HOUSE OF REPRESENTATIVES—*Wednesday, March 4, 1992*

The House met at 2 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

While we attempt to know what we should know and to learn what we should learn, we recognize, O God, that we are often limited by our predispositions and our biases and we do not see our tasks as we ought. In spite of all the noise and furor that crowds in on every side, and the seeming lack of time for reflection, may we hear Your still small voice within our hearts and souls, a voice that calls us to honorable service and to a faithful witness. May Your word that touches us in the very depths of our hearts encourage us to speak for the truth and do the works of justice in our communities and throughout the world. Bless us this day and every day, we pray. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio [Mr. HALL] please come forward and lead the House in the Pledge of Allegiance.

Mr. HALL of Ohio 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following titles:

H.R. 2092. An act to carry out obligations of the United States under the U.N. Charter and other international agreements pertaining to the protection of human rights by establishing a civil action for recovery of damages from an individual who engages in torture or extrajudicial killing; and

H. Con. Res. 239. Concurrent resolution congratulating the people of Lithuania for their successful peaceful revolution and their continuing commitment to the ideals of democracy.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1150. An act to reauthorize the Higher Education Act of 1965, and for other purposes.

DAYTON AVIATION HERITAGE PRESERVATION ACT OF 1992

The SPEAKER. The unfinished business is the question de novo of suspending the rules and passing the bill, H.R. 2321, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2321, as amended.

The question was taken.

Mr. BURTON of Indiana. 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 278, nays 133, not voting 23, as follows:

[Roll No. 35]

YEAS—278

Abercrombie	Conyers	Gaydos
Ackerman	Cooper	Gejdenson
Alexander	Costello	Gephardt
Anderson	Coughlin	Gilchrest
Andrews (NJ)	Cox (IL)	Gillmor
Andrews (TX)	Coyne	Gilman
Annunzio	Darden	Gingrich
Anthony	Davis	Glickman
Applegate	de la Garza	Gonzalez
Aspin	DeFazio	Gordon
Atkins	DeLauro	Gradison
AuCoin	DeLay	Green
Bacchus	Dellums	Guarini
Ballenger	Derrick	Gunderson
Barnard	Dickinson	Hall (OH)
Bateman	Dicks	Hamilton
Beilenson	Dingell	Harris
Bennett	Dixon	Hatcher
Bereuter	Donnelly	Hayes (IL)
Berman	Dooley	Hayes (LA)
Bevill	Doolittle	Hefner
Bilbray	Dornan (CA)	Hoagland
Blackwell	Downey	Hobson
Boehlert	Durbin	Hochbrueckner
Boehner	Dwyer	Horton
Bonior	Dymally	Hoyer
Borski	Early	Huckaby
Boucher	Eckart	Ireland
Brooks	Edwards (CA)	Jefferson
Broomfield	Edwards (TX)	Jenkins
Browder	Emerson	Johnson (CT)
Brown	Engel	Johnston
Bryant	Erdreich	Jones (GA)
Bustamante	Espy	Jones (NC)
Campbell (CO)	Evans	Jontz
Cardin	Fazio	Kanjorski
Carper	Feighan	Kaptur
Carr	Fish	Kasich
Clay	Flake	Kennedy
Clinger	Foglietta	Kennelly
Coleman (TX)	Ford (MI)	Kildee
Collins (IL)	Ford (TN)	Kleczka
Collins (MI)	Frank (MA)	Kolbe

Kolter	Murtha	Shaw
Kopetski	Myers	Shuster
Kostmayer	Nagle	Sikorski
LaFalce	Neal (MA)	Sisisky
Lancaster	Nowak	Skeen
Lantos	Oakar	Skelton
LaRocco	Obey	Slaughter
Leach	Olver	Smith (FL)
Lehman (CA)	Ortiz	Smith (IA)
Lehman (FL)	Owens (NY)	Smith (NJ)
Lent	Owens (UT)	Solarz
Levin (MI)	Oxley	Spratt
Lewis (CA)	Packard	Staggers
Lewis (GA)	Panetta	Stallings
Lightfoot	Parker	Stark
Lipinski	Pastor	Stokes
Long	Payne (NJ)	Studds
Lowey (NY)	Pease	Swift
Luken	Pelosi	Synar
Manton	Perkins	Tallon
Markey	Peterson (FL)	Tauzin
Marlenee	Peterson (MN)	Taylor (NC)
Martin	Pickett	Thomas (CA)
Martinez	Pickle	Thomas (GA)
Matsui	Price	Torres
Mavroules	Pursell	Torricelli
Mazzoli	Quillen	Towns
McCloskey	Rahall	Traficant
McDermott	Rangel	Traxler
McEwen	Reed	Unsoeld
McGrath	Regula	Upton
McHugh	Rhodes	Vander Jagt
McMillen (MD)	Richardson	Vento
McNulty	Riggs	Visclosky
Mfume	Roe	Volkmer
Michel	Rogers	Walsh
Miller (CA)	Rose	Washington
Miller (OH)	Rostenkowski	Waters
Mineta	Rowland	Waxman
Mink	Roybal	Wheat
Moakley	Russo	Williams
Molinari	Sabo	Wilson
Mollohan	Sanders	Wise
Montgomery	Sangmeister	Wolf
Moody	Sawyer	Wolpe
Moorhead	Scheuer	Wyden
Moran	Schulze	Wylie
Morella	Schumer	Yatron
Mrazek	Serrano	Young (AK)
Murphy	Sharp	

NAYS—133

Allard	English	Kyl
Allen	Ewing	Lagomarsino
Andrews (ME)	Fawell	Laughlin
Archer	Fields	Lewis (FL)
Armey	Franks (CT)	Lloyd
Baker	Gallegly	Lowery (CA)
Barrett	Gallo	Machtley
Barton	Gekas	McCandless
Bentley	Geren	McCollum
Bliley	Goodling	McCrery
Brewster	Goss	McCurdy
Bruce	Grandy	McMillan (NC)
Bunning	Hall (TX)	Meyers
Burton	Hancock	Miller (WA)
Byron	Hansen	Morrison
Callahan	Hastert	Natcher
Camp	Hefley	Nichols
Campbell (CA)	Henry	Nussle
Chandler	Herger	Olin
Chapman	Holloway	Orton
Clement	Hopkins	Pallone
Coble	Horn	Patterson
Coleman (MO)	Houghton	Paxon
Combest	Hubbard	Payne (VA)
Condit	Hughes	Penny
Cox (CA)	Hunter	Petri
Cramer	Hutto	Porter
Crane	Inhofe	Poshard
Cunningham	Jacobs	Ramstad
Dorgan (ND)	James	Ravenel
Dreier	Johnson (SD)	Ray
Duncan	Johnson (TX)	Ridge
Edwards (OK)	Klug	Rinaldo

☐ 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.

Ritter	Shays	Swett
Roberts	Skaggs	Tanner
Roemer	Slattery	Taylor (MS)
Rohrabacher	Smith (OR)	Thomas (WY)
Roth	Smith (TX)	Valentine
Roukema	Snowe	Vucanovich
Santorum	Solomon	Walker
Sarpalius	Spence	Weldon
Saxton	Stearns	Young (FL)
Schaefer	Stenholm	Zimmer
Schroeder	Stump	
Sensenbrenner	Sundquist	

NOT VOTING—23

Bilirakis	Hyde	Schiff
Boxer	Levine (CA)	Thornton
Dannemeyer	Livingston	Weber
Fascell	McDade	Weiss
Frost	Neal (NC)	Whitten
Gibbons	Oberstar	Yates
Hammerschmidt	Ros-Lehtinen	Zeliff
Hertel	Savage	

Messrs. DREIER of California, JOHNSON of South Dakota, POSHARD, and BRUCE, Mrs. ROUKEMA, Mrs. VUCANOVICH, and Messrs. EDWARDS of Oklahoma, PAYNE of Virginia, HUGHES, McCRERY, McMILLAN of North Carolina, and SARPALIUS changed their vote from "yea" to "nay."

