to be so firmly committed to this amendment that for 12 years, both under President Bush and his predecessor, has not on even one occasion submitted or recommended to Congress levels of spending that would balance the Federal budget. According to the Congressional Budget Office, even if one assumes that all of their legislative priorities were enacted and all of their estimates were to come true this would not have been the case.

But that is the past. The question is: What happens for the future?

We are now presented with the suggestion that only by a constitutional amendment, only by amending the fundamental document of this country, can either a President or a Congress summon the courage and determination to deal with the fundamental fiscal problems of the Nation.

What a shame—a shame—to suggest that neither Members of Congress nor the President of the United States, whoever they may be, are able to act responsibly and courageously, and we have to have the artificial, as it were, demand of the Constitution behind us.

The Constitution will not balance the budget. It will not bestow courage automatically upon its ratification, if it should be ratified, to see to it that budgets would be balanced.

Only with the political will that so many say is missing will that occur. If one thinks that the balanced budget amendment will automatically guarantee that essential element or prevent any evasion of it, they have no knowledge of what has happened in the States as they have dealt with similar questions. The creation of new mandates to State and local authorities, the regulation of business to impose upon the private sector responsibilities now borne by the Federal Government, 100 different things could be done.

My concern is that it will make the task of fiscal responsibility more difficult, more complicated, and more elusive, if we adopt this amendment than if we reject it.

To put it bluntly, to adopt the amendment will make the problem worse—worse—not better, particularly because the amendment would impose

the requirement of supermajorities, 60 percent, three-fifths of all who sit in this Chamber and in the other body, and in doing so, give enormous new power to minorities over the majority. I am not speaking of racial minorities, ethnic minorities, or even the political minority in this Chamber which happens at this particular time to be the Republican Party. It could be the Democratic Party in the future. What I am speaking of is the incentive that such a requirement gives to any factions who wish to organize, whether regionally, industrially, for any special purpose, to block what might be necessary in a time of recession or national emergency.

With a forced balancing of a budget in a time of recession, we could see that recession steadily deepening, perhaps into a depression, and the loss of any kind of flexibility in dealing with the country's problems.

It is true in most years we should have a balanced budget, just as in some years we should have surpluses rather than a merely balanced budget. But the risk of default on Government securities which could occur with this proposed amendment would not only not help balance the budget, it would create the problem of interest rates being immediately raised for U.S. Government securities and all interest rates in the country. Economic disasters can occur as a result of this attempted constitutional amendment.

The interposition of the courts is another grave problem here. Judge Bork wrote me a letter a year ago in which he said that the idea that the courts could settle disputes arising under the amendment was either a vain hope or a dismal prospect.

The idea of hundreds of lawsuits being filed, even if Members of Congress and Attorneys General are the only ones who have standing, risks the intervention of the least representative of our national branches of government, the judiciary, entering into the most fundamental responsibility of free men and women to determine the course of how the assets and resources of the country should be applied and to what purposes.

Members, we all want to see the deficit reduced. We must do it. If half of the courage expressed in the rhetoric presented today in support of this amendment will stand behind a proposal which the Committee on the Budget will shortly produce on the floor, we can establish the process to reduce the deficit.

Let us summon the courage that rhetorically is so broad in this House today and apply it to the task of reducing the deficit, of restoring fiscal sanity to the country, but let us do it by sparing the Constitution.

Mr. SMITH of Oregon. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I first want to thank the 45 Democrats and 155 Republicans who voted for the Barton-Tauzin amendment. We had an honest debate, an up-or-down vote, and I think that is all one can ask for in a democracy. My amendment did not win, and so now I am very proud to pin on the Stenholm-Smith balanced budget amendment pin.

It is a very workable amendment, it is a very practical amendment. It requires the President to submit a balanced budget, it requires the Congress to pass a balanced budget, it requires a 60-percent vote to borrow money, a 60-percent vote to raise the debt ceiling. It has an effective implementation clause, and a fair effective date of 1998. It also has a very effective act of war and military conflict clause.

Mr. Chairman, for those people that said we should have the courage to do it anyway, let me simply say we have not had a balanced budget in 23 years, since 1969. The Presidents that the distinguished chairman of the Committee on the Budget talked about are dead. The Congressmen that helped them pass those budgets, with the exception of the gentleman from Mississippi [Mr. WHITTEN] and the gentleman from Kentucky [Mr. NATCHER], are no longer in office.

Mr. Chairman, if one is in doubt, the past has failed. Let us look to the future. Let us vote for the gentleman from Oregon [Mr. SMITH] and the gentleman from Texas [Mr. STENHOLM].

It is not a panacea, it is not a perfect solution, but it is the first step. And if we do not have the first step, we cannot have the second step.

Let us vote for Stenholm-Smith.

Mr. SMITH of Oregon. Mr. Chairman, I yield myself the remainder of my time.

The CHAIRMAN. The gentleman from Oregon [Mr. SMITH] is recognized for 3 minutes.

Mr. SMITH of Oregon. Mr. Chairman, I first want to thank my friend, the gentleman from Texas [Mr. STENHOLM], who has worked with me, and I with him, over these many years. It has been a joyful experience and a hands-on kind of relationship I will always cherish.

□ 1710

Mr. Chairman, over the last 2 days and the last 10 years, in fact since I have been here, I have listened to the same charges made. It is the President of the United States fault.

Well, I recall exactly that when I arrived there was a \$1 trillion debt, that is true. Now there is a \$4 trillion debt. That is true. We have had two Presidents, but the same Congress. Maybe the President is at fault here. But what about the Congress?

Does not Congress spend money? If my colleagues want to help us control

the President, join in this amendment. That is what it is about. It is about controlling the President and the Congress.

We have heard that this program will be thrown into the courts. We have heard it impacts Social Security, Medicare, Medicaid, agriculture, the heavens will collapse, my goodness gracious, if this should pass.

Do my colleagues know who they are listening to? They are listening to the big spenders who have been here all this time. They are listening to the problem, not the solution. We are going to help you with the solution, if you will help us pass this amendment.

The opponents have said that the amendment will not work. We are going to simply ignore it, while at the same time they argue interestingly enough, it is going to devastate the economy. That is a blatant contradiction, obviously.

It will work, and that is the troublesome part for some here.

Opponents have said the amendment assumes all kinds of false, rosy scenarios. Wrong.

I understand the frustration of the chairman of the Committee on the Budget, simply because a bipartisan majority of his own committee supports this balanced budget amendment. Does that not illustrate the division between us? Does it not demonstrate the need to develop a new approach to a very, very difficult deficit problem.

And worst of all, opponents claim that the amendment threatens Social Security to frighten Americans, America's senior citizens, and to stampede Congress in opposing the only answer to the chronic deficit spending there is around.

Senior citizens have enough to worry about without being harassed and used by those who support the same failed system that got us into this mess.

Mr. Chairman, if America had better prisons, the people would lock us up and throw away the key. I ask my colleagues, what gives us the right to drown future generations in a sea of debt?

Mr. Chairman, this Congress cannot control deficits and we never will without a balanced budget amendment. All we can do is point fingers.

We have heard it, but we are all guilty. So let us stop the fingerpointing. We have a historic opportunity today to do something right, to look to the long-term public interest rather than a short-term political gain.

We can fulfill Thomas Jefferson's vision of a government that treats fiscal responsibility as a duty, not a dodge. We can make this country a better, more prosperous place for our children, their children, and the generations to follow. We can unify this Government, increase our responsibility and the President's responsibility, and we can make the measure of statesmanship

how much we can save and not how much we can spend.

Mr. Chairman, I urge my colleagues to vote for the future, not the past. Support the Stenholm-Smith balanced budget amendment.

The CHAIRMAN. The gentleman from Texas [Mr. STENHOLM] has 2¾ minutes remaining.

Mr. STENHOLM. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I rise in strong opposition to all of the amendments.

Mr. Chairman, when the magician David Copperfield made the Statue of Liberty disappear, few people believed that the statue had actually left Liberty Island. On TV it looked as though the magician had performed his intended feat. But if anyone would have investigated further, they would have found Lady Liberty still standing as tall as ever.

So it goes enacting a constitutional amendment to balance the budget. Neither the President nor the Congress has shown any inclination to balance the Federal budget. Yet each continues to find ways to finesse the issue.

Presidents Reagan and Bush have paid plenty of lip service to the idea of a balanced budget, but they have never submitted a balanced budget to the American people. Instead they supported deregulating government. They made it easier for the country to sink further into debt and despair, without providing any real solutions.

The Congress, on the other hand, has missed many opportunities to balance the budget. Gramm-Rudman I, Gramm-Rudman II and the most recent failure—the Budget Enforcement Act. Instead of cutting waste, Congress folded to the interest of defense spending and pork-barrel politics and further added to the Federal debt.

Congress has even failed to cut waste and shift resources to respond to this recession. That measure was defeated because we could not find a consensus large enough to cut waste to relieve the misery most Americans are now feeling.

Many of the individuals who defeated that legislation are now touting support for a balanced budget amendment. But I have yet to hear a supporter of this amendment talk about the specifics of balancing the budget. I have yet to hear anyone make a commitment to eliminate programs in their State to lay the foundation of a balanced budget.

No one has talked about scrapping the super collider to pay for housing; No one has proposed real cuts in star wars to pay for the growing Medicare bill; and no one has stood up to suggest eliminating the space station to raise enough revenue to pay for other vital programs under a balanced budget.

Yet many here today will want to grab the political bonus of voting on a constitutional amendment.

The American people, however, are not fooled by this debate. They know that this is not about accounting procedure or balancing figures. They understand that today's debate is really about leadership and courage—about current priorities and future predicament.

The American people cannot wait until tomorrow for answers. There is real pain out there. There is a great cry from every city and town for the Government to send help. But nothing in the constitutional amendment can respond to this kind of emergency. Nothing in these amendments can provide answers to these massive problems.

Last week the Labor Department reported an unemployment figure of 7.5 percent. In Chicago yesterday, 3,000 people waited under the hot sun to apply for 1 of 350 jobs. And yet neither the President nor sponsors of this amendment have proposed a single measure to respond to their anguish.

There is no mistaking that the budget deficit is one of the most critical problems facing us today. But at what cost do we strike the balance and on whose back is the burden laid.

The world has changed and the need for a large international presence is over. The AIDS epidemic, our crumbling cities, poverty, education, and environment should be our new priorities.

But without a specific plan for cuts and increases, a balanced budget amendment is far less a panacea, than a catalyst for problems. It is the type of generalized policymaking that started this country down the slippery slope of the 1980's. And like many of those policies, these proposals are void of direction and lack a sound basis in reality.

Today's votes are one of the most important votes of this Congress. For some, it may be one of the most important votes of their careers. But for many, many Americans who now languish on the edge of society, this vote determines whether we bring them back into the fold, or whether they fall into the abyss.

Congress can therefore continue in this vein by passing a constitutional amendment or we can start anew, defeat the constitutional amendments and pass a budget resolution for next year that begins to reduce the deficit by cutting specific, wasteful programs—especially in the bloated defense area—and which recognizes the pain and responds to the cry of the American people.

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

Mr. Chairman, I first want to thank the gentleman from Oregon [Mr. SMITH], the gentlewoman from Maine [Ms. SNOWE], the gentleman from Delaware [Mr. CARPER], the gentleman from Wisconsin [Mr. MOODY] and all of the remaining 278 cosponsors of the balanced budget amendment that we now are about to vote for. I also want to thank the Speaker for the many courtesies that he and the leadership have given to us also to get us to this point and to commend the chairman of the Committee on the Budget [Mr. PANNETTA] for the manner in which he has conducted the debate over these last many hours.

Today, many have talked about the past, but we now must begin to talk about the future. The past we can do nothing about. The future we can do a lot about.

I have the definite feel at this moment that change is in the air and that we are about to change that which we

have all talked about and that is a \$4 trillion debt, going up by \$400 billion this year, \$326 billion next year, and as far as the eye can see. Unless we have a change, we have a problem.

I do not quarrel with the motives of any Member. Some have misinterpreted what I say. I respect the right of every Member to stand in this Chamber and to express themselves. That is what it is all about.

It matters, though, not how much we believe we are right; unless we can convince 217 of our colleagues to go with us, it does not happen.

Many of my colleagues have chastized those of us who support this because our record is not pure. I submit for the RECORD, going back to 1984, when we had the Roemer budget on the floor, that failed by 59 to 338. Some of us were voting there; very few, if any, critics were voting. The Reid-Slaterly-MacKay vote in 1985, 56 of us stood up for it. Very few of those who have criticized the 278 were there when a vote counted.

The Penny amendment in 1988, 27 of us stood up for that one. Very few, if any, stood up that day when it would have made a difference with this body and not the other end of Pennsylvania Avenue.

But if we want to get more recent, remember the firewalls vote. And here, with all due respect to my chairman, with all due respect to my chairman and the courage and all the things that he has said so fervently, Mr. Chairman, you were not with us that day. You believed, when it was whether we were going to reduce the deficit or spend it at that time, you were not with us. But you have been with us most of the other times. I say that respectfully.

You look at the votes over the last several days, the Kennelly vote went down. Thank goodness. For the first time we began to recognize there are no cheap votes. The Kyl amendment went down. The Barton amendment went down. The Gephardt amendment went way down.

We are in danger of doing once again what the people are blaming us for, all talk and no action.

If we vote this one down, we will have spent 2 days and we have accomplished nothing. If we vote this one up, 290 of us have committed that we are serious, and I would submit to my colleagues who have been critical, I believe it will be much easier to get 218 votes to do something out of 290 than to get 218 votes out of 146, if you beat us today.

My final point, please let us not decide this finally today. Let the people decide. Do not let the House of Representatives by one vote say to the people, "You have no choice." Let us send it to the Senate. Let us send it out to the State legislatures. Let us let the people decide. Let us start tomorrow with our actions, which I am dedicated to do. Let us start tomorrow.

The only way we can truly start tomorrow is to pass this amendment today.

Please, let us remember that this whole debate is not about us. It is about our children and our grandchildren. And if we vote "no" today, what are we going to say to them tomorrow?

Mr. PORTER. Mr. Chairman, I would like to thank my colleagues from Texas and Oregon who have worked hard to champion this amendment to the House floor.

Mr. Chairman, I am an original cosponsor of the balanced budget amendment, and I will continue to support its enactment. But, in doing so, I must also temper my remarks today with a measure of regret. No, I do not regret the fact that we are amending our Constitution—a step I don't take lightly—what I regret is the lack of political will and courage which brought this day upon us.

No statute or constitutional amendment, however well-crafted, can serve as substitute for courage and will when it comes to deficit reduction. We have, in previous years, attempted institutional reforms which were aimed at reducing the growing gap between Federal revenues and expenditures.

One has only to look at the history of Gramm-Rudman to understand just how ineffective the systemic reform approach can be. In 1985, we adopted the original Gramm-Rudman law, and we claimed victory over the fiscal insanity which plagued our budgeting procedure for over 10 years. As soon as we were forced to identify and eliminate outdated programs, as soon as we had to make the hard choices, we amended the law to set higher deficit targets and postponed the tough decisions for another day, another year, another Congress. The first amendment to Gramm-Rudman came only 2 years after the original. Gramm-Rudman II lasted only 2 years before it was scrapped and replaced by the budget Enforcement Act of 1990. Again, after only 2 years under the BEA, attempts were made in this body to break the agreement and allow offsetting transfers between categories—between defense and domestic spending, Mr. Chairman—not between defense and deficit reduction.

No external mechanism can bring fiscal sanity back into this institution unless there is a collective will among all the members to solve the problem. We, as individual Members, must stop insisting that the difficult decisions be made on the back of each other's priorities. We must find the courage to spread the pain of spending restraint across all budget functions and augment this process by the systematic and careful elimination of wasteful and outdated programs. Without a collective will, no rule or law—constitutional or otherwise—will do our work for us.

In 1983, our Nation's debt stood at \$1.1 trillion. Today it is hovering around the \$4 trillion and growing by over \$1 billion per day. In addition, we are spending the Social Security reserves which were sold to the American public as their protection against future liabilities. But who's kidding whom, Mr. Chairman. The taxpayers don't need the kind of protection Congress is providing—they need protection from Congress and its profligate spending.

Mr. Chairman, I urge my colleagues to support this amendment. But no one should believe for a minute that the deficit problem is thereby solved. Only by elevating its solution to our No. 1 domestic priority and by placing the economic opportunity of our children and grandchildren ahead of our own are we ever going to put our fiscal house in order.

By allowing the proliferation of debt to continue, we are destroying the standard of living for generations to come and committing a crime against our own offspring. That crime, Mr. Chairman, is fiscal child abuse. Not only are we saddling our Nation's children with over \$4 trillion in national debt, but we are, in addition, in the process of dismantling their Social Security system. A worker retiring in 1990 at age 65 paid only a combined 2 percent of his or her salary into Social Security at age 20; 20-year-old workers today contribute a combined rate of over 12 percent to Social Security alone. In fact, taxes at all levels of government now absorb over 50 percent of the average wage-earner's income. That is a socialized economy, Mr. Chairman. That is madness, and if we let it continue, it will destroy us.

The amendment before us today sets our sights where they must be. But only political will and courage—items seldom found within this Chamber of late—can right the wrongs of the last decade.

Mr. WALKER. Mr. Chairman, let the games end. The deficit crisis we face is too serious and the depth of the public's cynicism and despair too great to permit the kind of political gamesmanship that underlies the offering of this amendment.

It is absolutely outrageous that we are being asked to consider an amendment to the U.S. Constitution, and fundamental law of our land, without even having the text of the amendment we are to be voting on printed in the CONGRESSIONAL RECORD until today. The authors of the amendment, cognizant of the erosion of support for the amendment as it was originally introduced, have been working feverishly to find the magic formula that would hold the two-thirds majority required for passage. And so we are treated to this 11th hour revision. I would say to my colleagues that this is a far too serious matter to be treated in such a cynical and cavalier manner.

Mr. Chairman, no one here today would deny the tremendous importance of reducing the Federal deficit. As interest payments claim an ever larger percentage of the Federal budget, our ability to make those investments which are critical to our economy and to the future of our Nation is being severely undermined.

Our future is being mortgaged by the explosion of national indebtedness that has occurred this past decade. That is economic foolishness. It is also immoral. We have no right to transfer onto future generations the burden of our own fiscal irresponsibility.

But the proposed constitutional amendment before us offers only illusion in place of a realistic commitment to get our fiscal house in order. Indeed, for some of the amendment's advocates it is little more than a smokescreen to mask their responsibility for accepting the supply side madness that set us down the path of economic destruction. In the words of

CBO Director Reischauer, "The problem is not the process, the problem is the problem." We need no amendment to the fundamental law of the land to undo a terrible policy error that was made 12 years ago. We simply need to change the policy. What is needed is not constitutional change, but new leadership from the White House, new courage in the Congress to make the tough political decisions, and new acceptance by the electorate of the burdens that must be assumed if we are to restore our Nation's economic vitality.

Mr. Chairman, this amendment is not only unnecessary. It is also a dangerous trap, both economically and politically. Economically, it is seriously deficient in making no distinction between immediate consumption and long-term investment. As many of the Nation's leading economists have warned, the Stenholm amendment, by requiring that everything be paid out of current revenue, would discourage the long-term public investments that are so urgently needed. The cynicism of the amendment's sponsors is revealed in the last minute change that has been made in the amendment's effective date. By moving up the date of implementation to 1998, the drafters would insulate current Members of Congress—and, not so incidentally, the President—from the ultimately destructive consequences of their action. Members who vote for the Stenholm amendment will be able to point to their vote as evidence of their fiscal responsibility without ever having to face up to the real costs of this ill-conceived constitutional change.

Politically, the Stenholm amendment, by requiring a three-fifths majority to unbalance the budget, would enshrine in the constitution the principle of minority rule, in which a small number of Members could hold the Congress and the Nation hostage. With a 40-percent minority permitted to block action, the proposed amendment would virtually guarantee more rather than less policy gridlock.

Equally frightening, the proposed constitutional amendment risks involving the courts in adjudicating its various provisions for years to come. It is likely, indeed, that the courts would be dragged into the debate over national budget priorities—virtually insuring the compounding of or economic crisis with a constitutional crisis. Moreover, it would seem rather unlikely that most Americans would be very enthusiastic with the prospect of unelected judges involving themselves in the making of national economic policy. The Stenholm amendment proposes a dangerous shift of power to the judicial branch, and its acceptance would signify a terrible abdication of responsibility by the Congress.

Mr. Chairman, the Washington Post recently editorialized against the trivialization of the Constitution by the proposed constitutional amendment. In the words of the Post, "The Constitution should not become the permanent monument to a temporary failure of political will."

Mr. Chairman, balancing the Federal budget requires political will, not a constitutional amendment. The Stenholm amendment must be rejected.

Mr. REED. Mr. Chairman, I am a new Member of this House. But I am well aware of three facts: First, we must come to grips with deficit spending. Second, that a number of

statutory efforts to control the deficit have not succeeded, and Third, such efforts will fail in the absence of political will and an end to the current legislative gridlock in our Nation's Capitol.

For these reasons, I rise in support of the Gephardt-Bonior-Obey balanced budget amendment and in opposition to the Stenholm amendment.

Before I go into the reasoning behind my decision I would like to outline why I do not support Mr. STENHOLM's proposed balanced budget amendment and similar proposals.

The Stenholm amendment contains a number of flaws, but none is more glaring than the threat it poses to Social Security. I agree that we need to balance the budget, but the cost should not be born by those who can least afford it—the disabled and elderly. In the midst of all this talk of a lack of political will, I will not vote for a constitutional proposal which would allow the Social Security trust fund to be raided as a source of funds to balance the budget. Social Security is at the core of our social compact with the American people. It is too important to be placed on the chopping block.

Furthermore, the Stenholm balanced budget amendment would not place budgetary responsibility on the shoulders of both the President and the Congress. The Gephardt-Bonior-Obey amendment requires the President to submit a balanced budget request. And, Gephardt/Bonior/Obey would not permit the Congress to spend more than the President has requested, unless the President submits a declaration of national urgency. The President must be part of the budget process, not a casual onlooker who can attempt to use the budget process as an excuse rather than an opportunity to lead.