Messrs. FEIGHAN, BOEHLERT, and YOUNG of Alaska, Ms. WATERS, and Messrs. TAUZIN, TALLON, BALLENGER, GLICKMAN, and GILCREST changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1425

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE CONCURRENT RESOLUTION 210

Mr. CRANE. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Concurrent Resolution 210.

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

There was no objection.

RESIGNATION FROM THE HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following resignation from the House of Representatives:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 21, 1992.

Hon. THOMAS S. FOLEY,
Speaker, U.S. House of Representatives, Capitol Building, Washington, DC.

DEAR MR. SPEAKER: This letter should serve as the official notice of my resignation from the United States Congress effective March 4, 1992.

It has been an honor working with you and the other members of Congress since 1985.

My warmest personal regards,

Sincerely yours,

JAIME B. FUSTER,
Member of Congress.

COMMUNICATION FROM THE GOVERNOR OF THE COMMONWEALTH OF PUERTO RICO

The SPEAKER laid before the House the following communication from the Governor of the Commonwealth of Puerto Rico:

COMMONWEALTH OF PUERTO RICO,
OFFICE OF THE GOVERNOR,
San Juan, PR, February 21, 1992.

Hon. THOMAS S. FOLEY,
Speaker, U.S. House of Representatives, the Capitol, Washington, DC.

DEAR MR. SPEAKER: I have officially appointed Mr. Antonio J. Colorado to fill the vacancy that will ensue on March 4, 1992, from the resignation of Jaime B. Fuster as Resident Commissioner of the Commonwealth of Puerto Rico in the United States House of Representatives. The Senate of the Commonwealth of Puerto Rico has confirmed Mr. Colorado's appointment, as required by Section 36 of the 1950 Puerto Rican Federal Relations Act, 48 U.S.C. §745.

With my best personal regards, I am

Sincerely yours,

Rafael Hernández Colón.

SWEARING IN OF THE HONORABLE ANTONIO J. COLORADO OF PUERTO RICO AS A MEMBER OF THE HOUSE

The SPEAKER. Will the gentleman from New York [Mr. RANGEL] and the gentleman from New York [Mr. SERRANO] come forward to escort the Resident Commissioner of Puerto Rico elect, the Honorable ANTONIO J. COLORADO, to the well to receive the oath of office?

Mr. COLORADO appeared at the bar of the House and took the oath of office administered by the Speaker as follows:

Do you solemnly swear to support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. Congratulations, you are a Member of the House of Representatives.

WELCOME TO THE HONORABLE ANTONIO J. COLORADO

Mr. RANGEL. Mr. Speaker, I have the great honor to join with the gentleman from New York [Mr. SERRANO] in introducing to this House the new Member who will join us from the Commonwealth of Puerto Rico.

All of us will miss the friendship and the great contribution that has been made by Congressman FUSTER to this great august body, but I assure you that the people in Puerto Rico and our colleagues here in the Congress will know that a valuable public servant has volunteered to serve his people in Puerto Rico here in the U.S. Congress, bringing his wife Delia with him at great personal sacrifice. Born in the city of New York, trained at Harvard Law School, a candidate for the Committee on Ways and Means, and a person who has taken legislation that we have created on that committee called 936 in the tax code and be able to operate the sole economic development program in Puerto Rico to provide and develop the jobs for a large segment of that population. A community that sometimes never truly feels we respond to them as citizens of the United States except in time of war, but certainly I would know that even without a vote that someday soon that will be corrected, but until that happens, it is my great pleasure to know that working within this Congress and on the committees dealing with the programs that concern us as a Nation will be one outstanding public servant, and that is ANTONIO COLORADO.

Mr. Speaker, I yield to my friend and colleague, the gentleman from New York [Mr. SERRANO].

Mr. SERRANO. Mr. Speaker, I would like to join the gentleman from New York [Mr. RANGEL], and my colleagues, in welcoming Mr. COLORADO here as the Resident Commissioner.

It is interesting—and kind of amusing—to note that the Representative from the Commonwealth was born in New York, and the Representative from New York was born in the Commonwealth. But that is the beauty of our democracy.

As the gentleman from New York [Mr. RANGEL] has said, the gentleman brings with him a lot of experience, a lot of understanding, and most importantly, a lot of commitment.

I welcome you as a Puerto Rican brother and ask you to continue your ways of supporting not only the Commonwealth but those of us throughout the Nation who were born on the island and have parents from the island.

So bienvenido, mi Hermano, welcome to the House; it is your House, it is our House. It is a great country, and we welcome you.

Mr. RANGEL. My colleagues, Congressman COLORADO.

EXPRESSION OF PLEASURE AT APPOINTMENT AS MEMBER OF THE HOUSE

Mr. COLORADO. Mr. Speaker, Members, friends, friends from Puerto Rico, today I come to this Congress as a Representative of over 3.6 million American citizens who reside in a small island in the Caribbean called Puerto Rico, discovered by Christopher Columbus 499 years ago.

Today I become the 15th Representative of Puerto Rico in this body. Exactly 91 years ago on March 4, 1901, the first Resident Commissioner from Puerto Rico was sworn in in the House of Representatives of the United States of America.

□ 1435

I would like to thank all of my good friends in this Chamber for your interest in and your help to Puerto Rico throughout the years. You have really helped our Representatives in doing justice to the American citizens in Puerto Rico, and to somehow compensate the ratio of the burden of every Representative of 7 to 1, as we have seven times the constituency that each one of you has; but much more has to be done.

The island and the United States established 40 years ago a new and very special relationship. We became the Commonwealth of Puerto Rico. In great part because of our economic growth, the partnership established at such time becomes more beneficial for both parties every day, as I will clearly show you during the next few months.

I look to the next months as the most important days of my life and I am sure I will work with you intensively to better the quality of life in Puerto Rico, in mainland United States of America, in the Caribbean and Central America, and everywhere else in the world where we may be needed.

Thank you very much, and God bless you.

NOTICE OF EXTENSION OF DEADLINE FOR FILING AMENDMENTS ON H.R. 3732, BUDGET PROCESS REFORM ACT OF 1991

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

Mr. MOAKLEY. Mr. Speaker, this is to notify Members of the status, in the Rules Committee, of H.R. 3732, the Budget Process Reform Act of 1991. The committee has postponed until a later date consideration of this bill. Therefore the Monday, March 2 deadline will be extended to Monday, March 9 at 12 noon for any Members who still wish to submit amendments on this bill.

Any Member who wishes to offer an amendment to H.R. 3732 should submit, to the Rules Committee in H-312 in the Capitol, 55 copies of the amendment and a brief explanation of the amendment, no later than 12 noon on Monday, March 9.

We appreciate the cooperation of all Members in this effort to be fair and orderly in granting a rule for H.R. 3732.

REPUBLICAN TASK FORCE ON COMPETITIVENESS TO EXPAND ATTACK ON EXCESSIVE REGULATION

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

Mr. DELAY. Mr. Speaker, one of the greatest obstacles to the competitiveness of our Nation and the recovery from the current recession is the tremendous regulatory burden with which we have saddled our economy.

President Bush's 90-day moratorium on Federal regulations is like a gasp of clean, fresh air for American business as they struggle not to drown in regulatory muck.

For the more than 50 days remaining of the moratorium, the Republican Task Force on Competitiveness will run a regulatory relay. Every day another Member will take the baton and bring to America's attention another regulation which poses unfair and unnecessary burdens on American business and on the American taxpayer.

We will run the opening lap of this regulatory relay at the close of business today with a special order devoted to the costs of excessive regulation and how we can prevent economic rigor mortis from setting in.

THE SP100 AND THE FREEDOM OF INFORMATION ACT

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

Mr. WOLPE. Mr. Speaker, in preparation for an upcoming hearing on the SP100 Space Reactor Program, the staff of the Investigations Subcommittee of the Science Committee uncovered one of the most outrageous Federal documents that I have ever seen.

The SP100 program was, until recently, a joint Department of Energy-Department of Defense-NASA program to develop nuclear reactors for use in space. This is obviously a very controversial issue. So controversial, in fact, that some people apparently went to great lengths to shield the program from public scrutiny by undermining the Freedom of Information Act.

The document in question was prepared for a joint Department of Energy-Department of Defense-NASA working group. It provides detailed guidance on destroying documents, reducing the ability of the public and the Congress to interpret the documents, and stretching the exemptions in the Freedom of Information Act to include documents that should be readily available to the public.

Last week I sent letters to Secretary Watkins, Secretary Cheney, and Admiral Truly expressing my deep concern and asking that they publicly repudiate the actions proposed in the document.

I am pleased to say that Admiral Truly responded almost immediately. He condemned the policies espoused in the document. He sent a memo throughout NASA emphasizing adherence to the Freedom of Information Act. And he set up a special committee to investigate the matter. He is to be commended. Unfortunately, I have yet to hear a word from Secretary Watkins or Secretary Cheney.

Mr. Speaker, an informed citizenry is essential to democracy. The American people have the right to know what their Government is doing with their tax dollars.

ONE FAMILY'S EMOTIONAL ROLLER COASTER

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

Mr. GOSS. Mr. Speaker, there is a family in my southwest Florida district that has been on an emotional roller coaster for more than 20 years—and has, unfortunately, just taken a steep fall—the kind that makes your stomach turn inside out. I am referring to the family of Capt. Donald Carr, one of the more than 2,000 Americans missing in Southeast Asia since the Vietnam war. Although Captain Carr's family has recently been given reason for renewed hope that their loved one is still alive, those hopes have now been dashed once again in a most cruel way.

Mr. Speaker, we owe it to this family and to the others in similar circumstances to find out whether the photographs that surfaced through a self-proclaimed POW-MIA hunter were an honest mistake or whether they were actually intended to mislead. Today I have called upon the Attorney General to review this incident. Any intentional efforts to cash in on human grief and suffering must be punished and stopped once and for all. These families have a right to some peace of mind.

PEOPLE ARE CONCERNED ABOUT PRESIDENTIAL LEADERSHIP

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

Mr. PANETTA. Mr. Speaker, the President said recently that he will do whatever he has to do to get reelected. He obviously was not kidding. He has now apologized for most of the key domestic and economic decisions that he has made as President.

His latest apology was for the budget deal that he helped negotiate, that he has defended, that he himself described as landmark legislation.

The reason that the budget agreement was wrong is not because it is wrong in substance, but because it has caused him political grief.

I am afraid the President just does not get it. People are concerned about Presidential leadership. They do not want a President who says he is sorry every 2 days. They want a President who stands for something, who will set a clear direction, and who will defend what he thinks is right.

DEPARTMENT OF EDUCATION REFORM

(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, the Federal deficit and the Federal bureaucracy is too fat and too comfortable in Washington. What we must do is make rational decisions and priorities about spending the taxpayers' money, rather than loading future generations with perpetual debt.

Mr. Speaker, I will soon introduce legislation to provide a prioritization of spending for education. With the deteriorating state of our schools across the country, it is clear to me that many Federal Government employees in Washington are not in the business of educating, but are mostly concerned with increasing paperwork and perpetuating the bureaucracy. My bill will cut personnel costs for the Federal Department of Education by 10 percent over 2 years. Ninety percent of the savings will be sent directly to local school districts; 10 percent will be used to reduce the deficit. The personnel budget for the Department this year is nearly $284 million, which supports a staff of more than 4,600. My bill will redirect over $56 million away from the Federal bureaucracy and send it to local school districts as well as for deficit reduction.

The people in local school districts can best determine the most effective use of this revenue to actually deliver better education to our elementary and secondary school students. I believe that Virginians and Americans will agree that this reasonable 10 percent reduction in the Federal education bureaucracy will improve the effectiveness of their tax dollars.

ROBOTS DO NOT PAY TAXES

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

Mr. TRAFICANT. Mr. Speaker, AT&T is laying off 6,000 long-distance operators in 21 States. For 120 years, Americans have worked the switchboards.

□ 1445

Not anymore. It is bad enough that American workers have been losing their jobs to low-wage, unregulated foreign workers; but now, Members, they are losing their jobs to robots. That is right, robots.

So, I guess when America has a problem with a long-distance call, from now on they will talk to some tin can, not to an American worker.

I would like for the Congress to remember this: Robots do not pay any taxes and maybe Congress will wise up when these robots go on food stamps.

LEGISLATION TO AUTHORIZE DEPARTMENT OF DEFENSE TO DONATE SURPLUS TO AMERICA'S NEEDIEST CITIZENS

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

Mr. SMITH of Texas. Mr. Speaker, from food to bathrobes, the Pentagon has accumulated an estimated $100 billion in excess supplies now taking up space in warehouses throughout the country.

Taxpayers shell out $3.5 billion every year for the storage alone. It is ridiculous that we are paying billions of dollars to store items such as clothing and medical supplies that have not been used by the military for as long as 40 years. We must have common sense, not senseless waste, when it comes to dealing with Government surplus.

Mr. Speaker, today I am introducing a bill to give the Department of Defense the authority to donate their surpluses to help the homeless and the needy. This will allow the Government's surplus goods to be used in a meaningful way and also save taxpayer dollars.

CUSTOMS AUDIT OF HONDA

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

Mr. PICKLE. Mr. Speaker, on October 16, 1991, the Subcommittee on Oversight of the Committee on Ways and Means examined the U.S. Customs Service audit of Honda. Honda had imported thousands of Honda Civics from Canada—during a 15-month period in 1989 and early 1990—without paying one dollar in duty. Honda claimed that the Civics imported from Canada were duty-free under the United States-Canada Free-Trade Agreement because more than 50 percent of the Civics' components originated in either Canada or the United States. Customs did not agree with this position and challenged Honda. The Honda audit is very important because it is the first Customs audit under the FTA.

The Custom audit went along fine until the press reported the leak of a confidential internal Customs memorandum indicating that the audit was complete and Honda owed the U.S. Treasury $17 million in duties. At the subcommittee's hearing, Customs and Treasury stated that the audit was not complete, that the media reports were inaccurate, and, in fact, the internal document signed by the Customs Commissioner was wrong.

What is going on here? The public and Congress wonder.