Moreover, the Stenholm amendment would change a fundamental facet of our Nation's political system—majority rule. Indeed, one of the voting percentage provisions I find hardest to swallow is the requirement that three-fifths would be required to exceed spending limits for domestic crises, but only a simple majority would be required for a national defense emergency. The Constitution does not require a supermajority vote to declare war and it should not require a supermajority to declare a domestic emergency. Domestic and military emergencies should be treated equally, as they are in Gephardt-Bonior-Obey.

Finally, the Stenholm amendment is an invitation to litigate rather than legislate budgets. Establishing a constitutional imperative to balance the budget will inevitably draw the courts into a myriad of questions involving procedures, definitions, and substance. Disgruntled participants in the process will flock to the courts to urge their views. Representative government could be transformed into rule by judicial fiat.

Mr. Chairman, no Member should think that passing a balanced budget amendment will close the gap between spending and revenues. The ratification process could take years. And, ultimately it will be legislative acts, not constitutional provisions that will balance the budget. We can not and must not wait for ratification of a balanced budget amendment to start the process of reducing the deficit. As the best 12 years demonstrate, the claim that

we will grow our way out of a deficit is false. We must start to examine and debate all methods of controlling the deficit. These are, as many of my colleagues have said, tough choices that require guts.

When presented with tough choices many of my colleague have failed to make cuts. I voted to cut the space station. I have urged an end to the super collider, and I voted to cut SDI. Rarely do Members have a chance to vote on an individual program. But when this House has been offered the chance, as the above votes attest, not enough Members have demonstrated the requisite political will. It is my strong hope that this debate will not be swept aside, that we will debate our priorities, start to make tough choices, and begin to vote on all methods of deficit reduction. I urge my colleagues to prove that their talk of cutting programs and tough choices are not mere empty promises because the American people are fed up with promises.

Mr. Chairman, as I said before, I am a new Member of this body. I came here because of the fundamental beliefs instilled in me by my parents. I know firsthand the benefits of government. My experience at West Point and in the Army are amongst my greatest moments. My public service is a recognition of the positive effects of government, and I will fight tooth and nail for the programs I believe to be the best for the people of Rhode Island. I will fight for health care. I will fight to bring rationality to our agricultural subsidy programs. I will fight to end the super collider, the space station, star wars, the B-2, and any program that is not the most important and most direly needed. I will not give up my belief that Government has a role to play in education, housing, health care, and the economy. Within this framework, I am ready to start making the tough choices.

We all recognize that the people of America are angry. Like us, they are frustrated that the hard choices have not been made in the past. The hollow promises of growing out of the deficit have failed us. Statutory provisions have been sidetracked by gimmickry, rosy OMB forecasts, and unexpected expenditures like the savings and loan bailout. I do not support amending the Constitution lightly. It is a universal and timeless document that has inspired millions. But to create confidence in our Government and put real teeth into spending limits, I rise in support of the Gephardt-Bonior-Obey balanced budget amendment.

Mr. SHAYS. Mr. Chairman, I don't know who shares more of the blame for our annual budget deficits:

The President, for not submitting a balanced budget to Congress;

The Congress, for not balancing the budgets it approves and sends to the President for signature;

The President, for not vetoing the unbalanced budgets he receives from Congress; or

The Members of Congress—on both sides of the aisle—who vote for programs again and again, year in and year out, without providing the funds to pay for them.

What I do know is this:

This year, our budget deficit will be nearly \$450 billion.

Next year, this year's budget deficit will cost the U.S. taxpayer \$22 billion in interest payments, and \$22 billion the year after that, and

\$22 billion the year after that, and so on, ad infinitum.

In the last 12 years, our national debt has increased fivefold—from \$800 to \$4,000 billion, or \$4 trillion.

And the cost of paying the interest on this national debt now accounts for 18 percent of our entire Federal budget.

Balancing the budget is not the enemy; the deficits and the debt that results are the enemy. The United States is in danger of becoming a third-rate nation if it continues to allow these deficits to drain our precious resources.

We need to get our financial house in order and balance the Federal budget. And if it takes a balanced budget amendment to help get the job done, then so be it.

Mr. BRUCE. Mr. Chairman, today, this House will consider what some have argued is one of the most historic and important votes that we as a Congress will have the privilege of debating. An amendment to the Constitution of the United States should not be taken lightly. It is a document that has endured for over 200 years and has led this Nation through times of war, peace, economic prosperity, and hardship. At the same time, it has protected the right of individuals and has allowed this body and the Government as a whole to respond to the changing needs and demands of its citizens.

There is little debate that the Federal deficit is out of control. As our interest payments grow daily, we are finding it more and more difficult to respond to the problems that confront our Nation. If we are serious about solving the health care crisis, or the educational crisis, or any other crisis, we must first begin to practice fiscal responsibility.

This Congress has attempted a number of times to statutorily change the budget rules and procedures to put our fiscal house in order. But nothing has worked and the problems have only increased. So we come here today to take the ultimate step—an amendment to the Constitution.

I will support the balanced budget amendment and urge my colleagues to do the same. The health of our Nation is increasingly at risk and we cannot continue to mortgage the future of our children. Decisive action is needed, and I applaud Members of this House in bringing a balanced budget amendment to the floor.

Though I believe that a balanced budget amendment is necessary, I do have some concerns that many of us share on the future of this measure. What we do here today is only the beginning. It will not by itself solve our budget problems or truly force us to live with fiscal responsibility. Indeed without a long-term commitment to make tough and difficult decisions, this amendment will go the way of past attempts to eliminate the deficit.

I hope and expect that this balanced budget amendment will be adopted and added to the Constitution. But no amendment, no legislation, will arm Members of Congress or the President with the political will to do what is right. That must come from each of us individually and is what we were elected to do. So after we finish on this constitutional proposal, the real work begins. I urge my colleagues to remember what we have started today, and to

insist that we forever faithfully and fully protect and defend the Constitution.

Ms. LONG. Mr. Chairman, we have witnessed a historic debate in which arguments on both sides of the balanced budget amendment question have been effectively presented.

I ran for U.S. Senate in 1986, for the House in 1988, and was finally elected in 1989. All of this time, I was opposed to amending our Constitution to require balancing the Federal budget.

It was not until I came to the Congress that I really appreciated the fact that budgeting theories were only theories, and that what was driving the spending of legislators was the fact that people were demanding that resources be provided for their needs and interests. But, at the same time, the people demanded that we balance the budget. We, as Members of Congress, were supposed to figure it out and make the tough choices. We were supposed to come up with a good compromise that would meet the needs of the people who elected us while balancing the budget. The problem is that we met many of the needs but did little to balance the budget.

Now, we find ourselves in a dangerous situation with regard to debt. We can no longer leave the budget on automatic pilot. We have to take control.

Some of what we know about a balanced budget amendment is not pretty. For those who think that Members are supporting the amendment for purely political reasons, let me suggest that while supporting the amendment today may be popular, the many votes over many years that it will take to keep your word to the voters will not be popular. We will have to cut spending. That will not be politically popular. We will have to look at revenues. We know that will not be politically popular. We will have to look at entitlements which will also not be popular. Supporting a balanced budget amendment is not a good political vote. But I firmly believe that it is a good vote for our country.

The Stenholm amendment is an approach which can work. It will be painful in many ways, and tough choices will have to be made. But, we know that the pain now will be less than it would if we continued to let debt grow as it is now.

I pledge to join with the membership to make those tough choices for our country. I look forward to beginning that work immediately.

Mr. HALL of Ohio. Mr. Chairman, I rise in support of the Stenholm-Smith substitute to House Joint Resolution 290. To amend our Constitution is not a step to be taken lightly. Since the Bill of Rights was ratified over 2 centuries ago, only 17 amendments have become part of the basic law of this Nation. I have come to the conclusion that one more is necessary.

The budget submitted by the Bush administration in January is a scary document. Its deficit projection is a record \$399 billion for the current year, up \$50 billion from earlier estimates, and \$352 billion in fiscal year 1993. In the short term, this is because of the recession, but the administration is forecasting annual deficits of at least \$200 billion as far as the eye can see. In fact, as we approach the

end of the decade, the long-term trend is for annual deficits to become larger, not smaller.

The national debt, which was \$908 billion when President Reagan was elected and \$2.6 trillion when President Bush was elected, is estimated to be almost \$6 trillion in 5 years. To put this number in perspective, it is approximately what the total GNP for our country will be this year. This to me is totally unacceptable. For the sake of our children and grandchildren, we must change the system to stop incurring deficits year after year. I do not wish to cast blame on either the legislative or executive branch of Government, but the current budgeting system is one that permits both to escape responsibility for the deficit. This has to be changed. I now believe it is necessary to put fiscal accountability into the Constitution.

A number of proponents of government programs in which I deeply believe—and as chairman of the House Select Committee on Hunger have worked to support—have urged that I vote against this resolution because they believe it will lead to large cuts in these programs. However, we must realize that unless we get our fiscal house in order, our economy cannot continue to generate sufficient resources to support these programs either, since more and more of our revenue will go to pay the debt we have been accumulating. A dollar that goes for interest is not spent on health care or nutrition, housing or education, or investment in our infrastructure or defense. It does not create employment opportunities; indeed, by absorbing a greater share of national savings, there will be far fewer jobs created in our economy. Simply put, a balanced budget amendment is not the enemy of people's programs, it is essential to their mission.

I do not believe it is necessary to have a balanced budget in all cases, and the Stenholm-Smith substitute does contain necessary safeguards to react to extraordinary circumstances. But, over the past quarter-century, we have had both booms and busts, and periods of inflation and recession, and have not achieved a balanced budget in any year. I suspect that we shall never see a balanced budget again unless this resolution becomes law. We have been consuming beyond our means at the expense of our children. Therefore, I strongly urge the adoption of this amendment.

Mr. POSHARD. Mr. Chairman, recently I traveled into every county in my congressional district. I talked with thousands of people representing hundreds of professions across nearly 40 counties in southern Illinois. I can tell you that there is disconnectedness between the people and this Congress.

The people who I talked with don't trust Congress any longer to enact solid public policy. They see their basic societal institutions failing, especially when compared to the institutions of other countries. Our children are scoring in the lower ¼ percentile on tests in math and science compared to children from other nations. Our financial institutions are being bailed out with hundreds of billions of dollars of taxpayers' money. Our health care system fails to provide accessibility to millions of Americans and millions more cannot afford the health insurance they have. Our infrastructure base is crumbling. Our manufacturing base is being lost to other countries.

In general, Americans see a declining quality of life and, intuitively, they suspect as we in this Congress concretely know, that underlying the decline of these institutions is the horrendous debt which this country has incurred. That is why I favor the passage of this balanced budget amendment. Because, even as a Member of Congress, I am not sure that we will ever find the will to resolve this problem without constitutional prodding.

But, Mr. Chairman, all of us here know that passing this amendment will not in itself require us to do what must be done. We still must make the hard choices to eliminate unnecessary spending and to put this country on a pay-as-you-go basis to meet the basic needs of our society. Borrow and spend does not work. It only destroys the future for our children.

I rise in strong support of this amendment. I have worked diligently with Mr. STENHOLM and others in seeking to convince other Members of the need for passage. I hope that other Members will join us here today in passing this historic measure and in laying out the process for resolving our fiscal problems in America.

Mr. PENNY. Mr. Chairman, is it necessary to have an amendment of the Constitution to balance the Federal budget? The answer is "no." Is it what must be done at this time? The answer is "yes."

And why have we reached this point, Mr. Chairman? We have made good faith efforts in the past: Gramm-Rudman-Hollings I, Gramm-Rudman II, and the 1990 budget agreement which was passed in the Omnibus Budget Reconciliation Act that year. In spite of these attempts at getting a handle on spending and reducing the deficit, our national debt is growing sharply. This fiscal year, 1992, we will add almost \$400 billion to the debt, and next year, 1993, the deficit is projected to exceed \$400 billion. With deficits of this magnitude, by the turn of the century, the national debt will exceed \$6 trillion, and our yearly interest payments will exceed \$1 trillion. Yes, \$1 trillion. Each living American, man, woman, and child, will owe over \$20,000—and that just to make the interest payment. Each year, we put off a final, comprehensive budget solution, we directly subtract from the future wealth of this country.

Very simply, without a deficit solution, we consign ourselves, our children, and our children's children to fewer economic opportunities. We will make it more difficult for jobs to be created, for our grandchildren to afford a college education and own their own home. All the things our generation took for granted will be denied future generations.

Is this the legacy we desire to leave our children? A legacy of debt? I do not think so, and I am certain that most Members would not want to leave their children such a legacy.

The measure before us today does not guarantee a balanced budget nor does it preclude deficit spending in extraordinary times, such as war or economic recession. The Stenholm amendment instead enshrines fiscal responsibility in the Constitution and provides a stronger incentive to produce a balanced budget than other measures passed by the Congress in the past.

But passage of this constitutional amendment is only the beginning of what must be

done by this Congress. After passage, we will need to debate and pass implementing legislation and an enforcement plan. In my view, this is the real challenge before us. Symbolism will have to give way to tough choices. The President will be called to present his ideas for deficit reduction, and we in the Congress will need to put before the American people our own plan. The proverbial bullet will have to be bitten.

Domestic discretionary spending, the military, entitlements, international assistance, and taxes will have to be placed on the table. If we do not take this course of action—if all we do is pass a constitutional amendment and then refuse to actually balance the budget—the Congress and this President will have failed the American people.

It is our responsibility to actually make this amendment work. The real test is not the balanced budget amendment vote, but instead when we vote to make the cuts necessary to save our children from paying our debts.

I know the authors of the amendment will be at the budget-cutting table and I hope the rest of our colleagues are too, Mr. Chairman.

In closing, let me congratulate CHARLIE STENHOLM for his years of dedicated work that has produced this historic debate and will—hopefully—will result in adoption of the amendment before us today.

For our Founders, like Thomas Jefferson, who wanted a constitutional amendment like this one and for the future generations yet to come, let us pass this measure.

Mr. HOUGHTON. Mr. Chairman, I rise in support of the Stenholm-Smith balanced budget amendment.

The arguments on whether to have a balanced budget amendment have caught the attention even of those unfamiliar with the arcane and nonsensical Washington budget process.

Budgets are financial goals to be met. Balanced budgets and Washington are oxymorons. Nobody here meets the arithmetic written down at the beginning of the year as goals. Nobody.

We have budget buzz words such as Gramm and Latta and Rudman and Hollings. All good men. All unable to get truth into our system of accounts. Miss a budget, too bad. No one goes to the woodshed. If the arithmetic doesn't add up, we'll change the vocabulary. "Emergency" is not a bad word with which to begin.

I'm against tampering with the Ten Commandments of our Nation—the Constitution. It's bad practice.

I came here as an idealistic businessman tempered in the fire of tough budgeting. The budget was our scorecard. The numbers weren't always pleasant, but they were out there to tackle almost as a sacred oath. It wasn't the budget in itself that made the difference. The key was, did you do what you said you would do. If you didn't, it meant slow disaster. Remember, in private business one can go belly up. There, one doesn't have the luxury of printing money.

In sports it's the same. The uniforms, the stands, the publicity, the aura—they're all nice—but to succeed you have got to put numbers on the scoreboard. And the way to put numbers on the board is to keep your eyes on the field.

The balanced budget amendment forces us to keep our eyes on the field. It's that simple. Like having a single vision lens. It focuses attention.

Now the opponents of this amendment are probably right, at least intellectually. The courts get into the act, and what do they know about budgets? The Constitution really is no place for economic policy. You put a strait-jacket on the Federal Government when it should have flexibility—and lots of it.

All of these arguments are true. They are the same ones I made when I first came here. "Why pass a law," I used to ask, "to protect you from yourself?" After all, what more do you need than to get up and yell: "Hey guys, governments can go bust just like companies and families. Look at Mexico—or even closer to home, look at New York City." Let's cut this nonsense—get ourselves into balance, so we don't do the same. Sounds simple, doesn't it? But it isn't because it doesn't happen.

Now there are alternatives. We could sit around pulling petals off the flower—"Will we, won't we." But I don't think that would play in Peoria. We could, as Charles Schultz of the Brookings Institution has written, slide to a slow financial death.

But why do that? Most other countries don't. Most States don't. Why? Because they have balanced budget mechanisms tucked some place in their bylaws or constitutions. With our track record, this argument sounds good to me. We've tried everything else. If it works, fine. If not, we'll change it; but it won't be easy. The citizens and the key document of this Nation will not permit ease. They'll be the sentinels. They'll be a stronger part of the process. And maybe that is what this exercise is all about.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. STENHOLM].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 279, noes 153, not voting 2, as follows:

[Roll No. 186]

AYES—279

Allard	Boehner	Cooper
Allen	Brewster	Costello
Anderson	Broomfield	Coughlin
Andrews (NJ)	Browder	Cox (CA)
Andrews (TX)	Bruce	Cox (IL)
Anthony	Bryant	Cramer
Archer	Bunning	Crane
Armey	Burton	Cunningham
Bacchus	Byron	Dannemeyer
Baker	Callahan	Darden
Balleger	Camp	Davis
Barnard	Campbell (CA)	de la Garza
Barrett	Campbell (CO)	DeFazio
Barton	Carper	DeLay
Bateman	Carr	Derrick
Bennett	Chandler	Dickinson
Bentley	Chapman	Donnelly
Bereuter	Clement	Dooley
Bevill	Clinger	Doolittle
Bilbray	Coble	Dorgan (ND)
Bilirakis	Coleman (MO)	Dornan (CA)
Billey	Combest	Dreier
Boehrlert	Condit	Duncan

Early	Kyl	Rhodes
Eckart	Lagomarsino	Richardson
Edwards (OK)	Lancaster	Ridge
Edwards (TX)	LaRocco	Riggs
Emerson	Laughlin	Rinaldo
English	Leach	Ritter
Erdreich	Lent	Roberts
Espy	Lewis (CA)	Roemer
Ewing	Lewis (FL)	Rogers
Fawell	Lightfoot	Rohrabacher
Feighan	Lipinski	Ros-Lehtinen
Fields	Livingston	Roth
Fish	Lloyd	Roukema
Franks (CT)	Long	Rowland
Frost	Lowery (CA)	Sangmeister
Galleghy	Luken	Santorum
Gallo	Machtley	Sarpalius
Gekas	Marlenee	Saxton
Geren	Martin	Schaefer
Gibbons	Mazzoli	Schiff
Gilchrest	McCandless	Schulze
Gillmor	McCloskey	Sensenbrenner
Gingrich	McCollum	Sharp
Glickman	McCrery	Shaw
Goodling	McCurdy	Shays
Gordon	McDade	Shuster
Goss	McEwen	Sikorski
Gradison	McGrath	Sisisky
Grandy	McMillan (NC)	Skeen
Gunderson	McMillen (MD)	Skelton
Hall (OH)	Meyers	Smith (NJ)
Hall (TX)	Michel	Smith (OR)
Hammerschmidt	Miller (OH)	Smith (TX)
Hancock	Miller (WA)	Snowe
Hansen	Mollinari	Solomon
Harris	Montgomery	Spence
Hastert	Moody	Spratt
Hatcher	Moorhead	Stallings
Hayes (LA)	Moran	Stearns
Hefley	Morella	Stenholm
Henry	Morrison	Stump
Henger	Myers	Sundquist
Hoagland	Natcher	Swett
Hobson	Neal (NC)	Tanner
Holloway	Nichols	Tauzin
Hopkins	Nussle	Taylor (MS)
Horton	Ortiz	Taylor (NC)
Houghton	Orton	Thomas (CA)
Hoyer	Owens (UT)	Thomas (GA)
Hubbard	Oxley	Thomas (WY)
Huckaby	Packard	Torricelli
Hunter	Pallone	Upton
Hutto	Parker	Valentine
Hyde	Patterson	Vander Jagt
Inhofe	Paxon	Volkmer
Ireland	Payne (VA)	Vucanovich
Jacobs	Penny	Walker
James	Peterson (FL)	Walsh
Jenkins	Peterson (MN)	Weber
Johnson (CT)	Petri	Weldon
Johnson (SD)	Pickle	Whitten
Johnson (TX)	Porter	Wilson
Johnston	Poshard	Wise
Jones (GA)	Price	Wolf
Jontz	Pursell	Wylie
Kasich	Quillen	Yatron
Kennedy	Ramstad	Young (AK)
Klug	Ravenel	Young (FL)
Kolbe	Ray	Zeliff
Kolter	Regula	Zimmer

NOES—153

Abercrombie	Collins (MI)	Gejdenson
Ackerman	Conyers	Gephardt
Alexander	Coyne	Gilman
Andrews (ME)	DeLauro	Gonzalez
Anunzio	Dellums	Green
Applegate	Dicks	Guarini
Aspin	Dingell	Hamilton
Atkins	Dixon	Hayes (IL)
AuCoin	Downey	Hertel
Bellenson	Durbin	Hochbrueckner
Berman	Dwyer	Horn
Blackwell	Dymally	Hughes
Bonior	Edwards (CA)	Jefferson
Borski	Engel	Jones (NC)
Boucher	Evans	Kanjorski
Boxer	Fascell	Kaptur
Brooks	Fazio	Kennelly
Brown	Flake	Kildee
Bustamante	Foglietta	Kleczka
Cardin	Ford (MI)	Kopetski
Clay	Ford (TN)	Kostmayer
Coleman (TX)	Frank (MA)	LaFalce
Collins (IL)	Gaydos	Lantos

Lehman (CA)	Obey	Slattery
Lehman (FL)	Olin	Slaughter
Levin (MI)	Oliver	Smith (FL)
Lewine (CA)	Owens (NY)	Smith (IA)
Lewis (GA)	Panetta	Solarz
Lowey (NY)	Pastor	Staggers
Manton	Payne (NJ)	Stark
Markey	Pease	Stokes
Martinez	Pelosi	Studds
Matsui	Perkins	Swift
Mavroules	Pickett	Synar
McDermott	Rahall	Tallon
McHugh	Rangel	Thornton
McNulty	Reed	Torres
Mfume	Roe	Towns
Miller (CA)	Rose	Trafcant
Mineta	Rostenkowski	Unsoeld
Mink	Roybal	Vento
Moakley	Russo	Visclosky
Mollohan	Sabo	Washington
Mrazek	Sanders	Waters
Murphy	Savage	Waxman
Murtha	Sawyer	Weiss
Nagle	Scheuer	Wheat
Neal (MA)	Schroeder	Williams
Nowak	Schumer	Wolpe
Oakar	Serrano	Wyden
Oberstar	Skaggs	Yates

NOT VOTING—2

Hefner	Traxler
□ 1738	

Mr. JONES of North Carolina changed his vote from "aye" to "no."