Monday, Customs announced that they had completed their audit and that the Honda Civics did not qualify for duty-free treatment. As a result, Honda has gone on the attack claiming that the whole process was politically motivated. I think that Honda should stop squawking and pay what they owe.

How can we expect to compete with foreign producers if we let them import and sell their products in the United States without paying their fair share of duties?

The subcommittee has also investigated foreign-owned U.S. subsidiaries not paying their fair share of taxes by manipulating transfer pricing.

Our committee will do everything within our power to ensure that our trade and tax laws are enforced to their fullest and that foreign-owned U.S. corporations do pay their fair share. The United States doesn't need to be a patsy any longer.

LESSONS OF HISTORY WARN AGAINST EXCESSIVE DEFENSE SPENDING CUTS

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

Mr. JAMES. Mr. Speaker, today when the House considers the budget resolutions for fiscal 1993, a key issue will be the size of the cuts we should make in defense spending.

We all welcome the sweeping changes in Eastern Europe and the former Soviet Union. The cold war is over, and we can now make meaningful reductions in defense spending. But history suggests that these reductions should not be excessive.

The last upheaval in Russian history also opened with a democratic revolution in 1917. Nine months later, that government was overthrown by the Communists.

Despite the failure of the August coup attempt, the 5-month-old Yeltsin government could still be toppled by promilitary hardliners. There is also the risk of civil war there. And we could see the emergency of a radical, proterrorist Islamic confederation in what were the southern republics of the U.S.S.R.

It is simply too early to conclude that peace and democracy have taken root in the former evil empire. So we must remain militarily prepared for whatever comes.

History holds another lesson. After both world wars, America drastically reduced its Armed Forces, believing that victory meant lasting peace. As a result, we were not prepared for the Japanese attack on Pearl Harbor or the North Korean invasion of South Korea. These are the dangers of reducing our military capability too far too fast.

The President has proposed cutting defense outlays by roughly $5 billion in 1993, and by some $27 billion over the next 5 years. These are substantial reductions, but the Democrats want to cut nearly twice as much for fiscal

1993. If they get their way and stick to it, that would mean greater cuts in military manpower, in the Air Force, the National Guard and Reserve, and the Navy.

Such cuts would profoundly limit our ability to respond to threats from a hard line Russian Government, a nuclear North Korea, renegade states like Iraq, or terrorists. The Democrats' defense cuts would leave us unprepared to mount a response like Operation Desert Storm. And they would encourage those, like Saddam Hussein, who burn with the desire to impose their will on the United States or others.

These are uncertain times, and our security and the safety of the global community remain at risk. I urge my colleagues to reject any budget cuts that would diminish our ability to defend ourselves or our allies in this imperfect world.

UNITED STATES-JAPANESE GRIEVANCES MUST BE SETTLED WITH TOLERANCE, DECORUM, AND CIVILITY

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

Mr. MAZZOLI. Mr. Speaker, today I rise to speak about intolerance, a very unhappy topic.

Mr. Speaker, today's New York Times carries a newspaper story about a young Los Angeles girl, 13 years old, Megan Hagoshi, who as a Girl Scout selling cookies in front of a store in Los Angeles, was rebuffed by a man who said, "I will only buy cookies from an American." Young Megan turned to her mother and said, "Well, Mommy, I am an American."

We have heard entirely too much Japan-bashing in this country and even on Capitol Hill. The other day a respected Member of this Congress made a very feeble joke about the bombs that landed on Japan during the Second World War.

We need to very vigorously try to correct trade imbalances with Japan, very vigorously fight against trade bias and grievances with Japan, but we must do so, Mr. Speaker, with tolerance, with decorum, and with civility.

THE REAL THING: PRESIDENT BUSH'S ECONOMIC GROWTH PACKAGE

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

Mr. COX of California. Mr. Speaker, if Coca-Cola is the real thing, we can be certain that the Democrats' huge tax bill, their huge tax increase bill that they passed last week, is not the real thing.

Mr. Speaker, we heard a lot of high-sounding rhetoric about concern for the middle class, but raising taxes is hardly a way to evidence that concern. It is hard for working Americans to take seriously a plan that gives them a temporary tax credit amounting to 55 cents a day, barely enough to buy a can of Coke in most places across this great country of ours.

What can the average taxpayer really expect out of this Democrat tax increase bill? Well, the answer is, of course, higher taxes. The bill increases the top tax rate permanently from 31 to 35 percent; it increases the top rate of tax for the alternative minimum tax from 24 to 25 percent; it adds a further 10 percent surtax on high incomes; and it continues the elimination of the personal exemption and itemized deductions, including deductions for health care.

Mr. Speaker, the American people do not need a flashy marketing strategy designed to hide the truth; they need the real thing, they need President Bush's economic growth package.

The Democrats have 16 days to get it passed; let us get to work.

MISTREATMENT OF WOMEN IN KUWAIT

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

Mrs. SCHROEDER. Mr. Speaker, I think the real question is what is going on in Kuwait?

Every day we find there are more and more women who have been lured into the country to be maids or to do all sorts of domestic chores, seeking refuge in their countries' Embassies because of their being mistreated, raped, or whatever, by their employer.

In talking to the Ambassadors of some of these countries, they tell me that they have arranged for transportation for these women out of Kuwait, but they have not been allowed to leave until they reimburse their employers that abused them.

That is really astounding. It sounds like involuntary servitude in the nicest form that is very close to slavery, and the worst. It is against U.N. principles, and it is very shocking.

Mr. Speaker, I certainly hope this gets cleaned up and gets cleaned up immediately. And I would like to see our State Department and Defense Department, who saved the nation of Kuwait, to be a lot more aggressive in explaining to them that that is not what Americans put their lives on the line for. We expect much more from them than this kind of action toward women.

TRIBUTE TO FUAULI ATISANOE

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

Mr. FALEOMAVAEGA. Mr. Speaker, I want to share my thoughts with my colleagues in the House and our friends visiting the Chamber this afternoon.

Mr. Speaker, I want to pay a special tribute to a great young American who was born in the state of Hawaii 28 years ago, but his parents were born and raised in American Samoa. This young man is Saleváa Fuauli Atisanoe, and commonly known throughout Japan by his sumo wrestling name, "Konishiki"—which in the Japanese language means a delicate embroidery or flower.

On the contrary, Mr. Speaker, this delicate flower weighs only 560 pounds—and is the first foreigner in Japan's most cultural sport to achieve the second highest level of promotion in the sport of sumo.

Mr. Speaker, I want to let Konishiki know many of us here in the Congress wish him all the success in this month's sumo tournament in Osaka. And should Konishiki win the tournament, he is likely to be promoted to Yokozuna or grand champion.

Mr. Speaker, as the Hawaiians say: Imua Konishiki.

□ 1455

PROVIDING FOR CONSIDERATION OF H. CON. RES. 287, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1993

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 386 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 386

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b), rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 287) setting forth the congressional budget for the United States Government for the fiscal years 1993, 1994, 1995, 1996, and 1997, and the first reading shall be dispensed with. All points of order against the consideration of the concurrent resolution, except for section 606(b) of the Congressional Budget Act of 1974, are hereby waived. After general debate, which shall be confined to the concurrent resolution and the amendments made in order by this resolution and which shall continue not to exceed three hours, including a period of one hour on the subject of economic goals and policies, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, the concurrent resolution shall be considered as having been read for amendment under the five-minute rule. No amendment to the concurrent resolution shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution. Said amendments shall be considered in the order and manner specified in the report. Said amendments shall be considered as having been read and shall be debatable for the time specified in the report. Said amendments shall not be subject to amendment. If more than one amendment in the nature of a substitute is adopted, only the last amendment which is adopted in the Committee of the Whole shall be considered as finally adopted and reported back to the House. All points of order against the amendments printed in the report of the Committee on Rules are hereby waived. Notwithstanding any provision of this resolution, it shall be in order to consider the amendment or amendments provided in section 305(a)(5) of the Congressional Budget Act, if offered by the chairman of the Committee on the Budget, necessary to achieve mathematical consistency. At the conclusion of the consideration of the concurrent resolution for amendment, there shall be an additional period of general debate, which shall be confined to the concurrent resolution, as amended, and which shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. Following such general debate, the Committee shall rise and report the concurrent resolution with such amendments as may have been adopted, and the previous question shall be considered as ordered on the concurrent resolution to final adoption without intervening motion.

The SPEAKER pro tempore (Mr. McNULTY). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 386 is a modified rule providing for the consideration of House Concurrent Resolution 287, setting forth the congressional budget for fiscal year 1993.

The rule provides for up to 3 hours of general debate, including a period of 1 hour on the subject of economic goals and policies, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

The rule waives all points of order against consideration of the concurrent resolution except for section 606(b) of the Congressional Budget Act, which prohibits the consideration of a budget resolution which exceeds the maximum deficit amount as revised.

The rule makes in order three amendments in the nature of substitutes which are printed in the report accompanying the resolution. The rule provides that the three substitutes shall be considered under a king-of-the-hill procedure. Under king-of-the-hill, if more than one substitute is adopted only the last substitute adopted shall be considered as finally adopted and reported back to the House.

The rule waives all points of order against the amendments and provides that they will not be subject to further amendment. In addition, each amendment will be considered for the time period specified in the report, in the following order: First, the substitute to be offered by Representative DANNEMEYER, debatable for 30 minutes; second, the substitute to be offered by Representative GRADISON, debatable for 1 hour; and third, the substitute by Representatives TOWNS and DELLUMS, debatable for 8 hours.

Under the rule if Representative GRADISON does not offer his substitute, it will be considered the pending question after disposition of the Dannemeyer substitute.

The rule also makes in order mathematical consistency amendments if offered by the Budget Committee chairman, as provided in section 305(a)(5) of the Budget Act.

Finally, after the disposition of the last substitute, there shall be 1 additional hour of debate, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

Mr. Speaker, in his State of the Union Address on January 28 the President declared that America won the cold war. In stirring words he invoked the memory of the "rollcall of honor," the GI Joes and Janes who fought faithfully for freedom in places like Korea and Vietnam. He reminded us that some of our valiant defenders did not come home, and pointed out that back then they were considered heroes, but this year they have become victors. And he was right.

The President also spoke of another group of heroes who deserved recognition on the occasion of our great victory over imperial communism: The American taxpayer.

As the President noted correctly, for half a century the American taxpayer has shouldered a tremendous burden, paying taxes that were higher than they would have been to support a defense that was bigger than it would have been had the threat of communism never existed. Then the President pointed out that communism did exist but, after a pause, said "It doesn't any more."

Mr. Speaker, House Concurrent Resolution 287, the budget resolution for fiscal year 1993, is the first budget the House will consider in the aftermath of our hard-fought victory over imperial communism. The people who invested in this great triumph now expect it to pay a peace dividend. They have every right to that dividend.

Mr. Speaker, there will be a peace dividend. Both the President's budget and the Budget Committee plan contemplate defense cuts in 1993 and future years. The only questions are how deep those cuts should be and what to do with the savings.

Mr. Speaker, many of our citizens probably don't realize it, but under the rules agreed to in the 1990 budget summit and enshrined in the Budget Enforcement Act, they cannot share in the fruits of their victory directly. That is because there is but one purpose to which Congress can devote defense savings in 1993: Deficit reduction.

That is right, Mr. Speaker, under the Budget Enforcement Act Congress cannot redirect defense savings to other programs, no matter how desperately our people might need services like veterans' housing and health care, student aid, energy assistance, or child nutrition. We can spend billions for guns but not butter, even though the cold war is over and we won.

Mr. Speaker, I do not believe that makes any sense, and many of our colleagues don't either. The gentleman from Michigan [Mr. CONYERS] and others have sponsored legislation, H.R. 3732, to tear down the walls separating the three categories of discretionary appropriations this year, 1 year ahead of schedule.

The enactment of this legislation, which may reach the floor as soon as next week, will permit Congress to make reasoned judgments in this budget cycle about where and how to reinvest the first installment on the peace dividend.

But the Conyers bill has not passed the House and has not been signed into law. So in drafting its spending plan the Budget Committee had to prepare for the worst—that the firewalls would remain in effect and prevent this Congress from using any part of the peace dividend to meet the needs of the victors. However, nothing prevents the Budget Committee from also suggesting what we could do if the walls come tumbling down, and the committee has done just that.

Mr. Speaker, House Concurrent Resolution 287 actually contains two different spending plans, one assuming the walls come down and one assuming they stay up. Both plans assume the same level of defense spending, which is $14 billion in budget authority below the cap and $6.6 billion below the President's request. Both plans include $1 billion for job training and assistance to military personnel and defense workers displaced by the conversion to a peacetime economy.

The difference between the two plans is how the savings in defense are used: Under plan A, which assumes the walls come down, about 70 percent of the savings are reinvested in various priority domestic programs with the remainder devoted to deficit reduction. Under plan B, all of the defense savings would go to deficit reduction.

Plan A sets overall domestic discretionary spending at a level $12.3 billion in budget authority above the current cap by assuming a transfer of some defense savings to that category. Plan B, on the other hand, would hold domestic spending to precisely the cap level.

It is one thing to talk about numbers; it is another to talk about how the numbers would affect the victors in the cold war.

Both plans would increase spending for education, Head Start, job training, child immunizations, AIDS-related programs and others important to our people, with plan A providing more resources for many of the investments we have so long foregone. For example, plan A would enable Head Start to serve an additional 135,000 children, plan B and the President's budget an additional 98,000 children.

Comparisons between plan A and the President's budget are even more stark. Plan A would immunize 4 million more children than the President's budget; building 12,000 more housing units in rural areas; care for 110,000 more veterans in VA hospitals; provide nutritional assistance for 600,000 more women, infants, and children; help 1.3 million more households pay their energy bills; and provide 45,000 more dislocated workers with training and employment assistance.

Both Democratic budgets would also reduce spending in key areas and would terminate various Federal agencies which have served their purposes. Both would cut funding for Congress and the White House below last year's level. Both assume Federal agencies will fill only fractions of the vacancies which occur in their ranks, and require Government in the future to do more with less. And both reject the entitlement cuts proposed by the President, including cuts in Medicare and veterans' programs.

Mr. Speaker, this budget resolution will allow the House to debate fully and freely the first Federal budget in the post cold war era. As the President noted, the world has in the past 12 months seen change of almost biblical proportions.

I believe in view of America's victory in the cold war it is appropriate to modify the budget agreement and consider devoting a portion of the peace dividend to creating jobs, helping workers convert to a peacetime economy, and preparing future generations for the challenges which lie ahead. But one thing is clear: With or without the walls the Budget Committee has vastly improved upon the budget submitted by the President on January 29.