Mr. CLINGER changed his vote from "no" to "aye."

So the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

Mr. FAWELL. Mr. Chairman, I rise today in support of House Joint Resolution 290.

Those who oppose the balanced budget amendment to the Constitution have eloquently answered every question put to them—except the most important one. What is their alternative? How will they force Congress and the President to balance the budget?

The simple truth is that every other means of balancing the budget has been a dismal and complete failure. Congress tried establishing an elaborate budget process in 1974. It failed to balance budgets. Congress and the President tried to eliminate deficits with Gramm-Rudman in 1985. It was waived time and time again, the targets set back year after year. We tried by amending appropriation bills to freeze spending at prior year's levels. That failed. We tried with the 1990 deficit reduction agreement. The deficit grew to record levels.

Laws don't work because Congress makes the laws. Congress can change the laws. Congress can repeal the laws. Congress can ignore the laws. My colleagues, even Congress cannot ignore the Constitution. That is what this is all about.

In a recent article, columnist Michael Kinsley referred to comments by Robert Reich, Director of CBO, who called the balanced budget amendment a cruel hoax because the public is not being told what the balanced budget would entail. But Kinsley asks:

But is it a cruel hoax? It would be if the three-fifths escape clause became a routing exercise. But if the amendment produced actual fiscal discipline even 4 or 5 years down the road, it would be a kind hoax, not a cruel one. Sort of like enticing a beloved relative into a drug treatment program.

I agree. Until there is a constitutional mandate on Congress to balance the budget, Con-

gress appears to be too cowardly to do so. But, as Kinsley points out:

*** That cowardice will catch up with them one way or another. They'll either have to face the music in 4 or 5 years or retire in order to avoid it. In fact, the balanced budget amendment could make that other constitutional cure-all—term limits—superfluous.

Touché. Yet, even now, as public support for a balanced budget amendment is swelling and Congress professes to have seen the light—or at least, felt the heat—it ardently resists giving up its pork barrel spending habits, sort of like an alcoholic who doesn't know he's sick. Last month, Congress rejected the opportunity to double the cuts in wasteful spending by adding the President's rescission proposals to the rescission bill. This rejection was a classic example of business as usual—protecting pork for Members' districts while proclaiming fiscal virtue.

This should not be surprising. Kinsley rightly observed that voters are at times "hypocrites about Federal spending: Hating it in general, cherishing it in particular. Politicians of both parties cater to this hypocrisy."

Unfortunately, this endless spending and borrowing has come back to haunt us. Congress' liberal overspending has paralyzed this body. We now are forced to spend \$300 billion just to pay interest on the national debt. Its tentacles proscribe our ability to realistically meet such national concerns as health care, Head Start, or to mend the sorry state of our tax laws, which provide disincentives for saving and investments. We haven't balanced a budget for 23 years in a row—for 31 of the last 32 years. Deficit spending is ingrained in this body. Even at this time those who have the power of leadership in both Houses of Congress are working assiduously to convince us not to lessen their power to spend and borrow.

We should listen to what Thomas Jefferson wrote about such pleas, some 200 years ago:

I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of our Government to the genuine principles of our Constitution. I mean an additional article, taking from the government the power of borrowing.

Jefferson also said:

In questions of power, let no more be heard of confidence in man, but bind him from mischief by the chains of the Constitution.

I say, let no more be heard of confidence in the way this body has been operated for the last 23 years, but bind it from further profligate overspending by the chains of the Constitution. I hope that those chains may be enough to convince this Congress that it must balance budgets.

Mrs. MORELLA. Mr. Chairman, after much deliberation and with some reluctance, I have decided to support House Joint Resolution 290 which, if adopted by two-thirds of the House of Representatives and the Senate, would send to the States for consideration a balanced budget amendment to the Constitution.

I do not cast this vote lightly, nor do I have any misconceived notions about the sacrifices and difficulties that this amendment will likely entail if it is ratified by the States. I take very

seriously the objections raised by opponents of this measure, and I have weighed my decision very carefully.

Mr. Chairman, a balanced budget amendment to the Constitution is not a panacea for our Nation's economic ills; it will not single-handedly rebuild a fiscal house that has taken more than a decade to imperil, and it will not magically accomplish what political will has thus far failed to achieve. But Mr. Chairman, I am deeply saddened to admit that we simply do not have a choice—we must take action.

The Federal Government's annual budget deficit has mushroomed from \$79 billion in 1981 to nearly \$400 billion today. During that same period, our national debt has skyrocketed from \$785 billion to \$3.8 trillion. Interest payments on the national debt, once a relatively small part of the Federal budget, have grown faster than any other expenditure; this year they will account for nearly 15 percent of all outlays, and next year they will be the largest single component of the Federal budget. In fact, in 1993 we will spend more on debt-incurred interest payments than on all domestic discretionary expenditures combined. Clearly, this situation cannot go on indefinitely; our looming mountain of debt has slowed economic growth, exacerbated the recession, and limited our ability to devote our resources to vital human needs. Our Nation cannot continue on this path toward mortgaging its future; it cannot bequeath to future generations little more than a legacy of debt.

Mr. Chairman, I am concerned about the potential impact of a balanced budget amendment on our Nation's domestic priorities, including our vital human resources. For this reason, I will work tirelessly to ensure that we do not balance the budget on the backs of those who are most vulnerable in our society—our children, our elderly, our poor. I will continue to work for significant reductions in military spending, for comprehensive health care reform to reduce the cost of Medicare and Medicaid while protecting its beneficiaries, to raise additional revenues when necessary, and many other efforts. In the end, I believe that all Americans will benefit, for a reduced debt burden will help revitalize our economy, spur our beleaguered industries, and pave the way for sustained investment in our citizens, rather than our creditors.

Mr. Chairman, I wish that it had not taken a balanced budget amendment to force Congress and the President to come to grips with the crisis that is our national debt. But to my great dismay it has. I am casting my vote for this amendment fully aware of the sacrifices its passage could entail, but equally aware of the economic tragedy our Nation will face if we choose to stand by and do nothing. Mr. Chairman, when all is said and done, I believe that future generations will look back and say that we did the right thing.

Mr. LEHMAN of California. Mr. Chairman, I rise before my colleagues to express my opposition to the so-called balanced budget amendment that we are considering today. It's like we are selling the public an empty box. It has a nice wrapping, but there is nothing inside. None of the various options we are voting on today requires any spending reductions or tax increases. Why? Because these options are not intended to deal with the problem of

the Federal deficit but to do one thing, and that is buy us a free ride until November. But believe me, it will come home to roost.

The proponents of this amendment are perpetuating a fraud on the public. The idea around here is that we are going to be able to vote for this and not ever have to face the hard choices. Keep in mind that at the earliest this amendment will go into effect is 1998. Where will this President be when it comes time to make the difficult choices?

Yes, we must reduce the deficit. I think we can all agree on that. The deficit is crowding out investment and slowing down the economy. The answer, however, is not to approve a simplistic balanced budget amendment. The answer is to begin to make the tough choices now to reduce the deficit. You can't legislate guts and you can't legislate political will. Tough choices must be made to reduce the deficit, and no political gimmicks can cover up this reality. By voting for this amendment, we abdicate all responsibility for rational and sound decisionmaking in the immediate future.

As the Stenholm amendment proposes, no debt or revenue increases can be approved without a three-fifths majority of the House and Senate, accentuating the problem of legislative gridlock—the same gridlock that has led to the voter outrage we now face. I want to see how fiscally conservative the supporters of this amendment will be when they are called on to make deep cuts in Social Security to meet the balanced budget requirements. If we choose the other option which exempts Social Security, we make tax increases and spending cuts—particularly big-ticket items like Medicare and defense—even bigger targets. Clearly, there is only one choice and that is to start today to deal with the deficit problem in a realistic and fair manner.

I support balancing the budget. I have voted in support of balanced budget bills in this Congress and in the 101st Congress. However, I do not support higher taxes for businesses and individuals. I do not support reducing the deficit at the expense of Social Security beneficiaries. I do not support crippling such programs as education, transportation, and crime prevention. All of these would be called for under the balanced budget proposal we are likely to pass today.

We should freeze discretionary spending, cut the now irrelevant portion of the military budget, reduce the Federal bureaucracy through attrition, and provide economic incentives to spur economic growth and productivity.

If I believed that a constitutional amendment would really have an impact on our burgeoning deficit, I would support it. However, this amendment is simply a way for some in this Chamber to claim political courage where none exists.

Clearly there is no easy solution to our Nation's current budget crisis. But by pretending that this amendment would make it any easier or any less painful to reduce the deficit is simply another politically expedient gimmick. If we are not prepared to make the tough choices now, we will be no better prepared to make them under a balanced budget amendment.

Mr. JONTZ. Mr. Chairman, I rise today to express my support for the balanced budget amendment to the Constitution, House Joint

Resolution 290, sponsored by Mr. STENHOLM of Texas. I have advocated such an amendment since I first came to Congress in 1987. I voted for the amendment in 1990 when it was defeated by only seven votes on the House floor, and I will be gratified when, this year, we finally pass the amendment. A balanced budget amendment is not in itself a solution to the fiscal dilemma Congress faces, but it is a necessary part of that solution. The other part of the solution is for us all to find the courage to make the hard choices and restore fiscal responsibility to our budget process.

Congress has wrestled with the problem of our continuing deficit for almost two decades. During the 1960's our budget deficit averaged \$6 billion a year. In the 1970's, we averaged a \$35 billion deficit. In the 1980's, deficits averaged \$156 billion, and so far in the 1990's we are averaging \$296 billion a year.

The Congressional Budget and Impoundment Control Act of 1974 was thought then to be a solution to overspending. Since then we have had Gramm-Rudman-Hollings, and Gramm-Rudman-Hollings II, and finally, after failing to pass a balanced budget amendment in 1990, we passed the Budget Enforcement Act. But in spite of those efforts, this year's deficit will set another record, \$400 billion.

As you know, Mr. Chairman, the national debt is approaching \$3.8 trillion. We will pay over \$200 million in interest this year on that debt. That is almost 6 times as much as the Federal Government will spend on education and job training. Interest payments for fiscal year 1993 are estimated to exceed \$316 billion. That will be the largest item in the budget, \$7,005 for every family of four in America. This interest payment will consume 27 percent of all Federal revenues for 1993.

We are mortgaging the future of our children and grandchildren, not just by saddling them with an unconscionable debt, but also by sacrificing our Nation's human and physical infrastructure on which future generations will rely for their economic well-being.

The increasing national debt also exacerbates the gap between the well-to-do and the average American. Debt payments are transfer payments from working people, who pay most of our taxes, to the economically powerful, both at home and abroad, who finance our deficit spending. Mr. Chairman, we can't afford from a fiscal, social, or moral point of view to continue to incur these massive deficits. We need the balanced budget amendment to help put our house in order.

The Stenholm amendment, House Joint Resolution 290, would require Congress and the President to work together to limit Federal Government spending to the amount of Federal Government receipts. The President would be required to submit a balanced budget to Congress, and we in Congress would be required to pass a balanced budget. Except in the case of a declaration of war, no deficit spending would be allowed without a super majority, a 60-percent vote, in both Houses of Congress. Neither would any increase in the national debt limit be allowed without a 60 percent vote.

The key is to put discipline in the system while providing flexibility. The Stenholm balanced budget amendment allows for sufficient

flexibility to deal with unforeseen economic circumstances. It does not require a single document, a budget, be agreed to. Instead it deals with overall spending and revenues. It requires that we not spend any more than we take in, but it does not specifically require any particular tax increase or spending cut. The Constitution should not have an inherent preference for spending or for taxes. Those decisions are properly left to the Congress to determine as it sees fit, to meet the changing needs of our Nation.

In many ways House Joint Resolution 290 provides the Constitution with a self-enforcing mechanism to balance the Federal budget. The most effective enforcement is the requirement of a 60-percent vote to spend in excess of estimated revenues and a 60-percent vote to raise the debt limit. Failure to approve spending legislation under this amendment will have the same effect that such a failure has now, the Government would shut down.

Following passage of this balanced budget amendment, Congress and the President will have until at least 1997 to develop and refine the procedural details to implement a balanced budget. We have the time to make the tough decisions necessary to restore order to our fiscal house. But we will not have time to waste. Eliminating a \$400 billion deficit in 5 years will take a concerted effort. This balanced budget amendment will give us the resolve to reach that goal.

Forty or more States operate under a balanced budget constitutional requirement and do so effectively. I served for 12 years in the Indiana General Assembly under such a rule. It was very difficult requirement to meet, but the process also resulted in a balanced budget. This Congress can live with that process, and our country needs it.

Mr. Chairman, the balanced budget amendment is not a partisan question. Since 1969, both Republican and Democratic Presidents have failed to submit balanced budgets to Congress, and congressional majorities of Democrats and Republicans have passed deficit budgets. Our failure to deal with the deficit is a national problem, and the balanced budget amendment is a national solution. It requires the President, Democrat or Republican, to submit a balanced budget, and it requires Congress, Democrat or Republican, to enact an balanced budget.

Passing this amendment is the first step, the beginning of the necessary process to balance the budget, not the end. I am convinced that it will take a constitutional amendment to accomplish this goal, but we can and must do it.

Finally, Mr. Chairman, the question of a continuously growing Federal debt is a moral question. It is unconscionable for us to impose on future generations the costs of our own excesses. Jefferson said it best:

The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

I agree with Jefferson. Let us now establish in the Constitution of the United States the legal, as well as moral, prohibition against spending our grandchildren's money.

Mr. FRANKS of Connecticut. Mr. Chairman, as an original cosponsor of the balanced budget/spending limitation amendment House Joint Resolution 447, I rise in support of the Kyl-Allen amendment. This amendment is the only one that gives the President the line-item veto and allow Congress to gain control of Federal spending and reduce the deficit.

The Kyl-Allen amendment is the only amendment, offered today, which includes the line-item veto authority for the President to assist in reducing wasteful spending. Since I arrived in Washington, I have observed that Congress has a hard time saying "no" to spending items. In 1992 Congress included about \$8 billion dollars worth of pork projects. Congress spent a lot of money on Federal studies: \$150,000 for a recyclable fishnet study, \$2 million for an undersea research center, \$250,000 for information and analysis of Hawaiian sea turtles, \$10 million to study military stress on families, \$100,000 for a black bear study, the list goes on. Establishment of centers is another favorite pork item. The 1992 budget included \$2.7 million for the Abraham Lincoln Research and Interpretive Center, \$25 million for a Federal building and U.S. courthouse in West Virginia, \$393,000 food marketing policy center, and \$50,000 food processing center. Finally research is another big ticket item; \$340,000 for fish marketing, \$1,435,000 for potato research, \$361,000 for seafood harvesting processing and marketing and \$94,000 for asparagus yield decline.

In response to spending such as this, I introduced legislation which would grant such authority to the President and am pleased to see this provision included in the balanced budget debate. Line item authority would give the President a real opportunity to eliminate pork barrel projects from Federal legislation. I believe that granting the President line-item veto authority will encourage Congress to carefully evaluate the legislation they fund. This process would be a major step forward in eliminating pork projects, as well as, programs which just don't work.

Pork projects will not last long when all spending is scrutinized. Who wants to spend \$1,942,000 for a food consortium when the Government could use that money for the WIC Program? The competition for funds will require many programs to prove their worth. It will allow programs which are successful and save money to expand. Aside from the budgetary benefits, the Kyl-Allen amendment will see that taxpayer money is being spent most efficiently.

The need for a balanced budget amendment has become very apparent. The Federal deficit is now approaching \$400 billion and Federal spending continues to increase. Congress has already passed several statutory bills which would balance the budget. However, despite the passage of these bills, the deficit and Federal spending have continued to grow, reaching all time high levels. Congress needs to try another approach to getting Federal spending under control. It is time to pass legislation that will require Members of Congress to work more seriously at reducing Federal spending and the deficit. A constitutional amendment to balance the budget will help Members to do just that.

The Kyl-Allen amendment is the amendment that Congress should pass today. If this

amendment fails, I will support the Barton and Stenholm amendments which will give Congress the necessary tools to implement a plan to balance the budget and reduce the deficit.

Mr. DANNEMEYER. Mr. Chairman, the lamentations pour forth from big spenders who refuse to cut spending under any circumstances. They wail that, under a balanced budget constitutional amendment—or any other vehicle, for that matter—it is utterly impossible to reduce outlays sufficient to eliminate the deficit. In the trenchant words of W.C. Fields, that is pure taradiddle.

The voices in the wilderness who argue that we will be faced with two realities under such constitutional constraints, raising taxes and raiding Social Security, are either stupid or duplicitous. They cover before special interests that practice rank intimidation in their venal attempt to suck even more out of the Nation's lifeblood at taxpayers' expense. These budget vampires must be forcibly weaned from the Federal trough.

It is altogether possible to gradually reduce budget deficits over, say, a 5-year span. A freeze of Federal spending during that period would save nearly \$400 billion. The fiscal year 1997 deficit would be sufficiently manageable so that additional revenues generated from an accelerating economy—which would occur as a result of being on a zero-deficit spiral—would eradicate any remaining shortfall.

Another proposal, which I offered as a substitute to the concurrent budget resolution for fiscal year 1993, had a mix of components: a 1-year 25 percent reduction in foreign aid followed by a freeze, 5 percent annual reductions in defense through fiscal year 1997, a cap on health programs—allowing for beneficiary increases plus inflation plus an additional 2.5 percent—and a 1-year freeze—with 2 percent growth thereafter—in domestic discretionary accounts. Finally, marketable debt—\$915 billion in 1993, \$1.7 trillion over 5 years—is refinanced to achieve major savings in interest payments. This proposal would achieve \$750 billion in deficit reduction over a 5-year period and result in a balanced budget by fiscal year 1996.

I wholeheartedly support House Joint Resolution 290 and applaud the herculean efforts of my valued friend, Mr. STENHOLM, to bring this matter before the House. I need hardly to remind anyone that I have championed balanced budgets since I first arrived in Congress in 1979. I have produced 13 budget substitutes since 1980 which, if not resulting in a balanced budget, at least trended toward that goal. Moreover, I have cosponsored House Joint Resolution 143, introduced by Mr. Kyl of Arizona, and House Joint Resolution 248, by Mr. BARTON of Texas, in addition to the Stenholm resolution. I prefer to make it more difficult to enact tax increases but any of these resolutions is preferable to the status quo.

Washington is not really the seat of the people's government. It is a cocoon in which power brokers who have stayed around too long breathe the same hot air and regurge the same inbred ideas, sustained only by the life support system provided by those special interest vampires determined to preserve their hallowed breeding ground. These people still cannot understand the driving force which is today propelling the Ross Perot campaign.

There is monumental resentment against the way Washington does business. The cry is no longer "Get the job done," it is "You are incapable of getting the job done."

A constitutional amendment is a terrible way of dealing with the Federal budget. But it has become apparent that the people who have driven this Nation to the brink of bankruptcy cannot be entrusted with its salvation. Oliver Cromwell savaged the unproductive and irresponsible Long Parliament in 1654 with "It is not fit that you sit here any longer." This is now the rallying cry of the American public, especially the taxpayers who have been paying for this profligacy long enough. It is time for the cocoon dwellers to repair to the local pub and hoist a brew. And wonder why their world is turning upside down.

Mr. SERRANO. Mr. Chairman, I rise in strong opposition to the proposed constitutional amendments to balance the budget.

Our colleagues are driven by various motives in their efforts to call for a balanced budget amendment. Some of these are well intentioned, some are blatantly political. Often it can be difficult to distinguish between the two.

Our Nation's leading economists—seven Nobel laureates among them—have spoken out forcefully against this misguided initiative. In a statement issued June 2, 447 economists from across the Nation asserted their unanimous conviction that a balanced budget amendment would be contrary to the national interest.

The Group of 447 ended their statement as follows:

Frustration with the reckless fiscal policies of the past decade is understandable. Indeed, many of the signatories to this letter have been among the foremost critics of the policies that have contributed to high budget deficits and large increases in the national debt. But the proposed balanced budget amendment is not a solution. Indeed, it would worsen the Nation's economic prospects.

The best economic minds in the country agree that a balanced budget amendment would be bad for the country as a whole.

I know from my own experience that a balanced budget amendment would be absolutely devastating to the most vulnerable members of our society. The problems that impoverished families already endure—lack of affordable housing, community development, inadequate schools, unemployment assistance, and insufficient access to health care—would be exacerbated.

The increase in legislative gridlock that would result from a balanced budget amendment would block our efforts to make the crucial investments in education, health care, housing and infrastructure development needed to promote jobs and rekindle an economy in severe fiscal distress.

The Congressional Budget Office estimates that, by 1997, we would need to cut \$236 billion in deficit spending from the budget. These cuts would all but destroy much needed federally funded social programs. Researchers state that unmerciful cuts in Social Security and Medicare alone would force 1 million elderly into poverty. Cutting Federal expenditures on critical social services, will only worsen the devastating conditions Americans face

on a daily basis. Currently, there are 9.4 million Americans without jobs. Even more disillusioning is that approximately 1.1 million discouraged people have stopped looking for work.

Mr. Chairman, in conclusion this balanced budget amendment would deprive us of the ability and flexibility to meet urgent domestic needs and would unfairly add to the burdens of the destitute. We must defeat these balanced budget amendment proposals and get on with the business of governance.

Mr. GILLMOR. Mr. Chairman, I support the passage of a balanced budget amendment. I served as a State senator before being elected to Congress, as have other Members of this body. I saw what it was like to write budgets that eliminated deficits. I witnessed the temptation, in those final days before a budget had to be balanced, to just go ahead and spend the money on some popular program and say, "we will just make it up next year." But we resisted that temptation. Congress has not.

In Ohio, we resisted the temptation not because State legislators were inherently better than Members of Congress. It was because our Constitution required us to make the tough choices. We couldn't just find some convenient way around it. We had to make sacrifices. I believe that anything less than that kind of environment at the Federal level will simply not work. How do I know? I have evidence. Four trillion pieces of evidence.

And to those who say that a balanced budget amendment is too inflexible when critical national needs have to be addressed, I say this. What can be more inflexible than paying interest on the debt to the tune of \$200 billion a year? Interest consumes one of every seven Federal tax dollars, and is growing. What can be a bigger thief from pressing national needs than that?

Mr. Chairman, let us make the first of many difficult spending choices ahead. Let's pass the balanced budget amendment.

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of the constitutional amendment to require a balanced budget with mixed emotions.

While there is no question that annual Federal deficits and the mounting national debt are the single greatest threat to our nation's economy, I view with trepidation the prospect of amending the Constitution of the United States. This is the single greatest document of democracy the world has ever known. It steadfastly has stood the test of time throughout our history, in times of prosperity and in times of crisis. Our forefathers authored the Constitution with such foresight that there have only been 26 amendments over the past 2 centuries and 10 of those were the Bill of Rights.

Amendments to the Constitution should be reserved for only the most select of purposes. Unfortunately, as our national debt approaches the \$4 trillion mark, such a time has arrived to put in place a constitutional requirement that the Congress balance Federal expenditures and revenues just as our States must do an just as our Nation's taxpayers must do.

The sad truth is Congress does not need a constitutional amendment with super majority

voting requirements to balance the Federal budget. All that has ever been required, from the very First Congress to this 102d Congress is the willingness of a simple majority of the members of the House and Senate to cast the tough votes that are required to balance the annual budget.

As one who consistently has cast these difficult votes, I know that it is not without a price. The most serious charges ever raised against me in a campaign is that I opposed various bills creating or expanding federal programs. However, because a majority of my colleagues over the years did not join me in opposing those programs, the annual Federal deficit has continued to rise to the point where it will exceed \$400 billion this year.

Our Nation is so deeply in debt that the annual interest payment on the national debt will approach \$300 billion in this fiscal year. In fact, since 1982, we have had no choice but to spend \$2.274 trillion just on the interest on the national debt. These funds do not go to improve education for our children, provide health care for our people, build roads or bridges, or provide for our national defense. They are simply the finance charges we must bear for years of deficit spending.

Many have urged the House to defeat this legislation today because they say it threatens to reduce Social Security benefits for older Americans. To that I say the Social Security Program is not at the root of our growing national debt and therefore should not be a part of the solution. The fact is Social Security is a self-financing program which is in actuarial balance. It currently is running a \$30 billion annual surplus which will increase to \$60 billion by fiscal year 1997.

Throughout the past decade, the only actions Congress has taken to affect Social Security benefits have been to keep the program in close actuarial balance well into the next century. No benefits have been cut or cost of living adjustments delayed to reduce Federal expenditures.

As the representative of more Social Security recipients than any other Member of this House, and as chairman of the Congressional Social Security Caucus, I am proud of my work to protect Social Security benefits and to maintain its financial stability. Just as Social Security has been exempted from Federal budget cuts over the past decade, as long as I serve in this House I will continue to ensure that Social Security remains exempt from any spending cuts required to meet a constitutionally mandated balanced budget. Instead, the debate will have to focus on reducing the size and scope of the same Federal programs which were established by Congress over the past 20 years and which have driven our growing annual deficits.

Earlier today, I supported the amendment of my colleague from Arizona Mr. KYL, which would have included in the constitutional amendment a line-item veto authority for the President. This is the same tool which has proven so effective to the Governors of States in meeting their requirement to balance their State budgets. It would provide the President, as an equal partner with Congress in meeting the constitutional mandate for a balanced budget, with an important enforcement measure to ensure that if Congress does not fulfill

its fiscal responsibilities that the President has the ability to do so.

The subsequent amendment by the majority leader, Mr. GEPHARDT, is a farce which would lack the teeth and enforcement tools necessary to hold Congress true to the constitutional amendment's requirement of a balanced budget. It would allow a simple majority of this House to break the promise of a balanced Federal budget. If we are to take the historic step of amending the U.S. Constitution, we should do so with an ironclad provision which will leave no way out for Congress to do anything other than balance the Federal budget.

Clearly legislative gimmicks such as Gramm-Rudman-Hollings were powerless to turn the tide of Federal deficit spending. They lacked the clout and backing of the United States Constitution and were simply subject to the majority rule of this House which led to waiver after waiver of enforcement provisions and ultimately a \$400 billion deficit this year.

Mr. Chairman, the American people demand a balanced Federal budget and they have elected us to make the difficult decisions which will restore fiscal discipline and sanity to the Federal Government. An unbreakable Constitutional amendment appears to be the only mechanism which will enable us to achieve this goal. It is important to reiterate that a balanced Federal budget which provides for full payment of Social Security benefits are not contrary goals but are my commitment to the people I serve.

Although I continue to believe that we should not approach any attempt to alter the Constitution of the United States lightly, the time has come to get our fiscal house in order. With this landmark vote today, we tell the American people that this Congress is finally serious about getting down to the business of making the difficult decisions and casting the tough votes to balance Federal revenues and expenditures. This is the responsible way to stop mortgaging our Nation's and our children's future.

Mr. HALL of Texas. Mr. Chairman, I rise today in support of allowing the people of this country the right to vote for or against a balanced budget amendment—the simple right for citizen input. We shouldn't legislate a balanced budget—but the taxpayers and citizens should have that right.

Every year, every week, every day we add to that debt. Even as we debate this amendment, the interest on our debt is compounding and we are sinking further in debt. Next year, our deficit is projected to be \$327 billion. That trend cannot continue without dire consequences. Deficit spending endangers the cost-of-living allowances for some senior citizens and retirees. It can deny veterans the programs they deserve. It can break this Nation.

Mr. Chairman, small businesses make up a large portion of my constituency. And if those businessmen and women spend more money than they earn one year, they have a problem. If they do it year after year after year, they go broke. Our Government is facing the same problem. We are headed for bankruptcy.

However, this week we have the opportunity to do something about Government spending. For years, many of my colleagues on both sides of the aisle and I have called for a bal-

anced budget amendment. This week we have the opportunity to make that a reality. This week we must make that a reality.

Mr. Chairman, it is not right for us to continue spending money that we do not intend to pay back. I have seen a breakdown of the national debt that lists everyone we are borrowing money from. But in reality we are borrowing it from our children and our grandchildren. Because if we don't pay back this huge debt, they will have to. If we are not willing to make tough choices today, our children and grandchildren will be forced to face even tougher hardships and decisions in the future. And that is wrong.

I have heard the arguments and read the letters from Members of Congress and analysts and special interest groups saying that deficit spending is not that bad. Mr. Chairman, it is that bad—in fact, it's worse than bad. Borrowing money from our children so that we do not have to make difficult decisions is terrible.

We can balance the budget. We can stop deficit spending. We can preserve a fiscally sound government for our children and grandchildren. It will not be easy. But in the long run, it will be worth it.

Let's give our constituents and our home States the opportunity to express their views on this incredibly important issue. Let's pass this amendment. Let the American people have a say in this matter, and together start down the long, arduous path to fiscal responsibility.

Again, I urge my fellow Members of Congress to support a balanced budget amendment.

Mr. FORD of Michigan. Mr. Chairman, I rise in opposition to the balanced budget constitutional amendments being considered by the House.

My main concern with all of the amendments is that they do not tell us how to achieve a balanced budget. Rather, they simply state that we must have a balanced budget by a designated time in the future.

Everyone believes that we can and should address our deficit problem. But we cannot put ourselves in a position where all programs are treated equally under the budget knife.

The Gephardt-Bonior-Obey amendment is the most realistic approach of all the amendments because it does not allow the will of the minority to rule. The bill also exempts Social Security from budget calculations and that is good. We should not balance the budget on the backs of our elderly. But we also should not balance it by making drastic cuts in nutrition programs for children, financial aid for our students, and job training programs. We need to protect important domestic programs that were already cut to the bone under the Reagan-Bush administrations.

The Gephardt-Bonior-Obey amendment requires the President to send to Congress a budget in which total expenditures do not exceed total receipts, unless the budget is accompanied by a Presidential declaration of national urgency for that fiscal year.

This, in my opinion, is where we run into trouble. What will Congress do when we have a President who chooses to ignore situations we deem to be emergencies. For example, it took over 18 months for Congress to convince President Bush that the country was in a re-

cession and that our people needed extended unemployment benefits to get them through these hard times. It took three attempts to provide unemployed workers with extended benefits before the President signed a bill into law. Under the Gephardt-Bonior-Obey proposal, Congress would be prohibited from considering emergency legislation without a Presidential declaration.

Mr. Chairman, we need the political will to address our deficit problem. Adding an amendment to the Constitution is not the answer. Leadership is the answer. We need a President who gives more than lip service to deficit reduction. I watched the President's news conference last week and counted the number of times he expressed his support for a balanced budget amendment. Sixteen times, the President called on Congress to pass a balanced budget amendment. Yet this President, and his predecessor, Ronald Reagan, have never produced a budget that was anywhere near being balanced. In fact, it was their ability to push an agenda that reduced taxes on the rich while increasing Pentagon spending which caused the deficit to skyrocket in the first place. More debt was accumulated during the first 5 years of the Reagan-Bush administration than the grand total accumulated in 200 years under all previous Presidents from George Washington to Jimmy Carter.

The other balanced budget amendments put off the real pain until the end of this decade—well beyond the end of the Bush Presidency. He would have never had to submit a balanced budget during his term. No wonder why it is so easy for the President to support this amendment.

The American people want us to address the deficit problem in a realistic manner. They do not want any more gimmicks that will allow elected Representatives to say they are for a balanced budget but continue to vote for unnecessary big-ticket items such as the space station, SDI, and the superconducting super collider. We were sent here to lead, to make the tough decisions, to do the right thing by our people. Adding a few words to the Constitution will not make a difference. Tough spending decisions and, yes, maybe even a tax increase on the wealthy will make a difference.

Earlier this week we had an opportunity to pass legislation that would require the President to submit and the Congress to pass balanced budgets every year, starting in fiscal 1993. I voted for this measure, which failed by a vote of 220 to 199.

Have we decided that we cannot do anything unless it is written into the Constitution? Had we enacted that legislation, we could be using our precious time working on deficit reduction proposals. Instead, we are considering amendments that must be ratified by 38 States and will not go into effect until the end of this decade.

As my colleague Congressman LEON PANNETTA stated:

There are many members here who are willing to make a great riverboat gamble with our economy and our Constitution in order to inject courage into cowards and to place a spine into the spineless.

I am not willing to take that gamble. My constituents deserve better representation than that.

Mr. KANJORSKI. Mr. Chairman, yesterday I addressed the House to set forth my concerns over the so-called balanced budget amendment, a proposal which is one of the biggest smoke and mirror acts in our Nation's history.

I expressed my surprise that an administration which has been in office for 12 straight years, and which has failed to submit a balanced budget in even one of those 12 years, was attempting to convince us that we need to amend the Constitution to balance the budget.

I noted that even a school child knows that adopting an amendment which says that the budget must be balanced does not make it so, any more than adopting an amendment saying that the Earth is flat would make it flat.

This amendment is a political ploy designed to make politicians look good without actually making any difficult or painful decisions.

If, and when, the so-called balanced budget amendment takes effect, the consequences for our Constitution, our national economy, and for middle-income families and senior citizens in northeastern and central Pennsylvania, will be devastating.

Families USA estimates that in the first year alone senior citizens in Pennsylvania will lose at least \$1,873 in Social Security and Medicare benefits.

That is why they call this the Scrooge amendment because it is the equivalent of cutting off pension for senior citizens 2 weeks before Thanksgiving and not restoring them until a week after Christmas.

Wharton Econometrics, one of the Nation's most prestigious economic forecasting firms, predicts that in just the first year alone Pennsylvania will lose 176,000 jobs and \$31.6 billion in income.

In Pennsylvania's 11th Congressional District alone, nearly \$1 billion will be removed from the local economy. The ripple effect of this dramatic change will be magnified several times over as workers are laid off and businesses are forced to close. That is like shutting down the 25 largest businesses in the 11th District and laying off all their employees.

Twenty years ago this month tropical storm Agnes wreaked havoc on northeastern and central Pennsylvania. The adoption of this amendment will be just as devastating.

The people of Pennsylvania know how long it took for us to recover from that cataclysmic event. But at least tropical storm Agnes was an act of God. Let us not destroy our economy with a self-inflicted wound.

We can and should cut the budget deficit. For 6 of the last 8 years the Congress has done just that, cut tens of billions of dollars from the budgets proposed by Presidents Reagan and Bush.

We can and should do more. Yesterday I outlined how we could cut funding for foreign aid, for unnecessary defense systems, for low-priority domestic programs, and where there is no justification. I also described why we should adopt a separate capital budget as State and local governments do so that our books more accurately reflect the value of Federal assets. Biennial, 2-year budgeting should also be adopted so that spending is better planned, and we should utilize zero-based budgeting so that programs have to prove their worth instead of resting on their past laurels. Finally, we should close foreign

tax loopholes which are robbing us of \$30 to \$40 billion a year in tax revenues, and we should make the tax code more progressive so that millionaires pay more than average working families.

If we make those changes we can significantly reduce our deficit, without doing damage to our Constitution, and without imposing draconian cuts in Social Security, Medicare, black lung, student loans, cancer research, the FBI, job training, drug abuse and interdiction, and other essential programs.

Today, I would like to share with my colleagues some of what noted economists, journalists, public interest groups, and even respected conservative businessmen and public officials are saying about the so-called balanced budget amendment.

Opposition to the so-called balanced budget amendment is widespread among citizens, economists, journalists, and businessmen of all parties and ideologies. Here are some excerpts of what others are saying about it.

BALANCED BUDGET AMENDMENT

PROMINENT ECONOMISTS OPPOSE AMENDMENT

On Tuesday, June 2, 1992 a coalition of more than 400 prominent economists, including 7 recipients of the Nobel Prize in economics, announced their opposition to the amendment declaring that it "is not a solution. Indeed, it would worsen the nation's economic prospects."

They noted that the amendment assumes a degree of economic forecasting accuracy which is not possible and that, "The ensuing instability would add to investor uncertainty and promote shorter time horizons in business planning—the opposite of what the nation needs."

"The amendment would give rise to inappropriate uses of government mandates, regulations, tax breaks, and new forms of 'off-budget' spending designed to evade the amendment's rigid Constitutional restrictions on taxing and spending."

"Putting the U.S. government in such policy straight-jacket could have serious negative consequences for global economic stability."

"Even if economic forecasting could be done with pinpoint accuracy, requiring balanced budgets in each fiscal year regardless of prevailing economic circumstances is bad public policy."

LAW PROFESSORS AND DEANS OPPOSE AMENDMENT

On Monday, June 8, 1992 a coalition of more than 150 prominent law professors and deans, announced their opposition to the amendment. They declared:

"We write as deans and law professors with differing political views and differing views about what needs to be done about the federal budget. We are, however, unanimous in believing that balancing the federal budget should not be done—and need not be done—by amending our nation's basic charter."

"One of the great values of the Constitution is the flexibility which enabled it to serve as the legal foundation of our democracy for more than 200 years. This amendment would unwisely write a rigid fiscal policy into the document without regard to unforeseeable economic conditions."

"Under this amendment, the responsibility for enforcing a balanced budget will fall upon the judiciary. We are gravely concerned with the harm certain to be done to the judiciary by requiring the courts to address fiscal and budgetary questions for which they

are completely unsuited—questions ranging from the interpretation of the amendment to the reliability of estimates of future revenues."

"To use the Constitution to divert attention from the responsibility of the President and Congress to solve the deficit problem not only trivialize the Constitution, but undermines the honor and respect that the American people have for our basic charter."

"This amendment also damages a primary constitutional principle—that of majority rule."

"We believe that to elevate a balanced budget to permanent constitutional status is damaging to the integrity of the Constitution, is unwise fiscal policy and is historically unsound."

PUBLIC INTEREST GROUPS OPPOSE AMENDMENT

A similar coalition of more than 100 public interest groups including, the League of Women Voters, Common Cause, and the National Council of Churches, also opposes the amendment. Even groups as diverse as the Chamber of Commerce and the AFL-CIO oppose the amendment.

FORMER PRESIDENT FORD

Former President Ford denounced the balanced budget amendment effort as "only another crutch" that opportunists in Congress are using "instead of hard-headed votes" to trim the deficit.

WHARTON ECONOMETRICS PREDICTS MASSIVE UNEMPLOYMENT AND TAX INCREASES

Projects that actually achieving a balanced federal budget by 1995 would mean: 3.4 million fewer jobs would be available.

A loss of 176,000 jobs the first year alone in the state of Pennsylvania.

Personal income in Pennsylvania would also drop by \$31.6 billion.

Unemployment, instead of coming down sharply from current recessionary levels, would increase nearly 50 percent.

State and local budget deficits would triple to \$67 billion.

Federal personal income taxes would rise 19.3 percent. Corporate taxes would also increase sharply.

Social Security taxes would increase, and benefits would be cut by at least 8 percent, as would Veterans benefits.

The nation's Gross Domestic Product (GDP) would drop 4.1 percent.

FAMILIES USA PREDICTS DEVASTATING CUTS IN SOCIAL SECURITY AND MEDICARE

Families USA, a nationwide senior citizen and family advocacy group calculates that adoption of the amendment will cut \$1,873 a year from the average Pennsylvania senior citizen's Social Security and Medicare benefits.

The amendment "will make Medicare unaffordable for millions of our parents and grandparents. It will also slash Social Security benefits for 42 million Americans."

It will "cut Social Security Checks by an amount equal to seven weeks' worth of benefits in the year 1995."

"That would be like cutting off Social Security checks two weeks before Thanksgiving and not starting them up again until a week after Christmas."

LOCAL COLUMNIST TOM BIGLER

"Like Bush's claim—after 11 years in office—that now is the 'time for change,' Reagan pretended to be blithely oblivious to the irony that his call for debt limitation came from a president under whose administration the national debt tripled. Nor would he acknowledge the hypocrisy of proposing that such an amendment apply to his successor but not to his administration."

"That the balanced budget proposal now is a serious proposal is not because of economics or even because of any ground swell of informed and considered public opinion. It exists because so many members of the Congress (and of other elected bodies, as well) and their publics have lost the courage to put country and principle ahead of personal advantage. This has left them vulnerable to the simple-minded and unprincipled."

"There is no substitute for individual responsibility, individual accountability, individual freedom, and for rational government, but the proposed amendment would strip this government and its people of all of these."

HOBART ROWEN, NATIONALLY SYNDICATED ECONOMIC COLUMNIST

"One of the worst pieces of legislation in many years, a balanced budget amendment, if passed and ratified by 38 states, could put the government in a straight jacket limiting its response to social and economic emergencies such as the Los Angeles riot or national business recessions."

"The balanced budget amendment is nothing less than a congressional sleight of hand: It's a promise that the budget will be balanced, with no actions taken to put it into effect—now. The job is left to future generations."

"A balanced budget amendment would result in the same intellectual dishonesty that typified Gramm-Rudman: rosy economic scenarios and accounting gimmickry to make the deficit look smaller than it really is."

"In the end, there are only two possible results that could emerge from the balanced budget amendment."

"First, the strictures would be evaded, as they were during the Gramm-Rudman era, with the costs of providing necessary goods and services fobbed off on already economically depressed state governments."

"Or, it could meet the predictions of its supporters and actually work. That assumption may be worse than an assumption that it would be impotent."

RUDOLPH G. PENNER, ECONOMIC DIRECTOR, KPMG PEAT MARWICK ACCOUNTING FIRM

"If there is little political will to realize a goal, putting it into the Constitution will not help. Thus, a constitutional amendment requiring a balanced budget will work as well as the Prohibition amendment."

"The futility of using constitutions to balance budgets is clear from the experience of state governments. While 49 have constitutional provisions or legislation requiring a balanced budget, many routinely resort to outrageous accounting gimmicks to 'balance' budgets, and many have created, 'off-budget' agencies. State provisions, which generally apply only to operating budgets, often permit borrowing for capital budgets."

"In short, whether the amendment worked or did not work, it would be a disaster."

JUDGE ROBERT H. BORK

"Though I agree that government spending is a serious problem, H.J. Res. 268 seems to me a thoroughly ill-conceived proposal for several reasons."

"1. The proposed constitution amendment is unlikely to be effective. . . ."

"2. The proposed amendment specifies no enforcement procedures. . . . It may be thought that the amendment can be enforced . . . by lawsuits. That is either a vain hope or a dismal prospect."

"If the courts allowed [lawsuits] . . . the results might be worse than no judicial enforcement. Scores or hundreds of suits might be filed. . . . The confusion, not to mention

the burden on the court system, would be enormous. Nothing would be settled, moreover, until one or more of such actions finally reached the Supreme Court. That means we could expect a decision about fiscal year 1992, for example, no earlier than fiscal year 1997. Nor is it at all clear what could be done if the Court found that the amendment had been violated five years earlier."

"Despite the urgency of the problem the proposed constitutional amendment seeks to address, for the reasons given, the cure seems likely to be either ineffective or damaging, and perhaps both."

MALCOLM S. FORBES, EDITOR-IN-CHIEF, FORBES MAGAZINE

"Congress seems ready to pass a balanced budget amendment to the Constitution. Not since prohibition has there been a proposal so fraught with danger."

"But the problems with this seemingly sensible idea are numerous."

"Would there be any distinction between outlays for expenses and for capital items? It is astonishing that the largest entity in the world, the U.S. government, books money spent for pencils the same way as money invested in buildings and highways, even though the latter have a useful life of many years. Businesses use depreciation. States also have separate budgets for current expenses and for capital items. People buying a house would be in violation of a balanced budget amendment: A mortgage would be regarded as deficit financing."

"How would government loan guarantees, explicit and implicit, be treated? . . . One can see how the amendment could be flouted by granting guarantees, since they wouldn't show up as an immediate expense."

ROY L. ASH, PRESIDENT, LITTON INDUSTRIES, FORMER DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET UNDER PRESIDENTS NIXON AND FORD

"A constitutional amendment is not the answer to fiscal discipline because it would be operationally unworkable, let alone counterproductive. The devil is in the unavoidable operational details necessary to make it work."

"The greater the number of votes needed to allow the breaking of the budget, the more the situation is tantamount to announcing that the spending train is about to pull out of the station; those who help release the brakes will get their favorite programs aboard. The more votes needed to release the brakes, the more it costs to get those last votes."

"The Constitution is not a trivial document. It's meant to be binding, in a very serious way. The other side of the coin is that it articulates citizen rights. Under the amendment proposed, Federal taxing, spending, and even bookkeeping would be subject to challenge, in the courts, by any citizen of standing who could assert his own idea of how the books should have been kept and how taxing and spending should have been conducted. Do we want the Federal courts to be our fiscal policy makers too? And establish our bookkeeping rules?"