Mr. Speaker, in his State of the Union Message the President said:

> We're going to set the economy free, for if this age of miracles and wonders has taught us anything, it is that if we can change the world, we can change America.

Mr. Speaker, we can change America, and we can start today. Now that the battle against Communist expansionism is over, we can realize the peace dividend and begin investing the taxpayer's hard-earned money for his benefit here at home, not to defend Europe and Japan.

The budget resolution will reinvest the peace dividend in deficit reduction and the education, infrastructure, health care, research and other programs our Nation needs to remain strong and win the economic struggles lying ahead. I urge all Members to support the rule, the budget resolution, and the legislation tearing down the firewalls.

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

□ 1505

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to this rule for one major reason: the emperor has no clothes. This rule only serves to mask the naked truth that the budget process is in total disarray. It allows us to escape accountability for massive budget deficits, and it provides cover to those who want to be everything to everyone.

As the exceptional ranking Republican of the Budget Committee, BILL GRADISON, eloquently stated to the Rules Committee yesterday, "a budget is about making choices. This budget is about avoiding choices." Do you want increased spending and higher deficits? It is in the Democrat budget. Do you want crippling defense cuts and higher spending? It is in the Democrat budget. Do you want crippling defense cuts and deficit reduction? It is in the Democrat budget, too.

Mr. Speaker, it would be more appropriate to call the Budget Committee resolution the Schizo Budget and Deficit Enhancement Act. In an unprecedented feat, the resolution is actually two budgets.

Budget A—the Dr. Jeckyl budget—assumes that Congress will break its promise to the President to abide by spending caps in return for the largest tax increase in American history. Budget B—the Mr. Hyde budget—no relation to the gentleman from Illinois—keeps the promise to abide by the budget agreement.

Ironically, the leadership pulled from the floor schedule this week H.R. 3732, a bill that would expose this fraud. It would give Members an opportunity to vote on whether to trash a 5-year budget agreement in only its 16th month so that Congress can continue its irresponsible trek toward higher spending, higher taxes, and higher deficits. It would eliminate the so-called firewalls separating domestic, defense, and international spending.

Those firewalls were erected to prevent $400-billion-a-year deficits that will severely hamper economic recovery. Even under the budget agreement, which will bring about a cumulative reduction in defense outlays of $512 billion through 1997, overall domestic spending will increase $1.3 trillion.

In the Rules Committee yesterday, the very able chairman of the Budget Committee, Mr. PANETTA acknowledged that, despite it being proclaimed "A Budget To Restore America's Future," this budget has no future because of tremendously increasing deficits.

It is no wonder, Mr. Speaker, that the votes are not there to pass H.R. 3732. Even if they were, the President has stated that he will veto the bill. Therefore, we could resolve this matter now by voting on the Solomon amendment to strike budget A. This would have the same effect as voting on H.R. 3732, and the budget process could move forward with a little more certainty.

Regrettably, the Rules Committee, on a party-line vote, denied Mr. SOLOMON the opportunity to offer that amendment. Therefore, I urge my colleagues to defeat the previous question on this rule so that Mr. SOLOMON's motion to strike the Dr. Jeckyl budget can be made in order, and we can restore some accountability to the budget process.

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

□ 1515

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. DREIER of California. Mr. Speaker, I would like to congratulate my friend, the gentleman from Missouri [Mr. SKELTON] for his excellent statement. I thank him for his diligence in putting together this amendment. I apologize to him for the fact that the Committee on Rules did not grant it, and Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. SKELTON].

The SPEAKER. The gentleman from Missouri [Mr. SKELTON] is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, I am compelled to oppose and vote against this rule. I do so to prevent this Congress from falling into the same pattern that we have done historically through the years of drastically beginning a defense cut for which we will be sorry in years ahead.

Mr. Speaker, yesterday I appeared before the Committee on Rules. I offered an amendment based upon a great deal of work that I personally did with help from many people from the various services, people in uniform, people who are retired, civilian experts, in putting together thoughts on a defense budget.

I came within $83 million of the proposal put forth by the Secretary of Defense, Mr. Cheney.

As a result of the nearness thereof, I offered my amendment to the Committee on Rules to be made in order today for full discussion to allow that budget to be placed before us. It was a close call, I am told, but it was not approved.

I think that it is important that we should have the opportunity to debate this amendment. I urge my colleagues to vote against this rule and to send it back to the Committee on rules to make the Skelton amendment appropriately debatable.

Why is it important? Throughout our history, Mr. Speaker, particularly in this century, our Nation has had a habit, unwittingly, I am sure, of building up our defenses, having a conflict, and thereafter cutting them and denuding ourselves insofar as our national security is concerned.

In 1918, we won a great war, known as the war to end all wars. In 1919, thereafter, our defenses were cut drastically. In 1923, we had all of 130,000 people, not very many, in the U.S. Army; 1929 found us totally unprepared for what was about to be a holocaust on both sides of the world. No one foresaw Pearl Harbor and us going back to Europe not long thereafter.

We won a great victory. History will treat us well for what we did in World War II, the leadership we afforded, and the skill of the American fighting man and of the brave women who were involved in that conflict.

But as history tells us, 5 short years later we found ourselves again unprepared to fight and defend our interests in Korea. Pusan is a name we hope to forget because that showed our unpreparedness, that particular battle.

And then, of course, after Vietnam, 1978–79, many of us were here in Congress. We found ourselves with a hollow military; a ship's captain down in Norfolk, VA, refused to take his ship out because he did not have sufficiently trained men on that ship to sail it.

In all, Mr. Speaker, we must, No. 1, have this amendment made in order. Thus, I oppose the rule.

No. 2, we should not, as a Congress, step in that same historical hole again. We are, as my colleagues know, according to the budget agreement, plus $50 billion announced by the President, cutting our military over a period of 5 years. That does not mean a 25-percent cut in the Army. It means 32 percent less soldiers at the end of 5 years.

Mr. Speaker, I leave my colleagues with this: The young men and young women who did well in Desert Storm deserve better treatment if they are interested in making a career of the military. Let us not give that outstanding brave sergeant, as his reward for what he did on the battlefields in Iraq and Kuwait, a pink slip and send him home.

Further than that, we need to protect our interests as a nation and not denude ourselves once again. This is the first step. Unless my amendment is adopted, we will have that first step.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to our Marine from Glen Falls, the gentleman from New York [Mr. SOLOMON], a courageous veteran of the Korean war and the ranking member of the Committee on Rules.

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

Mr. Speaker, the Democrat front-running Presidential candidate, Mr. Paul Tsongas, who ran so well in yesterday's primaries by running on Republican principles, has said that House Democrats are pandering to the voters with their middle class tax cut. Well, he ought to see the House Democrat plan A budget lollipops on this floor right now. Talk about pandering. The Democrats should consider changing their mascot from the donkey to the pander bear.

Mr. Speaker, with this two-plan, double-talk budget resolution made in order by the rule here today, the liberal Democrats are trying to fool the American people once again. When will they ever stop?

In presenting plan A, which assumes that the budget firewalls are blown away, Democrats promise large amounts of new domestic spending, which they know will never be delivered.

But it does speak to the Democrat agenda of business as usual around here: spend, spend, spend, spend, spend, spend, spend, spend, spend, spend.

Mr. Speaker, my colleagues and I know that even Democrats are rebelling against breaking the budget agreement that requires any peace dividend savings to go toward lowering the unconscionable deficit that is ruining this economy and driving up unemployment.