"Were the proposed constitutional amendment to be in place and applied, years of economic decline, which automatically add billions of dollars to unemployment and other stabilizing expenditures, would force offsetting the Herculean reductions of other programs, further exacerbating the decline."

"Fundamentally, it can be counterproductive, and even dangerous, to say that a balanced annual budget is our government's foremost economic goal."

"In contrast to Federal bookkeeping, states don't charge the cost of new schools, prisons and other capital facilities to their current budgets but instead finance them outside and off their budgets by issuing bonds."

"It is not at all unusual for the amount of off-budget state bonds issued—that is, money borrowed—to exceed the states' reported budget surpluses, equivalent to a deficit according to federal accounting rules."

THE WASHINGTON POST

"Trivializing the Constitution.—The balanced budget amendments to the Constitution that Congress is considering are cop-outs that would neither require balanced budgets nor likely help achieve them. Instead, while pretending otherwise, they would again postpone the difficult decisions they imply, encourage further evasions, trivialize the Constitution and almost certainly entangle future fiscal policy in the courts. . . . These sloppy, dangerous proposals are the ultimate expression of the weakness and dithering and flight from responsibility they purport to correct. They are yet another way of letting those who are elected to govern evade accountability for acts of governing."

"It's not that hard to balance the budget—not intellectually anyway. You have to vote to increase taxes and/or cut spending. That's what the president and members are already in such disrepute for refusing to do. These amendments are nothing more than attempts to give them cover for refusing to do it a few years longer. Let the next administration and Congress do it. Always the next. If they're going to vote to reduce the deficit, as well they should, it's fair to ask them to tell us how, and not just procedurally as they have so often done before. Which programs? Which taxes? The Constitution should not become the permanent monument to a temporary failure of political will."

THE NEW YORK TIMES

"Unbalanced, it's wrong in principle and destructive in practice. It may sound like a direct remedy for Washington's toying with trillions in deficit spending. In fact, such an amendment would threaten precisely the long-term investments society needs most and risk pushing a soft economy into icy recession."

"By lumping all outlays together, the amendment discourages expensive investment in, for instance, cancer research, as compared with short-term giveaways. This indiscriminate definition also invites evasion—such as loading new entitlements onto the backs of state governments and employers."

"The amendment could do immeasurable harm. . . . Businesses borrow to invest. Even states required to balance their operating budgets, borrow for capital investment."

"There are other problems. The proposed amendment raises grave questions about responsible governance. A balanced budget amendment would turn America of the future into a poorer place."

THE BALTIMORE SUN

"Balanced Budget Gambit—This cynical, hypocritical gesture would be the final insult to voters from a bunch of politicians who are in the process of approving a \$400 billion deficit."

"Before the citizenry falls for Washington's latest scam, it should demand that this president and this Congress first enact measures that would come to grips with the budget crisis now. A balanced budget amendment would not do that. It would merely pass on

the nation's fiscal burdens to future officeholders while permitting the current crop of incumbents to posture outrageously."

CHARLES L. SCHULZE, SENIOR FELLOW, THE BROOKINGS INSTITUTION

"In the highly likely event that the 10-year impasse between the Congress and the president and among various groups of American citizens over how to balance the budget will not be broken, a constitutional crisis may well occur."

"Once the amendment is enforced, the performance of the U.S. economy could be seriously damaged. One of the features of our economy, which has kept modern business cycles less violent than was true earlier in American history, is the automatic stabilizing character of the federal budget. When recessions occur, budget revenues automatically fall and spending rises, helping to sustain the economy through a period of weakness. Under the amendment, a determined minority in either chamber of Congress could force highly depressing spending cuts (or less likely, tax increases) during recessions, driving the economy deeper into trouble."

WALTER DELLINGER, PROFESSOR OF LAW, DUKE UNIVERSITY

"It would be wonderful if we could simply declare by constitutional amendment that henceforth the air would be clean, the streets free of drugs and the budget forever in balance. But merely saying those things in the Constitution does not make them happen. Putting false promises in the Constitution is not a trivial matter. It breeds disrespect for the rule of law."

"Proposing a balanced budget amendment would not be a step toward a balanced budget, but a diversion from that goal. Its adoption would cut no spending and raise no revenue. Because it provides an excuse for avoiding real steps to reduce the deficit, its proposal by Congress would disserve both the Constitution and the goal of fiscal responsibility."

STUART E. EIZENSTAT, FORMER CHIEF DOMESTIC POLICY ADVISOR TO THE PRESIDENT

"The balanced budget amendment to the U.S. Constitution is the wrong remedy for our budget-deficit disease. It would place fiscal policy in a straight jacket, greatly complicate the most important responsibility of the president—the proper management of the nation's economy—and exacerbate economic downturns by requiring recession-induced deficits to be reduced by tax increases and/or spending cuts at precisely the wrong time in the economic cycle."

"As the imperative of balancing the federal budget each year impinged on Washington, the federal government will meet inevitable public demands for increased services by imposing greater mandates on already hard-pressed states, shifting even greater responsibilities and cost to states, removing burdens and dollars from federal books."

DR. LAWRENCE CHIMERINE, SENIOR ECONOMIC COUNSELOR, DRI/MCGRAW-HILL FELLOW, ECONOMIC STRATEGY INSTITUTE

"Many of those who advocate a constitutional amendment to balance the Federal budget do so under the false premise that the enormous deficits of the last twelve years have been the result of overspending by Congress. Today's massive deficits, as well as those during the 1980's, were directly attributable to the misguided economic policies that were implemented in the early 1980's under the banner of supply-side economics."

"The incentive effects of supply-side tax cuts were inconsistent with most empirical

evidence, and thus were enormously overstated."

"The [budget] problem was worsened by the use of extremely optimistic (and usually inconsistent) economic assumptions, understatement of program costs, budgetary gimmicks, etc."

"The real problem, was the lack of leadership by the Administration during those years, and the spreading of a number of budgetary myths or lies that perpetuated the inaction."

"The assertion by the current and previous Administration that the problem is not on the revenue side because tax revenues have actually increased as a result of tax cuts of the early 1980's is utterly ridiculous. Both personal and corporate income tax collections as a share of income and profits respectively are far below where they were a decade ago."

"The truth is, however, that Congress has appropriated less money for discretionary programs than the Administration asked for in ten out of the last twelve years."

"Despite the urgency of reducing future budget deficits, I am strongly opposed to the enactment of a balanced budget amendment. In my judgment, it is simply another gimmick like Gramm-Rudman. It will not only be an ineffective tool in dealing with the problem, but in my view is simply a way to attempt to avoid what will be difficult choices."

It is likely to encourage even more use of optimistic forecasts, program underestimation, moving programs off-budget, and other similar techniques in order to avoid the tough decisions that will need to be made to actually balance the budget. Thus, the balanced budget amendment has the potential of making the budget process even more flawed than it was in the 1980's."

"Adoption of a federal balanced budget amendment would create a tendency to increase the amount of off budgeting and other budgetary gimmicks. Since we've already had twelve years of this, this would be a very undesirable result."

DR. LOUIS FISHER, SENIOR SPECIALIST, CONGRESSIONAL RESEARCH SERVICE, LIBRARY OF CONGRESS

"The amendment would have three effects. First, presidential power is likely to increase. Second, a number of fiscal and budgetary issues will be decided by federal judges. Third, Congress will be weakened."

"A balanced budget amendment will not, in fact, eliminate indebtedness."

"States and all average Americans do not live within their means. They borrow. To that extent they 'mortgage their children's future.' If states spent only what they took in as revenues, there would be no need for the limits on indebtedness found in state constitutions. A GAO report in 1985 pointed out that in some states the percentage of funds covered by balanced budget requirements is as low as 46 percent. Major activities not covered by state balanced budget requirements include highway construction/maintenance, pension benefits, and capital activities. The size of the state budget that is actually balanced ranges from 47 to 66 percent of the total budget."

"States do not, in fact balance their budgets. They balance their operating (or general) budgets, not their capital budgets. Over the years they have devised a number of techniques for running large debts."

"States impose limitations on the authority of state legislatures and local governments to borrow, but these limits have been circumvented by the creation of special dis-

tricts and authorities with borrowing authority. These circumventions fragment state government and weaken accountability to citizens. Since the limits usually apply only to "full faith and credit" debt, secured by the general revenues of the government, states turn increasingly to non guaranteed bonds to avoid debt limitations. Full faith and credit debt, which used to account for almost all of state and local long-term debt, has now declined to about thirty percent of the total."

"If the two branches are deadlocked because no public consensus exists for reducing the deficit, why expect compliance with a constitutional amendment? All the tricks for escaping deficit targets embodied in statutory remedies, such as Gramm-Rudman, could be dwarfed by new heights of accounting ingenuity."

"If citizens want benefits without being taxed for them, Congress will find ways to disguise the deficit. Instead of dealing with a deficit of known size, honestly displayed, the incentive will be to paper it over, push it underground, and shove it to the future."

"Is it a good idea to have a confrontation every year over a macro revenue bill? That would be an open opportunity to churn the tax code once a year. How can businesses make investment decisions with confidence in such an uncertain tax environment?"

"In my judgment, the lack of presidential leadership has been the single largest contributor to quadrupling the deficit since 1980."

DR. ROBERT D. REISCHAUER, DIRECTOR,
CONGRESSIONAL BUDGET OFFICE

"The problem has never been that the nation could not agree on the goal—a greatly reduced deficit. Rather it has been that we could not summon up the will to achieve this objective because it requires sacrificing other desirable objectives—namely keeping taxes low and maintaining government services."

"A balanced budget amendment could be little more than another empty promise, one that further erodes public confidence in our political institutions."

"A balanced budget amendment, on its own, does not advance the chances for lowering federal borrowing, and if it worked it would undermine the stabilizing role of the federal government."

"A balanced budget amendment risks interfering with the ability of the federal government to stabilize the economy."

"The economic harm from frequent tax rate changes occurs because people cannot adjust their behavior to reflect the effects of taxes on incentives to work and invest if those taxes are continually changing."

"Government agencies would have to shorten their planning cycles. Government contractors would demand higher prices to do work for the government knowing that it could be terminated abruptly."

"Probably the most important difficulty with a balanced budget rules is that it offers many opportunities for avoidance or evasion."

"States have frequently taken actions to evade their own balanced budget requirements."

"Balanced budget requirements of states normally apply only to operating budgets, with capital budgets and employee pension funds excluded from consideration."

"State balanced budget rules, which vary substantially from state to state, offer broad scope for evasion. Three-fourths of the states spent more money than they took in during fiscal year 1991."

"If the amendment takes effect with the deficit still in the hundreds of billions of dollars, the Congress would be faced with the Hobson's choice of enforcing the new rule and inducing a deep recession or waiving the rule from the start, which would clearly be an inauspicious beginning for the new era. Should no progress be made during the transition, bond markets are likely to react negatively, making the economy falter and the deficit grow."

"A balanced budget amendment, in and of itself, is not a solution."

"In this election year, it would be a cruel hoax to suggest to the American public that one more procedural promise in the form of a constitutional amendment is going to get the job done. The deficit cannot be brought down without making painful decisions to cut specific programs and raise particular taxes."

STEVEN D. GOLD, DIRECTOR, CENTER FOR THE
STUDY OF THE STATES

"A federal balanced budget amendment could result in more frequent tax increases, lower spending for many programs than would otherwise occur, heavy reliance on fiscal gimmickry, and the shifting of fiscal burdens to state and local governments."

"The experience of the states demonstrates that a balanced budget amendment need not be in the constitution to be effective. States officials where the requirement is statutory appear to be just as serious about balancing their budgets as those in states with constitutional requirements."

"The experience of the states does not buttress the case for a federal balanced budget amendment."

"It is naive to believe that since states balance their budgets, the federal government should be able to do so as well. States do not always balance their budgets. Many states avoid deficits only by using funds carried over from previous years or by relying on gimmicks that often represent unsound policy."

"California is probably the state that has the greatest similarity to the fiscal predicament of the federal government. Despite a balanced budget requirement, a relatively strict limitation on state spending passed in 1979 and Proposition 13, it has had deficits three times in the past decade (in 1983, 1988 and 1991). Another enormous deficit is inevitable this year. \$9 billion is a good estimate of its size. No cure for the deficit is in sight. The state credit rating was reduced last year, and another reduction is probably before long. California's predicament clearly shows that a balanced budget provision is no panacea. In fact, at present it seems almost an irrelevancy."

BILL FRENZEL, FORMER GOP MEMBER OF
CONGRESS & AMENDMENT SUPPORTER

"No matter what form you put it in, there are a lot of things wrong with any BBA."

"No one can predict for certain it will work."

"If it does work, it will create one enormous economic disaster when it is first effective. An abrupt trip from the current baseline, or even a reduced one, to a balanced budget, regardless of the mix of taxes or spending reductions, will be a painful journey for most of our citizens."

"Do you want the Courts in fiscal policy determinations?"

"If it [the Balanced Budget Amendment] were one of a series of reasonable alternatives, most observers would rate it near the bottom of the totem pole."

"The BBA has been called the nuclear warhead of fiscal policy. Its dangerous. It might

hurt the throwers more than it hurts its intended target."

Mr. BORSKI. Mr. Chairman, I rise in opposition to House Joint Resolution 290, the constitutional amendment that would require a balanced Federal budget.

My decision comes after much soul searching and is perhaps one of the most difficult decisions I have made as a Member of this body, but my reasoning comes down to one basic fact. A constitutional amendment to balance the budget is simply unnecessary.

It is unnecessary because we can do the very same job on our own, without a constitutional amendment.

Why haven't we balanced the budget? Why do we have a deficit of \$327 billion? Why do we have a national debt of almost \$4 trillion? Because of a lack of political will and leadership, the kind of leadership that comes from the one person with the responsibility of meeting the divergent needs of all Americans: the President of the United States.

In my 10 years in Congress I have never seen a budget submitted by a President that was remotely close to being balanced. In fact, I have seen budget proposals that a majority of Members from the President's own party have been unable to support.

We don't need a constitutional amendment compelling us to balance a budget. We need political will and Presidential leadership. We need a serious decisionmaker to make serious decisions.

This President has certainly demonstrated he has that capacity for leading a nation when it comes to foreign affairs.

This is the President who led America to war. He inspired an entire nation and indeed the world to oppose aggression in the Middle East. And, most important, he convinced a majority of the United States Congress to send American troops to the Persian Gulf. When the President led, the Nation and Congress followed.

He aroused an entire nation. He hit the airwaves, he outlined a plan. He provided motivation. He persuaded the Nation that war in the gulf was right.

Only the President can provide the leadership necessary to rally the American people and the Congress again, this time for responsible deficit reduction.

Yet he has failed to convince.

We don't need a constitutional amendment to balance the budget, we need a President who will convince the American public that tough budgetary decisions need to be made to reduce the budget deficit and return the American economy to prosperity.

I hope this constitutional amendment does not become law. But what will happen if it is approved by the House and the Senate, is ratified by the States, and does become law?

The House Budget Committee says we would have to eliminate a \$600 billion deficit by 1997. How would we do that? Would we generate \$300 billion in revenues and mandate \$300 billion in cuts? Would we raise taxes without making spending cuts? What taxes would we raise? How high would they go? Would we tax middle Americans more? Would we tax Social Security benefits? Would we raise the gas tax? Would we put an additional tax on unemployed workers who are al-

ready paying tax on their unemployment compensation?

What if we decide not to raise the revenues? That would mean \$600 billion in cuts. Defense cuts won't generate enough. Do we turn to nondefense discretionary spending? What will that mean to services we take for granted? Would we close our airports because we couldn't pay our air traffic controllers? Would we shut down our train stations because we couldn't pay the switchmen? Would we stop all medical research because we couldn't fund the work?

If we don't cut discretionary spending we have only one other option: entitlements. Do we cut Social Security? If so, how much? The American Association of Retired Persons says cuts could be as high as \$1,100 a year. Some in this body tell us we can balance the budget without touching Social Security. If so, what about Medicare? Would the deductible go up? Would the premiums go up? Is that what we want to do to America's seniors? What will we do with Medicaid? What about veterans' benefits?

What will we say to our cities when they turn to the Federal Government for help?

What will we say to mothers who depend on Federal programs to feed their youngsters?

What do we do to help the unemployed? How do we fund cleanup from disasters?

What do we do with our Nation's infrastructure?

And the most important question of all: What happens if we cannot achieve a balanced budget? Does the Supreme Court decide what cuts would balance the budget? Does the Supreme Court become the lawmaking branch of government?

This is certainly not what our Founding Fathers had in mind when they wrote this Constitution over 200 years ago.

No, Mr. Chairman. These questions lead us right back to one answer. What will balance the budget is not an amendment.

It is a focused, risk-taking leader who will propose cuts that could be made, suggest tax measures that could be tolerated and lead America off this budgetary roller coaster.

Congress has listened to a leader before. Congress will listen again.

I urge my colleagues to oppose the constitutional amendment for balancing the budget.

Mr. SWIFT. Mr. Chairman, H.L. Mencken said, "There is always an easy solution to every human problem; neat, plausible and wrong."

Once again the American public is being touted an imaginary cure-all for our very real problem with the Federal deficit. Pass one bill—the balanced budget amendment—we are told, and we will resolve all the budgetary troubles that have bedeviled the Nation over the past 10 years.

Fraud is an ugly word, because it assumes an insincerity of purpose. Many who are proposing this amendment are, I know, sincere. Nevertheless, the proposal—if enacted—would be fraudulent because it simply will not do what its supporters claim it will. In the end, it will be a simple solution, a plausible remedy, and a failure. Let me discuss why:

First, the amendment does not, in fact, require a balanced budget at all. The amendment relies on estimated receipts unless

three-fifths of the total memberships of each House vote to do otherwise. There are two weasel words. Estimates are notoriously unreliable. And the unless means that nothing in the amendment guarantees that a balanced budget will actually be achieved.

What it really says is you can continue deficit spending but with a three fifths vote required instead of a simple majority. That makes it a little tougher, to be sure. But it's just 43 more votes than now required. Just over a month ago we lifted the earnings limitation on Social Security recipients at an unfunded cost of \$7.3 billion over 5 years. Some 340 Members voted for this because it was very popular with seniors. That's 79 more votes than would be required to unbalance the budget under the so-called balanced budget amendment.

So the amendment will not even live up to its title. It is not, in fact, a balanced budget amendment at all.

Second, the amendment does not define the word "budget," providing another loophole.

When we talk about a budget for families, businesses, or even State governments we are usually referring to the operating budget. Major expenditures—your house, a new factory, highways—are put in a capital budget. Our State's constitutional requirement for a balanced budget applies only to the operating budget. Businesses budget that way, too. So do families.

Only the Federal Government includes both operating costs and capital costs in a unified budget. By simply changing how we budget—making it conform with the methods used by States, businesses, and families—we could move all the capital expenditures off budget. Nothing in the amendment prevents that.

So, the amendment is not a foot-thick steel door to protect the Treasury. It is made of paper lace. It may get a lot of Members of Congress through this next election, claiming they voted for a balanced budget amendment. Later—much later—the reality will become apparent.

Third, the fact that it won't work is not the only flaw in the proposal. The amendment will damage a basic constitutional principle. By requiring the so-called super majority or three-fifths majority to break the budget, even in times of military or economic crisis it establishes the dangerous precedent of minority rule as opposed to the basic American concept of majority rule.

This will greatly increase the power of special interest factions, giving them great leverage with which to pursue their agendas by blocking action on the budget until they get their way. This will not work in every instance, but it will when minority interest groups are well organized. The precedent is a very bad one.

At this point it is fair to ask, "What can we do about the runaway budget problem?"

One solution is suggested by an interesting and little-known fact: Since the days of Harry Truman, no Congress has changed a budget presented by any President by more than 3 percent—up or down.

Another fact: During the two terms of President Reagan, Congress appropriated less money than the President asked for in his budget—actually came up with an overall

smaller deficit than President Reagan proposed to Congress during those years.

Yet, we have come to believe that the deficit is Congress' problem. The fact is that Presidents are central to the budget process. It is a shared responsibility and both ends of Pennsylvania Avenue need to be involved in balancing a budget.

Without having to amend the Constitution, we can require the President to send Congress a balanced budget. Or we could let him send any budget he wished plus a balanced budget, so the difference between what he believes we need and what we can afford would be clear. That would give Congress and the American people an opportunity to measure needs against resources and truly focus a debate on where to cut and/or where to raise revenues.

Such a proposal would tend to keep us all honest—Presidents, Senators, Congressmen, and even the public. It would focus us all on some very tough choices rather than on glib solutions that will not work but stave off the day when we have to get serious about the budget.

Finally, let me say that I think the idea that six Senators recently proposed on "nightline" is a good one. Three Democrats and three Republicans proposed to Ted Koppel that all three candidates for President: George Bush, Bill Clinton, and Ross Perot each be given 1 hour of TV time during which they would be questioned by two retiring Senators about precisely how they would deal with the deficit. The Senators are KENT CONRAD, a retiring Democrat from North Dakota, and WARREN RUDMAN, retiring Republican from New Hampshire. Both are respected and both have a record of fiscal responsibility.

They would press each candidate to do more than say they are for a balanced budget. They would insist each tell the people how they would do it: which programs are cut and how much, which taxes are raised and how much, how long would it take to bring the budget under control, what circumstances would justify deficit spending.

This would put the focus on how to reduce the deficit rather than on rhetoric about the fact we should do it.

There is much in our country that requires investment—spending of Federal dollars so we can reap benefits in the future. But there are many ways we can discipline our spending as well, especially if we do it in a fair and balanced way. I have voted for such proposals in the past, but most went down to defeat. The rhetoric of a balanced budget amendment is easier and much less painful than actually cutting programs and/or raising taxes.

We have the means to deal with it if we only will do it. The amendment will not force us to do that—well-intentioned though it may be. Alternatives I've discussed here, frankly, are less dramatic but hold more promise. We should pursue them vigorously.

Mr. TAYLOR of North Carolina. Mr. Chairman, I urge my colleagues to support House Joint Resolution 290, the balanced budget amendment. As one of the 278 cosponsors of this amendment, I'm delighted that we have finally won the opportunity to bring this bill before the full House for a vote.

Despite the overwhelming support the balanced budget amendment has in the House, a

small group of congressional leaders has managed to keep the bill bottled up in committee. But earlier this year, I joined other balanced budget amendment supporters signing a discharge petition to bring the bill directly to the House floor.

As I've noted many times before, I don't view the balanced budget amendment as a cure-all. But the amendment does represent an important first step to bringing some fiscal sanity to Congress. Many Members of Congress have repeatedly demonstrated that they are completely incapable of exercising fiscal responsibility. In fact, if families or small businesses in western North Carolina managed their financial affairs the way Congress has managed the affairs of our Nation, they would be put out of business.

By passing the Balanced Budget Amendment, we may force Congress to set spending priorities. Redundant and unnecessary spending programs would have to be eliminated. Bureaucratic redtape and government waste hopefully would be put under a microscope. Pork-barrel spending and congressional junkets, perks, and privileges might be abolished.

I believe, and The Seniors Coalition—a senior citizens organization with over 1 million members—agrees, that both Medicare and the Social Security trust funds must be protected from political manipulation. We also agree that by eliminating waste, and pork-barrel and low-priority programs, we can balance the Federal budget while fully preserving Social Security and Medicare and without raising taxes.

Opponents of our bill have tried to cast this bill as a choice between either balancing the budget on the backs of our senior citizens or adding to the deficit and thereby mortgaging the futures of our children and grandchildren. They are wrong. The balanced budget amendment instead will force Congress to set spending priorities and to finally live within its means.

As I noted earlier, the balanced budget amendment is not a cure-all, but only a start to returning some fiscal sanity to Washington. I also support, for example, requiring a three-fifths supermajority to raise taxes and giving the President the line-item veto.

The American people are fed up with Congress. They see Members of Congress who are incapable of balancing either their own or their Nation's check books. And they see Members of Congress who seem more concerned with their own perks, privileges, and pay raises than tackling the serious problems facing our Nation.

Because this bill will force Congress to accept its fiscal responsibility to our people, I wholeheartedly support the balanced budget amendment and I urge my colleagues to pass this important and sorely needed bill.

Mr. PASTOR. Mr. Chairman, we are now in the second day of debate on the balanced budget amendment. I was elected to the Congress after 15 years as a county supervisor. As a county supervisor, a balanced budget was not an issue for debate. It was an imperative that was adhered to without exception because it was good government.

That is what the people are now demanding from us—good government. And that is not asking a lot. We tried Gramm-Rudman twice and it didn't work. We tried to negotiate an

agreement with the President and that didn't work either. And we just voted down still another attempt on Tuesday.

Today we are going to vote on several alternatives to amend the Constitution. This is desperate measure to do what we must do. In our desperation we must protect the social contract that the Government has with Social Security recipients; we must preserve the democratic principle of majority rule; and we must retain Presidential responsibility and accountability for submitting a balanced budget. Only the Gephardt-Bonior-Rostenkowski-Obey substitute meets these standards, and that is the only alternative now before us that meets the test of good government.

Mr. LIGHTFOOT. Mr. Chairman, I applaud the growing momentum in Congress for the balanced budget amendment. It's amazing how many converts we see supporting a balanced budget amendment now that the public is finally getting fed up with the do nothing, irresponsible, tax-and-spend attitude of Congress. I only wish it had been passed over 10 years ago, before our public debt passed the trillion dollar mark and before billions of taxpayer dollars were wasted.

There are two arguments against the amendment: Funding for Social Security, Medicare, and other worthwhile Government programs would be endangered; and the Congress should be able to balance the Federal budget without a mandate from the Constitution.

The amendment does not change in any way the existing status of Social Security as statutory protections would remain in place. In fact, it is my concern about the future of these programs that leads me to support the amendment. Interest payments on the debt accounted for 17 percent of Federal expenditures in fiscal year 1991, second only to entitlement spending. Over the next few years, this percentage will continue to grow, swallowing up a greater share of dollars each year. Funds that could go to worthwhile programs, such as Medicare, Head Start, and the Women, Infants and Children [WIC] Program will instead go to feed payments on the debt.

In regard to the argument that Congress should have the discipline to balance the budget on its own: I agree. Congress should have the ability and fortitude to balance the budget on its own. Unfortunately, history has shown that Congress lacks this discipline. It is the lack of fiscal courage that has brought us to this point.

What were your taxes 5 years ago? Ten years ago? Look at how much more you pay now. What has been the result? More Government spending and a 3.9 trillion dollar debt. The Democratic controlled Congress has shown time and time again that it cannot exercise the needed discipline to cut spending and balance the Federal budget on its own. A balanced budget amendment would make Congress prioritize its spending decisions and eliminate wasteful, pork-barrel spending.

The American taxpayer deserves fiscal accountability. If such accountability cannot be achieved any other way—and it obviously cannot—then it is time to take the drastic step of mandating a balanced budget. A balanced budget amendment will indeed force many difficult spending decisions. However, it is better

to make these decisions now, while we still have the ability to do so. Otherwise, sooner or later, they will be forced upon us.

□ 1740

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the speaker having resumed the chair, Mr. THORNTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 290) proposing an amendment to the Constitution to provide for a balanced budget for the United States Government and for greater accountability in the enactment of tax legislation, pursuant to House Resolution 450, he reported the joint resolution back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GREEN OF NEW YORK

Mr. GREEN of New York. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. GREEN of New York. Mr. Speaker, I am opposed to the joint resolution.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GREEN of New York moves to recommit the joint resolution, House Joint Resolution 290, to the Committee on the Judiciary.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken.

RECORDED VOTE

Mr. SOLOMON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 280, noes 153, answered not voting 2, as follows:

[Roll No. 187]

AYES—280

Allard	Arney	Bateman
Allen	Bacchus	Bennett
Anderson	Baker	Bentley
Andrews (NJ)	Ballenger	Bereuter
Andrews (TX)	Barnard	Bevill
Anthony	Barrett	Bilbray
Archer	Barton	Blirakis

Bliley
Boehler
Boehner
Brewster
Broomfield
Browder
Bruce
Bryant
Bunning
Burton
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Combest
Condit
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLay
Derrick
Dickinson
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Early
Eckart
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Espy
Ewing
Fawell
Feighan
Fields
Fish
Franks (CT)
Frost
Gallegly
Gallo
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gingrich
Glickman
Goodling
Gordon
Goss
Gradison
Grandy
Gunderson
Hall (OH)
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (LA)

NOES—153

Abercrombie
Ackerman
Alexander
Andrews (ME)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Beilenson
Berman
Blackwell
Bonior
Borski
Boucher
Boxer
Brooks
Brown

Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickle
Porter
Poshard
Price
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Riggs
James
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland
Kennedy
Klug
Kolbe
Koltzer
Kyl
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Luken
Machtley
Marlenee
Martin
Mazzoli
McCandless
McCloskey
McCullum
McCrery
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
McMillen (MD)
Michel
Miller (OH)
Miller (WA)
Molinar
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Myers
Natcher
Neal (NC)
Nichols
Nussle
Ortiz
Orton
Owens (UT)
Oxley
Packard
Pallone
Parker
Patterson
Paxon

Bustamante
Cardin
Clay
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Coyne
DeLauro
Dellums
Dicks
Dingell
Dixon
Downey
Durbin
Dwyer
Dymally
Edwards (CA)
Engel
Evans
Fascell
Fazio
Flake
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank (MA)
Gaydos
Gejdenson
Gephardt
Gilman
Gonzalez
Green
Guarini
Hamilton
Hayes (IL)
Hertel
Hochbrueckner
Horn
Hughes
Jefferson
Kanjorski
Kaptur
Kennelly

Hefner
Traxler

□ 1759

Mr. FORD of Tennessee changed his vote from "aye" to "no."

So (two-thirds not having voted in favor thereof) the joint resolution was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 113. Concurrent resolution concerning the 25th anniversary of the reunification of Jerusalem.

□ 1800

REPORT ON H.R. 5373, ENERGY AND WATER APPROPRIATIONS ACT, FISCAL YEAR 1993

Mr. BEVILL, from the Committee on Appropriations, submitted a privileged report (Rept. No. 102-555) on the bill (H.R. 5373) making appropriations for energy and water development for the fiscal year ending September 30, 1993, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. MYERS of Indiana reserved all points of order on the bill.

APPOINTMENT OF MEMBERS OF THE NATIONAL WOMEN'S BUSINESS COUNCIL

The SPEAKER. Pursuant to section 403(A)(3) of Public Law 100-533, the Chair appoints the following members on the part of the House to the National Women's Business Council to fill the existing vacancies thereon:

Ms. Pastora San Juan Cafferty, Chicago, IL; and Ms. Barbara L. Laughlin, Buffalo, NY.

APPOINTMENT OF MEMBERS TO THE NATIONAL COMMISSION ON DEFENSE AND NATIONAL SECURITY

The SPEAKER. Pursuant to the provisions of section 8104 of Public Law 101-511, the Chair appoints the following members to the National Commission on Defense and National Security on the part of the House: Mr. Harold Brown, Washington, DC, Vice Chairman; Mr. William James Perry, Los Altos, CA, and Mr. Calvin A.H. Waller, Colorado Springs, CO.

REPORT ON RESOLUTION WAIVING ALL POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 1306, ADAMHA REORGANIZATION ACT, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. MOAKLEY from the Committee on Rules submitted a privileged report (Rept. No. 102-557) waiving all points of order against the conference report on the bill (S. 1306) to amend title V of the Public Health Service Act to revise and extend certain programs, and for other purposes, and against the consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 250, NATIONAL VOTER REGISTRATION ENHANCEMENT ACT OF 1992

Mr. MOAKLEY from the Committee on Rules submitted a privileged report (Rept. No. 102-558) on the resolution (H. Res. 480) providing for the consideration of the bill (S. 250) to establish national voter registration procedures for Federal elections, and for other purposes which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER DURING CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 192, TO ESTABLISH A JOINT COMMITTEE ON THE ORGANIZATION OF THE CONGRESS

Mr. MOAKLEY from the Committee on Rules submitted a privileged report (Rept. No. 102-559) on the resolution (H. Res. 481) waving certain points of order during consideration of the concurrent resolution (H. Con. Res. 192) to establish a Joint Committee on the Organization of Congress, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5055, COAST GUARD AUTHORIZATION ACT OF 1992

Mr. MOAKLEY from the Committee on Rules submitted a privileged report (Rept. No. 102-560) on the resolution (H. Res. 482) providing for the consideration of the bill (H.R. 5055) to authorize appropriations for the Coast Guard for fiscal year 1993, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4996, JOBS THROUGH EXPORTS ACT OF 1992

Mr. MOAKLEY from the Committee on Rules submitted a privileged report (Rept. No. 102-561) on the resolution (H. Res. 483) providing for consideration of the bill (H.R. 4996) to extend the authorities of the Overseas Private Investment Corporation, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

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

Mr. MICHEL. Mr. Speaker, I take this 1 minute so that I might inquire of the majority leader the program for the balance of this week and surely the projection for next week.

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

Mr. MICHEL. I yield to the majority leader, the distinguished gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. I thank the Republican leader for yielding.

Mr. Speaker, the votes are finished for today. There will be no further votes or business. There will not be votes on tomorrow.

Monday, June 15, the House will meet at noon to consider four bills on suspension, but recorded votes will be postponed until Tuesday, June 16. We will take up:

House Concurrent Resolution —, authorizing the use of the Capitol Grounds for the Greater Washington Soapbox Derby;

H.R. 4548, International Peacekeeping Act of 1992;

H.R. 4999, Pennsylvania Avenue Development Corporation; and

H.R. 2660, Holocaust Memorial Council.

On Tuesday, June 16, the House will meet at noon to consider S. 250, National Voter Registration Act, subject to a rule, and House Concurrent Resolution 192, Joint Committee on the Organization of Congress, subject to a rule. Again, the votes, if there are any from the suspensions on Monday, will be held on Tuesday.

On Wednesday, June 17, and the balance of the week, the House will meet at 10 a.m. On Wednesday, the House will recess immediately and reconvene at 11 a.m., to receive His Excellency Boris Yeltsin, President of the Russian Federation, in a joint meeting. Following the joint meeting, the House will reconvene for legislative business as follows:

H.R. —, energy and water development appropriations for fiscal year 1993; subject to a rule.

H.R. 4996, Jobs Through Exports Act of 1992; subject to a rule.

H.R. 5099, Central Valley Project Improvement Act; subject to a rule.

H.R. 5055, Coast Guard Authorization Act of 1992; subject to a rule.

Further action on H.R. 5132, the dire emergency supplemental conference report, is expected. Obviously, conference reports may be brought up at any time.

Mr. MICHEL. Mr. Speaker, might I inquire of the majority leader about the alcohol, drug abuse and mental health conference report? That was at one time to be considered, I thought, and then pulled. Is there any reason for that?

Mr. GEPHARDT. If the gentleman will continue to yield, it is my understanding that the committee is trying to work on an acceptable bill and they will be coming back with it as soon as they can.

Mr. MICHEL. And might I inquire that if the NIH conference report were to be vetoed, would it be eligible to come up next week?

Mr. GEPHARDT. If the gentleman would yield further, we are considering how to handle that matter if that action is taken. I suppose we are still hoping that there may be a signature on that bill. We will have to time that, if that were to happen, depending on when it actually happens.

Mr. MICHEL. And what are the prospects for meeting next Friday?

Mr. GEPHARDT. I would urge Members to keep that date open, as we announced previously. I am not certain now that there will definitely be votes on Friday, but we are in the season of appropriations and we have asked

Members to keep Fridays on their schedule to be in Washington and will obviously let them know as soon as we can if there is a change in that plan.

Mr. MICHEL. I thank the distinguished gentleman and yield back the balance of my time.

ADJOURNMENT TO MONDAY, JUNE 15, 1992

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES ON WEDNESDAY, JUNE 17, 1992

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, June 17, 1992, for the Speaker to declare recesses, subject to the call of the Chair, for the purpose of receiving in joint meeting His Excellency Boris Yeltsin, President of the Russian Federation.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RE-REFERRAL OF H.R. 5109, DEFENSE DIVERSIFICATION AND COMMUNITY ADJUSTMENT ACT OF 1992, AND H.R. 5116, DEFENSE ECONOMIC ADJUSTMENT, CONVERSION, AND REINVESTMENT ACT OF 1992 TO INCLUDE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

Mr. KOLTER. Mr. Speaker, I ask unanimous consent that H.R. 5109, the Defense Diversification and Community Adjustment Act of 1992, and H.R. 5116, the Defense Economic Adjustment, Conversion, and Reinvestment Act of 1992, which were referred to the Committees on Armed Services, Education and Labor, Small Business, and Banking, Finance and Urban Affairs, be re-referred to include the Committee on Public Works and Transportation.

This request has been cleared by both the majority and minority of the above

mentioned committees and the minority leadership of the House.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

IN RECOGNITION OF FORMER CONGRESSMAN, HON. WILLIAM MAILLIARD

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Ms. PELOSI. Mr. Speaker, it is with deep sorrow that I rise to inform my colleagues of the death of former Member of the House Congressman William Mailliard, who represented San Francisco in this House with great distinction for 21 years. A dedicated public servant, Congressman Mailliard played an instrumental role in the preservation of Point Reyes National Seashore, an environmental treasure that will benefit many generations of Californians. Congressman Mailliard also worked tirelessly with the late Congressman Phillip Burton in developing bipartisan support for the Golden Gate National Recreation Area.

I would like to submit an article from the San Francisco Chronicle, which details just a few of Congressman Mailliard's many accomplishments including his service as an Ambassador. I hope my colleagues will join with me in mourning the untimely loss of a fine statesman who made such a great contribution to the city of San Francisco, as well as our country, and extend our condolences to his wife Millicent and the entire Mailliard family.

[From the San Francisco Chronicle, June 11, 1992]

WILLIAM MAILLIARD DIES OF HEART ATTACK
(By Jack Vlets)

Former San Francisco Congressman William S. Mailliard collapsed and died from a heart attack at Dulles International Airport near Washington, D.C., yesterday.

Mailliard and his wife, Millicent, were preparing to fly west for a celebration of his 75th birthday at the Mailliard Ranch in Mendocino County when he was stricken.

His seven children, six grandchildren, nieces and nephews and sister-in-law Charlotte Mailliard Swig were scheduled to attend the family birthday reunion.

Mailliard, a third-generation San Francisco from a family long active in San Francisco social, cultural and business affairs, represented his city in the House of Representatives for 21 years.

He retired from the House in early 1974 after he was nominated by President Richard Nixon to be the U.S. ambassador to the Organization of American States.

His old heavily Republican Fourth Congressional District had been reapportioned to include strong Democratic areas of the city and part of Marin County, and he decided not to seek re-election. Democrat John Burton succeeded him in the seat, which is currently held by Barbara Boxer.

Before he left the House to become OAS ambassador, Mailliard touched on a theme

that is being echoed today by politicians who are retiring from Congress.

"It is not only that the job has become a great deal more demanding and difficult; (the House) has become bad-tempered," Mailliard said. "It isn't fun anymore. Politics has become much more polarized. . . ."

In the House, Mailliard was the ranking Republican member of the Foreign Affairs Committee and a senior member of the Merchant Marine and Fisheries Committee.

He was most proud of his work on the legislation that created the Point Reyes National Seashore and the Golden Gate National Recreation Area. He was a co-sponsor with the late Phillip Burton of the bill that created the Golden Gate parkland.

After retiring as OAS ambassador when Democrat Jimmy Carter was elected president in 1976, Mailliard became active in the Former Members of Congress organization, serving as both secretary and president and representing the United States at numerous foreign diplomatic functions.

Mailliard, a 1939 graduate of Yale University, was visiting in London when World War II erupted. Three days before England declared war on Nazi Germany, he volunteered to serve as an assistant naval attache in the U.S. Embassy there.

Later, during three years of combat duty in the Southwest Pacific, he took part in the planning and execution of 56 amphibious assault landings. He was awarded a Silver Star, a Bronze Star and numerous campaign ribbons. After the war, he served as an admiral in the Navy Reserve.

Mailliard was a member of the Pacific Union Club.

In addition to his wife, he is survived by his children, William S. Mailliard Jr. of Petaluma, Antoinette Mailliard of San Francisco, Henry Ward Mailliard of Watsonville, Kristina Mailliard of Santa Rosa, Julia Ward Mailliard of Washington, D.C., Josephine Mailliard Fleming of Arlington, Va., and Victoria Leigh Mailliard of Connecticut and by six grandchildren.

Funeral services will be held at 2 p.m., Monday at St. Luke's Episcopal Church at Van Ness Avenue and Clay Street in San Francisco. The family prefers memorial gifts to the Mailliard Scholarship Fund at Taft School, Watertown, Conn. 06795, or to the California Academy of Sciences.

□ 1810

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore (Mr. LANCASTER) laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and, without objection, referred to the Committee on Appropriations:

HOUSE OF REPRESENTATIVES, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,

Washington, DC, June 10, 1992.

HON. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Enclosed are copies of resolutions adopted by the Committee on Public Works and Transportation on June 10, 1992. These resolutions authorize studies of potential water resources projects by the Army Corps of Engineers.

Sincerely,

ROBERT A. ROE,
Chairman.

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation, which was read and, without objection, referred to the Committee on Appropriations:

HOUSE OF REPRESENTATIVES, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,

Washington, DC, June 10, 1992.

HON. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, I am transmitting herewith a copy of the resolutions approved today by the Committee on Public Works and Transportation, as per the attached listing.

With all good wishes.

Sincerely,

ROBERT A. ROE,
Chairman.

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON VETERANS AFFAIRS

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Committee on Veterans Affairs, which was read and, without objection, referred to the Committee on Appropriations:

HOUSE OF REPRESENTATIVES, COMMITTEE ON VETERANS' AFFAIRS,

Washington, DC, May 28, 1992.

HON. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Section 8104(a) of title 38, United States Code, requires that the Committees on Veterans Affairs adopt a resolution approving major medical construction projects costing \$2 million or more and leases of \$500,000 or more proposed by the Department of Veterans Affairs for each fiscal year.

The House Committee on Veterans Affairs met on May 28, 1992, and authorized leasing and construction of various projects for fiscal year 1993 by unanimous voice vote.

A copy of the Resolution adopted by the Committee and a listing of the projects authorized are enclosed.

Sincerely,

G.V. (SONNY) MONTGOMERY,
Chairman.

There was no objection.

BIODIVERSITY TREATY UNITING THE WORLD, BUT NOT THE UNITED STATES

(Mrs. MINK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MINK. Mr. Speaker, President Bush left for the Earth summit today

with many in America disappointed at his decisions.

This should be a time for the United States to stand alongside the other nations of the world in the pride and knowledge that we are confronting some of the most important issues of our day.

By failing to agree to sign the Biodiversity Treaty we abdicate our leadership role at the time when the world needs us most. First, we were the only nation to oppose strict schedules and targets for limiting the dangers that cause global warming. Now, we refuse to sign the Biodiversity Treaty.

Protecting the diversity of life on this planet is important. Modern agriculture and medicine have benefited profoundly from the identification and use of genetic material and chemical compounds found in wild species, tropical species in particular. And entire ecosystems provide valuable services such as the recycling of nutrients, purification of water, and fixation of carbon dioxide.

We are in danger of losing the species and ecosystems that we depend on. And we must act quickly. If we do not move to protect the diversity of life on this planet now there will be nothing left to protect. And, Mr. Speaker, I know whereof I speak.

The natural environment in my State of Hawaii is one of our planet's most magnificent treasures and home to more unique species than any place of similar size on Earth. Yet we also have the most alarming concentration of species teetering on the brink of extinction.

Some 20 percent of the Nation's endangered birds and plants are from Hawaii and the number is growing. Twelve endangered forest bird species are down to such low numbers that they may be beyond recovery. And for at least 93 Hawaiian plant species fewer than 100 individuals survive.

The loss of these species in Hawaii is happening because of the encroachment of civilization on Hawaii's unique ecosystem, and it is a reflection of the crisis that is happening in the entire world. Developing nations have made it clear that they need our assistance to guard against the similar encroachment that is happening to them. If we don't provide that assistance now it will be too late.

At Rio we had an opportunity to join with other nations in a firm commitment to the protection of our environment, and the preservation of our endangered species and ecosystems. Instead we are standing in their way.

Mr. Speaker, the protection of biodiversity cannot be a divisive issue. It is a cause that unites us all. The world will be united in this endeavor—the world, that is, except for the United States.