Mr. Speaker, here is a list of more than 40 Democrats. And if we look at this list of liberals we see the gentleman from Ohio [Mr. ECKART], and the gentleman from New Jersey [Mr. PALLONE], and the gentleman from New Jersey [Mr. PAYNE], and the gentleman from New Hampshire [Mr. SWETT], and on and on.

Then we look at conservatives like the gentleman from Virginia [Mr. SISISKY], and the gentleman from Tennessee [Mr. TANNER], and the gentleman from Louisiana [Mr. TAUZIN], all from the Democrat side of the aisle, liberal Democrats and conservative Democrats alike call this firewall removal thing a sham. They say it breaks their promise to the American people that they will cap spending and that they will use any kind of defense spending cuts to reduce the deficit.

They say so, Mr. Speaker, because they know that tearing down the budget firewalls would be totally irresponsible, because it would allow any defense savings to be spent in a flash, overnight, rather than requiring savings to be used for deficit reduction.

The result would be to pile more debt on top of the American people and future generations in order to finance this irresponsible spending spree right up to election day.

In fact, the budget plan that is really likely to result from this two-plan strategy is plan B, which is likely to be discussed in much much less detail.

I will bet any Member $10 that when the debate comes up on the budget, we will not hear the Democrats talking about plan B at all. We will hear them talking about plan A.

The promoters of the liberal Democrat budget plan contend that certain domestic needs are so important that Congress should spend more time and more money on those projects than the President recommended. But as the ranking minority member on the Committee on the Budget report points out, this works only if we assume a mystical windfall from defense cuts.

□ 1525

We are not going to get them. For example, under plan A, the one without the firewalls, the liberal Democrats would increase Head Start spending, a program they like and I like and the President likes by $800 million. That is $200 million more than the President requested. Here we go, one upsmanship again. What a way to run a ship.

They would raise higher education funding by $3.7 billion compared to $1.7 billion requested by the President. More one upsmanship. What a way to run a ship, friends.

Under plan B, however, which would retain the firewalls and require the trimming of other domestic spending in order to pay for more new benefits, suddenly these priority investments become much less important, and we will not hear a word said about it during the debate. In plan B, the only one which has a chance to make it through the legislative process, these priority investments suddenly lose all of their priority.

Who are we trying to kid around here? In fact, in the only real version of the budget, plan B, the liberal Democrats have provided exactly the same amount of spending increases in these areas as recommended by the President. So in plan A, the promise is made to spending all the money. But on plan B, which Democrats are not going to talk about because they know that is the only one that will really have a chance, they will not say a word.

Mr. Speaker, we will see this charade again and again and again for 13½ hours over the next 2 days. By focusing on plan A, liberals will be making promises they know they cannot deliver. That is why this two-track budget resolution is nothing but a sham, and we just continue to waste more and more of our time around here.

The voters are smart enough to see through this political game, you know it and I know it. We should vote down the previous question here in a few minutes so that we can make in order an amendment by me and the gentleman from Ohio [Mr. GRADISON], to strike plan A, which has the no-firewall budget in it, and thereby have the opportunity to vote on a single budget resolution.

Let me say direct that to the good Democrats on that side of the aisle, and there are a lot of them over there, because a lot of them vote with us from time to time, defeating the previous question would also give the Committee on Rules an opportunity to consider two important amendments affecting the defense budget. They were offered by two very distinguished Members, two very distinguished Democrats, highly respected in this House, members of the Committee on Armed Services. They were summarily denied by the Democrat Party on the Committee on Rules by a party line vote. They were gagged, and yet our good friends over there, the gentleman from California [Mr. DELLUMS] and his allies, are given 8 hours to get up and say whatever they want. That is unfair to all Members who are not given the same right.

I would say to the gentleman from California [Mr. DELLUMS], if I were you I would rise up in revolution against your colleagues being targeted this way. If it was happening on my side of the aisle, you can bet I would raise the devil over here.

That is why I hope all of the Members will support defeating the previous question. We are going to give the gentleman from Florida [Mr. BENNETT] and the gentleman from Missouri [Mr. SKELTON], those distinguished Members, a chance to be heard. It is only fair.

Let us be fair around here and defeat that previous question.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the distinguished gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Speaker, I rise in opposition to the rule because the rule does not allow me to introduce the amendment that I have introduced, and similar amendments which have been introduced by others. The amendment that I have introduced puts the figure for defense at the level at which the President, our Commander in Chief, put it.

After months, in fact almost years of study, they came forth with a basic structure which seems to me to be sound. Just today I presided over the House Committee on Armed Services, and heard the Secretary of the Navy say:

> We cannot live with that budget or other than the President's lowest requirements. Assignments will be given to the Navy which we cannot fulfill.

We have a responsibility in Congress to defend the United States. It is our responsibility in the Constitution to see to it that we have an adequate national defense. The Secretary of the Navy testified that he cannot fulfill through this budget the Navy obligations, the things that are put upon its shoulders to do for the national defense of our country.

Mr. Speaker, every war, as has been pointed out by the gentleman from Missouri [Mr. SKELTON], comes to an end and there has been this feeling of euphoria. I was caught up in this euphoria myself in the 1920's and the 1930's. I was a college editor, against compulsory ROTC. It also seemed idiotic to me to have a very large standing army.

I realize now that strong defense assets are a preservation against having wars. I am interested in having a strong national defense to try to see to it we do not have unnecessary wars and people do not have to give their lives for things which could be protected against.

□ 1530

So, Mr. Speaker, I urge all Members here today to vote down the rule on this concurrent resolution so that we can at least address what our Commander in Chief says is an absolute minimum, and which the Secretary of the Navy said today he cannot live with because it does not allow a possibility of him fulfilling the responsibilities given to him by our military structure of authority.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would simply like to congratulate the gentleman from Florida [Mr. BENNETT], who yesterday before the Rules Committee provided a very eloquent statement, a historical account about his personal involvement from the First World War until today, talking about the fact that that one was described as the war to end all wars, and tragically we have come to the realization, as President Bush said in his State of the Union Message here, that only the dead have seen the end of conflict. And it is important that we remain prepared.

The United States of America clearly is the world's only complete superpower, economically, geopolitically, and yes, militarily. The President in his statement said he wanted a cut of $50 billion, but no more. He recognizes that cuts need to be made. We all recognize that there have been dramatic and unprecedented changes over the past several years. But it is clear to me that the effort that was launched by the gentleman from Florida [Mr. BENNETT] and the gentleman from Missouri [Mr. SKELTON] is one which should have been incorporated in this rule.

It is for that reason that I am going to urge a vote against the previous question.

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

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4½ minutes to the distinguished gentleman from California [Mr. DELLUMS].

Mr. DREIER of California. Mr. Speaker, I yield 30 seconds to the gentleman from California.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. DELLUMS. Mr. Speaker, I thank my colleagues for yielding time to me.

Mr. Speaker, first let me say that I rise in support of the rule. Second, I want to thank my colleagues for providing us with 8 hours and giving us the opportunity to debate one of the four alternatives that are on the floor.

Just to state the factual situation, there is not just one budget here, there are four budgets. This gentleman, along with staff and a few other people worked for the last 3½ months to put together a budget alternative. I am pleased that we have 8 hours to debate it.