HEALTHY ENVIRONMENT, HEALTHY ECONOMY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, conservation has become a dirty word for many of us. Burdensome environmental regulations in the areas of energy production, industrial manufacturing, and product use has led to job losses, questionable schemes like clean air credits, and no apparent improvement to our environment.

Simply put, we provide regulations without providing the technology to implement them. The result has been a shrinking of the U.S. industrial base, loss of U.S. competitiveness abroad, and loss of jobs at home.

But healthy environment and healthy economy need not be mutually exclusive.

Today, I am introducing a bill to create a National Environmental Technologies Agency. The purpose of this agency would be to facilitate the development of environmentally safe technologies by assisting the efforts of private industry, universities, nonprofit research centers, and government laboratories in these areas.

Environmental cleanup technology will be a \$1.2 trillion business over the next 10 years. Healthy environment can mean healthy economy.

I urge my colleagues to cosponsor this environmental legislation.

TITLE IX LAWS MUST BE ENFORCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, nearly 20 years ago, the Congress passed title IX of the Education Amendments of the 1972 Civil Rights Act, the principal Federal law prohibiting sex discrimination in education. This law has not been enforced to the degree that it should, but one of the fruits of title IX has been greater opportunities for women athletes to compete not just in college, but on the high school level.

In Chicago's Seventh Congressional District, my district, the John Marshall Metropolitan High School girls basketball team presents a shining example of excellence in high school sports and what can happen when you give girls a chance to play ball. On March 7, the Lady Commandos, led by Coach Dorothy Gaters, won their fifth Illinois State High School Championship. These outstanding student athletes also won their 14th city championship this year.

If I sound particularly proud of these young women, it's because I am. I have fought for the equitable distribution of

athletic scholarship funds to girls and boys wishing to participate in collegiate athletics consistent with title IX. At least two members of the Lady Commandos, Herilanda Thighpen and LaShonda Price, have won scholarships and will be playing for college teams next fall.

At a recent hearing conducted by my Subcommittee on Commerce, Consumer Protection, and Competitiveness on title IX, Dr. Christine H.B. Grant, the women's athletic director at the University of Iowa, testified that:

denying girls with equal opportunities in a variety of sports at an early age is an irreparable loss that will last a lifetime, because, in all likelihood, these girls will later lack the skill and the confidence to participate in high school and beyond.

In many parts of Chicago, Los Angeles, and other large urban centers, there is plenty of evidence of what happens when young people are denied opportunities or don't take advantage of opportunities to participate in productive activities such as organized sports.

Certainly, the entire Lady Commandos basketball team should be recognized for their achievements, as well as Coach Gaters, Marie Scott, team captain; Principal John Gibson, the families of the team members, and the Marshall High School community on the West Side of Chicago. They should all be congratulated for the accomplishments and continued success of a sports program that has succeeded against all odds in one of the toughest neighborhoods in the country.

Since title IX was adopted in 1972, there has been a boom in the number of teams and number of female athletes at the high school and college levels. According to a recent study, the greatest increases in the expansion of opportunities for women occurred in the first 6 years after the law was passed.

Twenty years ago, fewer than 300,000 girls played high school sports. Today, the number is approaching 2 million. The biggest explosion in girl athletes competing on the high school level occurred between 1971 and 1978. Between 1978 and 1991, as the Reagan Court and the Grove City decision gutted title IX, the number of girl athletes competing on the scholastic level increased by only 4 percent.

A similar pattern has occurred on the college level. In the last 5 years, the male-female ratio of NCAA athletes has remained relatively stable with female athletes ranging between 33.4 percent and 33.6 percent of the total athlete population, according to the Woman's Sports Foundation.

I have been conducting a series of hearings on intercollegiate athletics. The overwhelming body of evidence at our hearings indicate that most colleges and universities have a sorry record when it comes to carrying out the letter or the spirit of title IX, which calls for equal opportunity for

men and women in athletics. It's pretty sad to think that after Congress passes a law, so little has been done to enforce it.

Mr. Speaker, we have seen great gains in the last two decades for girls and women in sports, but like so many areas in our great country, this is one that still needs improvement.

As Dr. Donna Lopiano, executive director, Women's Sports Foundation put it: "Sports in our society is still a right for little boys and a privilege for little girls."

In the coming weeks, I will continue to talk about the problems besetting women as they seek full and equal participation in intercollegiate sports.

I intend to do all within my power to see that title IX laws are enforced to continue the expansion of opportunities for girls and women to participate in high school and college sports. We owe our children no less.

□ 1820

TRIBUTE TO REV. FOLASA TITIALII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, it is with great pleasure and a distinct honor for me to share with you and my colleagues in the House—a special commendation and recognition of one of the great spiritual leaders of the Samoan community here in the United States. I am especially pleased that Rev. Folasa Titialii and his lovely wife, Ave, are with us in this great Chamber, as they have been wanting to visit our Nation's Capitol for some time now; and furthermore, the Samoan community here in the Washington area, particularly our Samoan military families, are all looking forward to worshipping together with Reverend Titialii this Sunday at the Fort Myer chapel. I am certain Reverend Titialii's spiritual message will be one of tremendous value and meaning to our community here in Washington.

Reverend Titialii's ministry for the past 35 years for the Samoan community in the city of Seattle, WA, has earned him tremendous respect and reverence from church members of some nine Samoan church organizations within the Seattle community area.

Mr. Speaker, I had the privilege of visiting with Reverend Titialii and the Samoan community 2 weeks ago in Seattle, and I was deeply moved by his keen sense of commitment to provide for both the temporal and spiritual needs of the several church congregations of which he has responsibility over—but not only for his Samoan people, Mr. Speaker, but to anyone who is

in need. Reverend Titialii is always there to minister and to provide assistance.

Reverend Titialii's dedication and commitment to service reminds me of a story told of Saint Francis of Assisi. It was said that the mayor, the politicians, and all the top officials of this certain town were so outraged and angry at Saint Francis for not showing up on time—and to the surprise of these community leaders, they discovered outside the town limits that Saint Francis of Assisi was having a great time fellowshiping and playing with the children of the town.

Reverend Titialii's love for our Nation's youth is demonstrated by the fact that he continues to provide one of the most successful church youth programs within the Seattle community—whereby the young people participate in wholesome recreational and social activities, but at the same time Reverend Titialii never fails to participate himself, but then afterwards share with these young people the true meaning of Christian living and fellowshiping.

Reverend Titialii and his lovely wife, Ave, are proud parents of eight grown-up children, who have their own families and are successful citizens of the community in Seattle. One of them, a daughter, Jacinta, a graduate of the University of Washington Law School, is currently conducting a very successful law practice in Seattle.

Again a special tribute to Reverend Titialii and his wife, Ave, for their emphasis of the importance of education and with a very unique situation that their daughter, to my knowledge, is the only practicing attorney in the State of Washington who is of Samoan ancestry.

Again, Mr. Speaker, Reverend Titialii is to be commended for his devotion and dedication to his work in the ministry, and I just want to let him know that many lives, including mine, have been touched by their ministry—always, never failing, to bring out all the Christ-like attributes in people, and to share with every human being the true meaning and spirit of the Savior's sermon on the mount.

Thank you Reverend Titialii for your tremendous contribution as a spiritual leader of the Samoan people, and for being true and faithful to your divine calling, not only as a servant, but as a friend of your fellowmen.

NOW WHAT?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. MAZZOLI] is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, I guess the proper question now is: Now what? Now what?

We just came through 2 days of really very eloquent and stirring debate about the condition of America's econ-

omy and the condition of America's books out of balance. Yet at the end of this 2-day debate, during which four separate constitutional amendments or prospective constitutional amendments were voted on, three of which were voted down and one of which was voted up but not by the requisite two-thirds vote, we have more or less come up empty-handed. We have waved our hands and pounded on the podium, and we have summoned up all of the rhetoric and the words that we could summon from the dictionary and the thesauruses, and where are we?

Some who might have observed these proceedings reached the wrong conclusion that Congress has once again wrung its hands collectively and walked away from a problem, and once again Congress cannot seem to get its act together.

There is another analysis of what happened, and that could be that amendments to the Constitution are so profound, so weighty, and so pretentious, that even this debt crisis, and I do not think there is any question that both sides of all of these four amendments agree that there is a debt crisis, that even this debt crisis does not rise in magnitude and in passion and in substance enough that it should be dealt with in the basic document of our land, the Constitution of this country, that it just simply does not warrant that kind of action.

I believe that a constitutional amendment could have been voted up today correctly. I happened to support two of the four that were offered. I was not happy to do so. I have said many times that you do not need to have a balanced budget amendment to balance the budget. What you need is a plan of action which would include spending cuts and revenue increases. But even more than that, you need the intestinal fortitude, the courage, as we say at home in Kentucky, the guts to get the job done, and that is very difficult.

But once again we have reached this point where we have discussed several amendments and rejected them all. So what action should we take? What should we now do?

We could have what some would call business as usual, where we sort of wring our hands and say, well, it is impossible to do this job. We should not amend the Constitution, and we cannot get to the discussion of these issues of spending cuts and tax increases, so let us just hope that something passes, just like a summer storm passes, and soon the sun will shine and everything will be hunky-dory again.

□ 1830

Mr. Speaker, I think that would be obviously not an effective strategy, looking at it from a purely strategic standpoint, nor would it be honest and honorable with the constituents and taxpayers of the country. It would be

deemed by some cynical and by others as hypercritical. So I think that which is business as usual would not be the action that now transpires.

I think that what ought to be done is really what I suggested earlier this week, which is somewhat fanciful. Certainly, it is unprecedented, and maybe it is not even workable. But I think it has elements and seeds in it that perhaps could germinate into a workable plan.

Parenthetically, from discussions I have had with some of my colleagues who heard my special order earlier this week, some of them think it might have some merit.

Pose it in sort of an overstated way, that we basically lock the doors of this Chamber. We keep the Members basically at the task of developing a battle plan, a program, a plan which would reduce the deficit to some workable amount, if not entirely eliminate the deficit by some year in the future. We basically suspend other committee actions so that Members have the full opportunity to attend the sessions and observe, perhaps by means of television, but one way or the other to participate. And by putting on the floor under the openness of open rules all of the Tax Code and all of the spending categories—and there are three now, the domestic category, the international category, and the defense category—and under this open rule have the Tax Code out there and all the spending. And then let every Member, every man and woman in this body, have a shot at that plan, a shot to offer a plan, make amendments to other Members' plans.

In effect, to open the floor to a full and fair debate, which would be observed by the people of the country, to see if we cannot work our way out of this. Because once again, I think we need to do something.

I was struck earlier in the debate, because there is some evidence that there is an easy vote. The easy vote was to vote on the constitutional amendment. The tougher vote will be on the package. Again, I would hope that despite the fact that we vote down all of the constitutional amendments, I hope that this is really phase 1 of the phase of bringing America's deficits into control and its budget into balance.

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 Member (at the request of Mr. JOHNSON of Texas) to revise and extend his remarks and include extraneous material:)

Mr. LENT, for 5 minutes, on June 23.
(The following Members (at the request of Mr. MAZZOLI) to revise and extend their remarks and include extraneous material:)

Mr. FALEOMAVAEGA, for 5 minutes, today.
Mr. MAZZOLI, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 60 minutes, today.
Mr. KANJORSKI, for 60 minutes, on June 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. JOHNSON of Texas) and to include extraneous matter:)

Mr. SOLOMON.
Mr. GILMAN.
Mr. LEWIS of California.
Mr. BLILEY.
Mr. PETRI.
Mr. BALLENGER.
Mr. GINGRICH in 2 instances.
Mr. GOODLING.
Mr. LIGHTFOOT.
Mr. COBLE.
Mr. BROOMFIELD.
Mr. MACHTLEY.
Mr. HANSEN.
Mr. GALLO.
Ms. ROS-LEHTINEN in two instances.
Mrs. MORELLA.
Mr. DANNEMEYER.
Mr. GOSS.

(The following Members (at the request of Mr. MAZZOLI) and to include extraneous matter:)

Mr. FASCELL in two instances.
Mr. DOWNEY.
Mr. MONTGOMERY in two instances.
Mr. WOLPE.
Mr. MOAKLEY.
Mr. TOWNS.
Mr. BRYANT.
Mr. NOWAK.
Mr. PANETTA.
Mr. PENNY.

Mr. TRAFICANT.
Mr. LANTOS.
Mr. NEAL of Massachusetts.
Mr. MURTHA.
Ms. OAKAR.
Mr. WEISS.
Mr. SCHEUER.
Mr. CONYERS.
Mr. KILDEE.
Mrs. SCHROEDER in two instances.
Ms. LONG.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 113. Concurrent resolution concerning the twenty-fifth anniversary of the reunification of Jerusalem; to the Committee on Foreign Affairs.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.J. Res. 442.—Joint resolution to designate July 5, 1992, through July 11, 1992, as "National Awareness Week for Life-Saving Techniques"; and

H.J. Res. 445. Joint resolution designating June 1992 as "National Scleroderma Awareness Month."

SENATE ENROLLED BILL SIGNED

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

S. 756. An Act to amend title 17, United States Code, the copyright renewal provisions, and for other purposes.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 6 o'clock and 35 minutes p.m.), under its previous order, the House adjourned until Monday, June 15, 1992, at noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Report of a committee of the United States House of Representatives concerning the foreign currencies used by them for official foreign travel during the first quarter of 1992 pursuant to Public Law 95-354 is as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1992

Name of Member or employee	Date		Country	Per diem ¹		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²	Foreign currency	U.S. dollar equivalent or U.S. currency ²
Hon. William F. Clinger, Jr.	1/5	1/8	Russia		1,018.00		(?)				1,018.00
	1/8	1/12	Portugal		1,100.00		(?)				1,100.00
Theodore Jacobs	1/20	2/3	Japan		3,781.00		3,095.00				6,876.00
							51.19				51.19
Hon. John Conyers, Jr.	1/22	1/25	Canada		451.00		459.08				1,050.08
Hon. Major R. Owens	1/22	1/25	Canada		451.00		459.08				1,050.08
Hon. John W. Cox, Jr.	1/22	1/25	Canada		451.00		459.08				1,050.08
Hon. Frank Horton	1/22	1/25	Canada		451.00		459.08				1,050.08
Hon. Steven Schiff	1/22	1/25	Canada		451.00		459.08				1,050.08
Hon. Craig Thomas	1/22	1/25	Canada		451.00		459.08				1,050.08
Hon. Ronald K. Machtley	1/22	1/25	Canada		451.00		459.08				1,050.08
Frank Clemente	1/22	1/25	Canada		451.00		459.08				1,050.08
Ellen Rayner	1/22	1/25	Canada		451.00		459.08				1,050.08
Robert Weiner	1/22	1/25	Canada		451.00		459.08				1,050.08
Donald Upson	1/22	1/25	Canada		451.00		459.08				1,050.08
Brian Jones	1/22	1/25	Canada		451.00		459.08				1,050.08
Hon. Collin C. Peterson	1/22	1/25	Canada		451.00		345.63				796.63
							242.17				242.17
Hon. J. Dennis Hastert	1/22	1/25	Canada		451.00		345.63				796.63
							137.00				137.00
Hon. Scott L. Klug	1/22	1/24	Canada		306.00		345.63				651.63
							223.00				223.00
Hon. Bernie Sanders	1/22	1/25	Canada		451.00		345.63				796.63
							221.00				221.00
Hon. Albert G. Bustamante	2/2	2/3	Mexico		286.50		188.00				474.50
							950.54				950.54
Committee total					13,256.50		13,679.38				26,935.88

¹ Per diem constitutes lodging and meals.
² If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
³ Military airfare not reported by Foreign Affairs Committee.
⁴ Military aircraft.

JOHN CONYERS, Jr., Chairman, May 15, 1992.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3741. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification that DOD has completed delivery of the defense articles, services, and training on the attached list under the authority of P.D. 90-33; to the Committee on Armed Services.

3742. A letter from the Director, Office of Management and Budget, transmitting OMB's estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by H.R. 4990, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-578); to the Committee on Government Operations.

3743. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to improve the management and efficiency of the U.S. Coast Guard, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Armed Services.

3744. A letter from the Secretary of the Treasury, transmitting the Department's 1992 report on intermarket coordination; jointly to the Committees on Energy and Commerce, Banking, Finance and Urban Affairs, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BEVILL: Committee on Appropriations. H.R. 5373, a bill making appropriations for energy and water development for the fiscal year ending September 30, 1993, and for other purposes (Rept. 102-555). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. Report on the subdivision of budget totals for fiscal year 1993 (Rept. 102-556). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALL of Ohio: Committee on Rules. House Resolution 479. Resolution waiving all points of order against the conference report on the bill (S. 1306) to amend title V of the Public Health Service Act to revise and extend certain programs, and for other purposes, and against the consideration of such conference report (Rept. 102-557). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 480. Resolution providing for the consideration of S. 250, an act to establish national voter registration procedures for Federal elections, and for other purposes (Rept. 102-558). Referred to the House Calendar.

Ms. SLAUGHTER of New York: Committee on Rules. House Resolution 481. Resolution waiving certain points of order during consideration of the concurrent resolution (H. Con. Res. 192) to establish a Joint Committee on the Organization of Congress (Rept. No. 102-559). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 482. Resolution providing for the consideration of H.R. 5055, a bill to authorize appropriations for the Coast Guard for fiscal year 1993, and for other purposes (Rept. 102-560). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 483. Resolution providing for the consideration of H.R. 4996, a bill to

extend the authorities of the Overseas Private Investment Corporation, and for other purposes (Rept. 102-561). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEVILL:

H.R. 5373. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1993, and for other purposes; to the Committee on Appropriations.

By Mrs. BENTLEY:

H.R. 5374. A bill entitled "National Environmental Technologies Agency Act of 1992"; jointly, to the Committees on Science, Space, and Technology, Banking, Finance and Urban Affairs, and the Judiciary.

By Mr. BEREUTER (for himself, Mr. WYLIE, Mr. ROBERTS, Mr. NEAL of North Carolina, Mr. BARNARD, Mr. RIDGE, Mr. ROTH, Mr. MCCANDLESS, Mr. BAKER, Mr. STEARNS, Mr. GILLMOR, Mr. PAXON, Mr. DUNCAN, Mr. CAMPBELL of California, Mr. HANCOCK, Mr. NUSSLE, Mr. THOMAS of Wyoming, Mr. JOHNSON of Texas, Mr. COMBEST, Mr. IRELAND, Mrs. JOHNSON of Connecticut, Mr. MCCREERY, Mr. PETERSON of Minnesota, Mr. VANDER JAGT, Mr. WEBER, Mr. ARMEY, Mr. RIGGS, and Mrs. PATTERSON):

H.R. 5375. A bill to exempt certain financial institutions from the examination requirements of the Community Reinvestment

Act of 1977; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. COLLINS of Illinois (for herself and Mr. KOSTMAYER):

H.R. 5376. A bill to amend the Social Security Act to improve the quality of long-term care insurance and to protect consumers through the establishment of national standards, and for other purposes; to the Committee on Energy and Commerce.

By Mr. CONYERS (for himself, Mr. HORTON, Mr. ENGLISH, Mr. WAXMAN, Mr. CLINGER, Mr. SYNAR, Mr. MCCANDLESS, Mr. BARNARD, Mr. SHAYS, Mr. LANTOS, Mr. ZELIFF, Mr. OWENS of New York, Mr. HOBSON, Mr. KLECZKA, Mr. BUSTAMANTE, Mr. MARTINEZ, Mr. PAYNE of New Jersey, Mrs. MINK, Mr. THORNTON, Mr. PETERSON of Minnesota, Mr. COX of Illinois, Mr. SANDERS, Mr. PICKLE, Mr. DICKINSON, Mr. ANDERSON, Mr. CALLAHAN, Mr. BRYANT, Mr. FIELDS, Mr. PENNY, Mr. LIVINGSTON, Mr. STALLINGS, Mr. SWETT, Mr. HAMILTON, Mr. ORTIZ, Mr. DELLUMS, Mrs. UNSOELD, Mr. VOLKMER, Mr. JACOBS, Mr. OXLEY, and Mr. WILSON):

H.R. 5377. A bill to amend the Cash Management Improvement Act of 1990 to provide adequate time for implementation of that act, and for other purposes; to the Committee on Government Operations.

By Mr. COX of California (for himself, Mr. WASHINGTON, and Mr. CAMPBELL of California):

H.R. 5378. A bill to amend the Internal Revenue Code of 1986 to provide for the designation of turbo enterprise zones to assist those areas of Los Angeles affected by recent rioting and to assist other areas of high unemployment; to the Committee on Ways and Means.

By Mr. GOODLING (for himself and Mr. BALLENGER):

H.R. 5379. A bill to reauthorize and improve educational opportunities for individuals who are deaf and for other purposes; to the Committee on Education and Labor.

By Mr. HYDE:

H.R. 5380. A bill to require periodic assessments of the impact and effectiveness of U.S. economic assistance to foreign countries; to the Committee on Foreign Affairs.

By Mrs. LLOYD (for herself, Ms. PELOSI, Ms. SLAUGHTER, Ms. NORTON, Mrs. MINK, Mrs. UNSOELD, Mrs. SCHROEDER, and Mrs. PATTERSON):

H.R. 5381. A bill to amend the Public Health Service Act to provide for the development or expansion of research centers on women's midlife health, including menopause and menopausal health conditions; to the Committee on Energy and Commerce.

By Mr. MARTINEZ:

H.R. 5382. A bill to assist Native Americans in assuring the survival and continuing vitality of their languages; to the Committee on Interior and Insular Affairs.

By Mr. MAZZOLI:

H.R. 5383. A bill to amend the Immigration and Nationality Act to extend for 3 years the authorization of appropriations for domestic refugee assistance; to the Committee on the Judiciary.

By Mr. MCEWEN (for himself, Mr. INHOFE, Mr. VALENTINE, Mr. GEREN of Texas, Mr. PAYNE of Virginia, Mr. HANCOCK, Mr. CHANDLER, Mr. BALLENGER, Mr. PACKARD, Mr. PETRI, Mr. LIGHTFOOT, Mr. COX of California, and Mr. PARKER):

H.R. 5384. A bill to amend the Federal Aviation Act of 1958 relating to the civil pen-

alty assessment program; to the Committee on Public Works and Transportation.

By Mr. NEAL of Massachusetts:

H.R. 5385. A bill to require insured depository institutions to include a notice relating to the \$100,000 limitation on deposit insurance coverage in periodic account statements provided to account holders; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PETRI (by request):

H.R. 5386. A bill to improve enforcement of the Employee Retirement Income Security Act of 1974, by adding requirements with respect to multiple employer welfare arrangements; to the Committee on Education and Labor.

By Mr. REGULA:

H.R. 5387. A bill to provide for a 2-year Federal budget cycle, and for other purposes; jointly to the Committees on Government Operations and Rules.

H.R. 5388. A bill to provide that, beginning with fiscal year 1995, the President transmit to Congress and Congress consider a budget permitting no more than a 4-percent growth in budget authority and outlays, and providing for a balanced budget for fiscal year 1999 and subsequent years, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. SCHEUER (for himself, Mrs. MORELLA, Mr. BROWN, Mr. WOLPE, Mr. BEILENSON, Ms. HORN, Mr. BLAZ, Mr. GEJUNSON, Mr. McMILLEN of Maryland, Mr. MCDERMOTT, Mr. SIKORSKI, Mr. HUGHES, Mr. HERTEL, Mr. KOSTMAYER, and Mr. NOWAK):

H.R. 5389. A bill to establish a National Center for Biological Resources (Research and Development) to facilitate the collection, synthesis, and dissemination of information relating to the sustainable use, research, development and conservation of biological resources; jointly, to the Committees on Merchant Marine and Fisheries and Science, Space, and Technology.

By Mr. SOLOMON:

H.R. 5390. A bill to amend the Internal Revenue Code of 1986 to allow an investment tax credit with respect to certain domestically produced business property; to the Committee on Ways and Means.

By Mr. TOWNS:

H.R. 5391. A bill to exempt from the anti-trust laws certain joint activities of institutions of higher education; to the Committee on the Judiciary.

By Mr. WOLPE (for himself and Mr. HENRY):

H.R. 5392. A bill to establish in the National Institute of Standards and Technology a program for electronic commerce to promote the use of electronic commerce by manufacturing firms in the United States, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. ZIMMER:

H.R. 5393. A bill to terminate the Space Station Freedom Program; to the Committee on Science, Space, and Technology.

By Mr. CLINGER (for himself, Mr. LIVINGSTON, Mr. PACKARD, and Mr. DOOLITTLE):

H. Res. 484. Resolution directing the Architect of the Capitol to place a public debt clock in the Cannon House Office Building; to the Committee on House Administration.

H.R. 58: Mr. THOMAS of Wyoming.

H.R. 252: Mrs. MINK.

H.R. 254: Mr. TOWNS, Mr. TRAFICANT, and Mr. PURSELL.

H.R. 389: Mr. BROWN.

H.R. 428: Mrs. UNSOELD.

H.R. 446: Mr. TORRICELLI.

H.R. 643: Mr. PERKINS.

H.R. 784: Mr. RANGEL, Mrs. LLOYD, and Mr. JEFFERSON.

H.R. 786: Mr. GLICKMAN.

H.R. 911: Mr. MAVROULES and Mr. HANCOCK.

H.R. 917: Mr. EARLY and Mr. BROOKS.

H.R. 1110: Mr. WILLIAMS.

H.R. 1124: Mr. BEVILL and Mrs. VUCANOVICH.

H.R. 1472: Mr. SHAW.

H.R. 1554: Ms. KAPTUR and Mr. ATKINS.

H.R. 1768: Mr. WISE, Mr. DOWNEY, Mr. MCEWEN, Mr. GALLEGLY, and Mr. STEARNS.

H.R. 1771: Mr. BILIRAKIS and Mr. BONIOR.

H.R. 2179: Mr. EWING.

H.R. 2234: Mr. DEFAZIO and Mr. TAYLOR of North Carolina.

H.R. 2242: Mrs. BOXER.

H.R. 2695: Mr. MORRISON, Mr. DORNAN of California, Mr. COX of California, Mr. HOLLOWAY, and Mr. BALLENGER.

H.R. 2734: Mr. POSHARD and Mr. GEPHARDT.

H.R. 2862: Mr. GUNDERSON, Mr. RANGEL, Mrs. JOHNSON of Connecticut, and Mr. LEHMAN of California.

H.R. 2876: Mr. JOHNSON of Texas, Mr. DICKINSON, Mr. INHOFE, and Mr. ARMEY.

H.R. 2898: Mr. LANTOS and Mrs. BYRON.

H.R. 2919: Mr. ZELIFF.

H.R. 3030: Mr. MCCRERY, Mr. SISISKY, and Mr. FRANK of Massachusetts.

H.R. 3349: Mr. FISH and Mr. MARTINEZ.

H.R. 3438: Mr. HOLLOWAY.

H.R. 3439: Mr. HOLLOWAY.

H.R. 3440: Mr. HOLLOWAY.

H.R. 3441: Mr. HOLLOWAY.

H.R. 3442: Mr. HOLLOWAY.

H.R. 3518: Mr. BUSTAMANTE, Mr. ENGEL, and Mr. FROST.

H.R. 3598: Mr. COBLE.

H.R. 3599: Mr. FISH and Mr. BUSTAMANTE.

H.R. 3603: Mr. ABERCROMBIE, Mr. MAVROULES, Mr. CONYERS, Mr. WOLPE, Mr. BONIOR, Mr. CARDIN, Mr. SAVAGE, Mr. KILDEE, Mr. FRANK of Massachusetts, Mrs. LOWEY of New York, and Mr. YATES.

H.R. 3605: Mr. HOLLOWAY.

H.R. 3689: Mr. EDWARDS of California.

H.R. 3806: Mr. PANETTA, Ms. HORN, Mr. TORRES, and Mr. SOLOMON.

H.R. 3843: Mr. BARNARD.

H.R. 4025: Mr. EWING.

H.R. 4045: Mr. MACHTLEY and Mr. TORRICELLI.

H.R. 4061: Mr. HAYES of Illinois.

H.R. 4312: Mr. DOWNEY, Mr. TAUZIN, and Mr. ANDREWS of Maine.

H.R. 4383: Mr. GILMAN, Ms. NORTON, Ms. KAPTUR, Mr. TRAFICANT, Mrs. LOWEY of New York, Mr. MACHTLEY, Mr. MCGRATH, and Mr. SANDERS.

H.R. 4399: Mr. HALL of Ohio.

H.R. 4434: Mr. SERRANO and Mr. RANGEL.

H.R. 4585: Mr. WAXMAN, Mr. HOCHBRUECKNER, and Mr. FOGLIETTA.

H.R. 4591: Mrs. COLLINS of Illinois.

H.R. 4750: Mr. McNULTY.

H.R. 4840: Mr. WILSON and Mr. FIELDS.

H.R. 4897: Mr. WALSH and Mr. GINGRICH.

H.R. 4924: Mr. ZELIFF.

H.R. 4930: Mr. SMITH of Texas.

H.R. 4944: Mr. HERGER.

H.R. 4975: Mr. HOBSON, Mr. GOSS, Mr. RIGGS, Mr. WELDON, Mr. EDWARDS of Oklahoma, Mr. KLUG, Mr. COX of California, Mr. HASTERT, Mr. FAWELL, Mr. HUGHES, Mrs. UNSOELD, Mr. JEFFERSON, and Mr. JONTZ.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 5013: Mr. WELDON.
 H.R. 5020: Mr. HAYES of Illinois, Mr. STALLINGS, Mr. BILIRAKIS, Mr. VENTO, Mr. EVANS, Mr. BUSTAMANTE, Mr. MAVROULES, and Mr. FROST.
 H.R. 5036: Mr. CLAY, Mr. HAYES of Illinois, Mr. BLACKWELL, and Mr. TOWNS.
 H.R. 5108: Mr. SPENCE.
 H.R. 5211: Mr. DORGAN of North Dakota, Mr. HUGHES, and Mr. FROST.
 H.R. 5214: Mrs. MINK.
 H.R. 5237: Mr. SYNAR and Mr. BURTON of Indiana.
 H.R. 5255: Mr. LAGOMARSINO.
 H.R. 5274: Mr. MCCANDLESS, Mr. TOWNS, Mr. STARK, Mr. LIPINSKI, Mr. GUARINI, Mr. EMERSON, Mr. POSHARD, Mr. DANMEYER, Mr. HUGHES, Mr. LAFALCE, Mr. HORTON, Mr. LEACH, Mr. TORRICELLI, and Mr. ATKINS.
 H.R. 5282: Mr. LEVIN of Michigan.
 H.R. 5307: Mr. SMITH of Florida, Mr. SCHIFF, Mr. WALSH, Mr. PETERSON of Minnesota, and Mr. BACCHUS.
 H.R. 5316: Mrs. PATTERSON and Mr. GUNDERSON.
 H.R. 5320: Mr. BUSTAMANTE, Mr. PAYNE of Virginia, Mr. SOLOMON, and Mr. ROE.
 H.J. Res. 152: Mr. SAXTON.
 H.J. Res. 237: Mr. PELOSI, Mr. SABO, Mr. HUTTO, Mr. MCCLOSKEY, Mr. ROEMER, Mr. LAFALCE, Mr. AUCOIN, Mrs. COLLINS of Illinois, and Mrs. MEYERS of Kansas.
 H.J. Res. 271: Mr. OWENS of Utah, Mr. DELUMS, Mr. GEUDENSON, Mr. ROE, Mr. FISH, and Mr. GINGRICH.
 H.J. Res. 357: Mr. HOLLOWAY.
 H.J. Res. 391: Mr. SWETT and Mrs. VUCANOVICH.
 H.J. Res. 411: Mr. LIPINSKI, Mr. HENRY, and Mr. ROWLAND.
 H.J. Res. 413: Mr. SOLOMON, Mr. FASCELL, Mr. NOWAK, Mr. WALSH, Mr. ROE, Mr. HUGHES, Mr. GUARINI, Mr. MARTINEZ, Mr. RANGEL, Mr. SERRANO, Mr. QUILLLEN, Mr. KASICH, Mr. FALCOMA, and Mr. MAVROULES.
 H.J. Res. 415: Mr. FISH, Mr. HARRIS, Mr. HORTON, Mr. DORNAN of California, and Mr. KOLTER.
 H.J. Res. 435: Mr. TRAXLER, Mr. ABERCROMBIE, Mr. DIXON, Mr. ROYBAL, Mr. ANNUNZIO, Mr. BONIOR, Mr. HUBBARD, Mr. NEAL of Massachusetts, and Mr. JONTZ.
 H.J. Res. 459: Mr. COBLE, Mr. COLEMAN of Texas, Mr. DE LA GARZA, Mr. HAYES of Illinois, Mr. MAVROULES, Ms. OAKAR, Mr. PALLONE, Mr. PRICE, Mr. SMITH of Florida, and Mr. TRAFICANT.
 H.J. Res. 475: Mr. PICKETT, Ms. DELAURO, Mr. FROST, Mr. BUSTAMANTE, and Mr. OWENS of Utah.
 H.J. Res. 486: Mr. YOUNG of Alaska and Mrs. MEYERS of Kansas.
 H.J. Res. 491: Mr. TALLON and Mr. CARPER.
 H.J. Res. 498: Mr. PETERSON of Florida, Mr. DOWNEY, Mr. RAMSTAD, Mr. HORTON, Mr. LEWIS of Florida, Mr. TOWNS, Mr. SABO, Mr. LIPINSKI, Mr. WALSH, Mr. SAVAGE, Mr. EWING, and Mr. CHANDLER.
 H.J. Res. 500: Mr. KILDEE, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LEVIN of Michigan, Mr. LEWIS of California, Mr. LIPINSKI, Mrs. LOWEY of New York, Mr. MCCOLLUM, Mr. MCDADE, Mr. MCDERMOTT, Mr. MCGRATH, Mr. MCHUGH, Mr. MCMILLEN of Maryland, Mr. MCNULTY, Mr. MACHTLEY, Mr. MARTIN, Mr. MAVROULES, Mrs. MEYERS of Kansas, Mr. MFUME, Mr. MOAKLEY, Ms. MOLINARI, Mr. MOLLOHAN, Mr. MORAN, Mr. MRAZEK, Mr. NATCHER, Mr. NEAL of Massachusetts, Ms. NORTON, Mr. OWENS of Utah, Mr. QUILLLEN, Mr. RANGEL, Mr. RAVENEL, Mr. RINALDO, Mr. ROE, Mr. SABO, Mr. SCHEUER, Mr. SCHUMER, Mr. SERRANO, Mr. SHAYS, Mr. SISISKY, Mr.

SKEEN, Mr. ABERCROMBIE, Mr. ANDERSON, Mr. APPLIGATE, Mr. BENNETT, Mr. BONIOR, Mr. BORSKI, Mr. BOUCHER, Mr. BROWDER, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CARDIN, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DE LUGO, Mr. DONNELLY, Mr. DORNAN of California, Mr. DOWNEY, Mr. DURBIN, Mr. DYMALLY, Mr. DWYER of New Jersey, Mr. ENGEL, Mr. ESPY, Mr. FEIGHAN, Mr. FISH, Mr. FLAKE, Mr. FROST, Mr. GALLO, Mr. GILMAN, Mr. GORDON, Mr. GUARINI, Mr. HAMMERSCHMIDT, Mr. HERTEL, Mr. HOCHBRUECKNER, Ms. HORN, Mr. HORTON, Mr. HUTTO, Mr. IRELAND, Mr. JACOBS, Mr. JONTZ, Mr. KASICH, Mr. SLATTERY, Ms. SLAUGHTER, Mr. SOLARZ, Mr. SOLOMON, Mr. STAGGERS, Mr. STUDDS, Mr. TOWNS, Mr. TRAFICANT, Mr. TRAXLER, Mr. VOLKMER, Mrs. VUCANOVICH, Mr. WALSH, Mr. WEISS, Mr. WELDON, Mr. WOLF, Mr. WOLPE, and Mr. YATRON.

H. Con. Res. 180: Mr. GILCREST and Mr. LEWIS of Georgia.

H. Con. Res. 246: Mr. SWETT, Mr. OWENS of New York, Mr. CLAY, Mr. FLAKE, Mr. ENGEL, Mr. MCNULTY, Mrs. MINK, Mr. ENGLISH, Mr. MACHTLEY, Mr. COSTELLO, and Mr. SOLOMON.

H. Res. 414: Mr. BATEMAN and Mr. THOMAS of Wyoming.

H. Res. 422: Mrs. PATTERSON, Mr. SMITH of New Jersey, and Mr. EVANS.

H. Res. 439: Mr. SWETT, Mr. LANCASTER, Mr. BARRETT, and Mr. HUGHES.

H. Res. 448: Mr. TORRICELLI, Mr. ENGEL, and Mr. LAGOMARSINO.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 4996

By Mr. ANDREWS of New Jersey:

—Page 50, line 13, strike "Such" and all that follows through page 51, line 3.

—Page 51, insert the following after line 3:

"(3) MANNER OF REPORTING EFFECTS ON EMPLOYMENT.—In reporting the projections on employment required by this subsection, the Corporation shall specify, with respect to each project—

"(A) any loss of jobs in the United States caused by the project, whether or not the project itself creates other jobs; and

"(B) the country in which the project is located, and the economic sector involved in the project.

—Page 2, strike line 4 and all that follows through page 55, line 23, and insert the following:

TITLE I—TERMINATION OF OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 101. TERMINATION OF OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) TERMINATION OF AUTHORITY TO MAKE NEW OBLIGATIONS.—(1) Effective 60 days after the date of the enactment of this Act, the Overseas Private Investment Corporation shall not issue any insurance, guaranties, or reinsurance, make any loan, or acquire any securities, under section 234 of the Foreign Assistance Act of 1961, enter into any agreements for any other activity authorized by such section 234, or enter into risk sharing arrangements authorized by section 234A of that Act.

(2) Paragraph (1) does not require the termination of any contract or other agreement entered into before such paragraph takes effect.

(b) TERMINATION OF OPIC.—Effective 180 days after the date of the enactment of this Act, the Overseas Private Investment Corporation is abolished.

(c) TRANSFER OF OPERATIONS TO OMB.—The Director of the Office of Management and Budget shall, effective 180 days after the date of the enactment of this Act, perform the functions of the Overseas Private Investment Corporation with respect to contracts and agreements described in subsection (a)(2) until the expiration of such contracts and agreements, but shall not renew any such contract or agreement. The Director shall take the necessary steps to wind up the affairs of the Corporation.

(d) REPEAL OF AUTHORITIES.—Effective 180 days after the date of the enactment of this Act, title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 and following) is repealed, but shall continue to apply with respect to functions performed by the Director of the Office of Management and Budget under subsection (c).

(e) APPROPRIATIONS.—Funds available to the Corporation shall, upon the effective date of the repeal made by subsection (d), be transferred to the Director of the Office of Management and Budget for use in performing the functions of the Corporation under subsection (c). Upon the expiration of the contracts and agreements with respect to which the Director is exercising such functions, any unexpended balances of the funds transferred under this subsection shall be deposited in the Treasury as miscellaneous receipts.

SEC. 102. SAVINGS PROVISIONS.

(a) PRIOR DETERMINATIONS NOT AFFECTED.—The repeal made by section 101(d) of the provisions of law set forth in such section shall not affect any order, determination, regulation, or contract that has been issued, made, or allowed to become effective under such provisions before the effective date of the repeal. All such orders, determinations, regulation, and contracts shall continue in effect until modified, superseded, terminated, set aside, or revoked in accordance with law by the President, the Director of the Office of Management and Budget, or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PENDING PROCEEDINGS.—

(1) The repeal made by section 101(d) shall not affect any proceedings, including notices of proposed rulemaking, pending on the effective date of the repeal, before the Overseas Private Investment Corporation, except that no insurance, reinsurance, guarantee, or loan may be issued pursuant to any application pending on such effective date. Such proceedings, to the extent that they relate to functions performed by the Director of the Office of Management and Budget after such repeal, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Director, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

(2) The Director of the Office of Management and Budget is authorized to issue regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) ACTIONS.—Except as provided in subsection (e)—

(1) the provisions of this title shall not affect suits commenced before the effective date of the repeal made by section 101(d); and

(2) in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this title had not been enacted.

(d) LIABILITIES INCURRED.—No suit, action, or other proceeding commenced by or against any officer in the official capacity of such individual as an officer of the Overseas Private Investment Corporation, shall abate by reason of the enactment of this title. No cause of action by or against the Overseas Private Investment Corporation, or by or against any officer thereof in the official capacity of such officer shall abate by reason of the enactment of this title.

(e) PARTIES.—If, before the effective date of the repeal made by section 101, the Overseas Private Investment Corporation or officer thereof in the official capacity of such officer, is a party to a suit, then such suit shall be continued with the Director of the Office of Management and Budget substituted or added as a party.

(f) REVIEW.—Orders and actions of the Director of the Office of Management and Budget in the exercise of functions of the Overseas Private Investment Corporation shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Overseas Private Investment Corporation. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function of the Overseas Private Investment Corporation shall apply to the exercise of such function by the Director of the Office of Management and Budget.

SEC. 103. TECHNICAL AND CONFORMING AMENDMENTS.

(a) TITLE 5, UNITED STATES CODE.—(1) Section 5314 of title 5, United States Code, is amended by striking: "President, Overseas Private Investment Corporation."

(2) Section 5315 of title 5, United States Code, is amended by striking: "Executive Vice President, Overseas Private Investment Corporation."

(3) Section 5316 of title 5, United States Code, is amended by striking:

"Vice Presidents, Overseas Private Investment Corporation (3)."

(b) OTHER AMENDMENTS AND REPEALS.—(1) Section 222(a) of the Foreign Assistance Act of 1961 is amended by inserting after "section 238(c)" the following: "as in effect on the day before the effective date of the repeal of that section made by section 101(d) of the OPIC Abolition and Domestic Employment Opportunity Act".

(2) The following provisions of law are repealed:

(A) Section 5(b)(2) of the Overseas Private Investment Corporation Amendments Act of 1981 (22 U.S.C. 2194a).

(B) Section 5 of the Taiwan Relations Act (22 U.S.C. 3304).

(C) Section 576 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991.

(D) Subsections (b), (c), and (d) of section 597 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990.

(E) Section 109 and 111 of the Overseas Private Investment Corporation Amendments Act of 1988, as enacted by reference in section 555 of Public Law 100-461.

(c) EFFECTIVE DATE.—The amendments made by this section take effect 180 days after the date of the enactment of this Act.

H.R. 4996

By Mr. BEREUTER:

—Add the following new title at the end of the bill:

TITLE VI—BASIC INFRASTRUCTURE FOR DEVELOPMENT

SEC. 601. CAPITAL PROJECTS FOR POVERTY ALLEVIATION AND ENVIRONMENTAL SAFETY AND SUSTAINABILITY.

(a) PURPOSES.—The Administrator of the Agency for International Development shall develop a program, in accordance with subsection (b), that focuses on developmentally sound capital projects for basic infrastructure that will measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level, taking into consideration development needs of the host

country and export opportunities for services and goods from the United States.

(b) ACTIVITIES OF AID.—In order to carry out subsection (a), the Administrator of AID shall, working with AID technical support staff, regional bureau staff, and country missions, identify and provide funding for capital projects to alleviate the worst manifestations of poverty or to promote environmental safety and sustainability at the community level in countries receiving assistance under the Foreign Assistance Act of 1961. Such projects may include basic sanitation systems, basic water supply and treatment, pollution control, and rural infrastructure benefiting poor communities or establishing environmentally sustainable patterns of rural development. Such projects should have measurable positive effects on indicators of human and environmental health.

SEC. 602. COORDINATION.

The President shall utilize the existing interagency coordination mechanism to coordinate activities under this title with other relevant activities of the United States Government.

SEC. 603. REPORTS TO CONGRESS ON CAPITAL PROJECTS.

Not later than February 1, 1993, and each year thereafter, the President shall submit to the Congress a report describing the extent to which United States Government resources have been expended specifically to support capital projects under this title.

SEC. 604. DEFINITIONS.

For purposes of this title—

(1) the term "AID" means the Agency for International Development; and

(2) the term "capital project" means a project involving the construction, expansion, alteration of, or the acquisition of equipment for, a physical facility or physical infrastructure, including related engineering design (concept and detail) and other services, the procurement of equipment (including any related services), and feasibility studies or similar engineering and economic studies.