But let me say to my colleague on the other side of the aisle, we asked for those 8 hours. As a matter of fact, before the gentleman's committee on yesterday when we were asked how much time we said, since there are four budgets there should be at least 4 days devoted to this debate, give every budget one full light of day. Let us debate it all day. Let the President's budget stand out here on the floor for 8, 10, or 12 hours, and let us have a discussion and a debate on it. If it can stand the light of day, then it will pass. If not, we will vote it down and get beyond it. The Republicans have another alternative. Let it have a full light of day. But as I understand it, the Congressional Black Caucus budget that we offered is the only budget that went before the Rules Committee proud enough to say we are prepared to discuss it for an entire day.

So what is happening? Members are saying, "Are you going to actually use a whole hour?" My colleagues, we are talking about a budget in excess of a trillion dollars. Frankly, every budget ought to be out there being debated 8 or 10 hours. That is why we are here.

Mr. Speaker, this is not a political moment; this is not a partisan moment. This is an extraordinary, historical moment. But I am not naive; I know that politics and partisanship will rear their ugly heads over the next couple of days as we debate this budget.

But my colleagues, let me challenge Members to a higher order of responsibility. Most of us come here and spend our lives tinkering at the margins of policies that predate us. But my colleagues, the cold war is over. The Soviet Union is on the decline. It does not exist as it did before. We have to take off the shackles of old thinking and begin to think anew and afresh. The American people are suffering in this country. Unemployment is rampant in America. People who did not support welfare in the past are now welfare recipients themselves. Those are the realities, and we must be challenged.

We are proud to bring our budget to the floor for 8 hours, I would say to my colleagues, because we think we have a bold, a courageous and a visionary approach to addressing these problems.

The Soviet Union is off the radar screen; the Warsaw Pact is off the radar screen. We have been spending $300 billion a year building a monument to military madness. Those two threats are gone. I would say to my colleagues, as expressed in budgetary terms, we have been spending between $150 billion and $210 billion per year on those two threats alone. One does not have to be a brilliant rocket scientist to recognize if those two threats have either gone or vanished that we certainly can find billions of dollars to begin to rebuild the economic infrastructure of this country, educate our children, bring about national health care as the American people want, and begin to capture the future for our children, as we should. But we cannot blindly continue walking down a path spending megabillions of dollars building monuments to war and terror when the world is speaking out for peace and the American people are speaking out for jobs.

I would say to my colleagues that it is rather fundamentally disingenuous to suggest that this gentleman should oppose the rule because they gave us what we went and asked for. I would simply ask my colleague: Did you ask for 8 hours for the President's budget? Did you ask for 8 hours for the other Republican budget? Did you ask for each budget to be exposed to the full light of day, not to engage in a circus and sophistry around a rule, but to engage America and to engage our colleagues to substantive debate on the budget? We did that.

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

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

Mr. SOLOMON. Mr. Speaker, the gentleman from California posed the question: Did we ask for additional time for all of these budgets. The answer is yes. We even asked for time for two Democrat colleagues, the gentleman from Florida [Mr. BENNETT] and the gentleman from Missouri [Mr. SKELTON]. I accept your challenge, my good friend. Let us vote no and vote down the previous question. Let us give these other Members time to air this whole issue. And we will spend 2, or 3, or 4 days doing exactly what the gentleman wants to do. I want to do that. I want to help the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me respond to the gentleman, if I may. I would like to explain to my dear friend from California that I have absolutely no problem with the gentleman's ability to offer and have 8 hours for debate on his proposal. What we are calling for, Mr. Speaker, is the defeat of the previous question. We are doing that for one simple reason, and that is so that we can add rather than take away time from debate.

So I would think that my friend from California would want to defeat the previous question so that we can enhance the right of others in this House who want the exact same right as he is thanking us for granting him.

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

Mr. DREIER of California. I am happy to yield to my friend, the gentleman from California.

Mr. DELLUMS. Mr. Speaker, let me just say that there is one problem, one flaw in his argument, and frankly a flaw in those Members who have offered the amendments. We all know that a budget hangs together delicately and fragilely. Our budget hangs together fragilely. We found certain amounts of money in the peace dividend. If we did not have that money, the rest of the budget does not hang together. So we did not come out here to offer one amendment. We went to work and we put together an entire budget, because the budget hangs together. We cannot just offer an amendment to take one part of the budget out because it falls like a deck of cards.

Mr. DREIER of California. If I can reclaim my time, Mr. Speaker, I would say that we do not want to deprive these Members or this House of the opportunity to at least offer that, and I know that my friend from California would want to fight to ensure that they have the right to at least try to do that as the only step they have offered.

□ 1540

They may not have the cadre of hardworking people that the gentleman has in the Black Caucus working on his, they may have put this together on their own, and I do not want to deprive them of the right to offer it.

Mr. DELLUMS. This budget was written by two staff people and myself and a couple of people helping, no cadre, my brothers. We put it together with two staff people and two computers and 3½ months of hard work, and if we could do it, any Member of this Congress can do it.

Mr. DREIER of California. I congratulate my friend from California for doing that, and I anxiously look forward to that 8 hours of debate when we finally do get to listen to it on the floor.

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

The SPEAKER pro tempore (Mr. MCNULTY). The Chair advises the Members that the gentleman from California [Mr. DREIER] has 14½ minutes remaining, and the gentleman from South Carolina [Mr. DERRICK] has 4½ minutes remaining.

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

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

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I am pleased to rise today to strongly support the rule allowing for the consideration of House Concurrent Resolution 287, the budget resolution for fiscal year 1993.

As a member of the Budget Committee, I am aware of the hours of hard work and diligence that went into crafting this year's budget resolution. It is true that this resolution differs from those of past years by presenting two different options. I personally commend Chairman PANETTA for submitting to the Committee a proposal which holds open the options which will be possible, based on how the House of Representatives expresses its will on maintaining the "firewalls" of the budget agreement.

Personally, I have made it clear that I strongly support maintaining those walls, and therefore following "Plan B" of the Budget Resolution. However, for us on the Budget Committee to make an assumption about the House's will on that vote would have been premature and presumptuous. The chairman was creative and accommodating in developing this two-track approach which responsibly prepares for either contingency of that "firewall" vote.

I feel strongly that if the Congress is sincere to any degree about mastering our bloated deficit, it is imperative that we maintain the budget walls, stay within the individual categorical caps, and apply any defense savings to reducing the deficit. Along with 259 of my colleagues, I believe that we should enact a balanced budget constitutional amendment. The only way we can ever hope to achieve that balanced budget by the turn of the century is to begin down the deficit reduction path this year. Postponing the hard choices and refusing to develop the priorities in which we will invest only makes those decision more difficult.

"High Noon" will come for us all when we cast that vote on the firewalls next week. I know what I will be doing on that vote. I would have been content with a Part B only budget. But CHARLIE STENHOLM's will may not necessarily be the will of the entire House of Representatives. Pending that determination, which will come through the vote on the CONYERS vote, the Budget Committee acted responsibly by presenting the two-track budget.

I would have been happy to see some of the additional amendments presented to the Rules Committee accepted as part of this rule. However, even in their absence, I believe that the current rule allows sufficient debate on all of the critical issues before us as we consider the fiscal year 1993 and I encourage my colleagues to vote "aye."

Mr. DERRICK. Mr. Speaker, I reserve the right to close, and I reserve the balance of my time.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to my friend, the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, just so we can clear the air, we are going to try to defeat the previous question. After that, we would, if we are successful, have a 1-hour debate on a new rule which will make in order my amendment to strike plan A in the budget resolution and to make in order the amendments by the gentleman from Florida [Mr. BENNETT] and the gentleman from Missouri [Mr. SKELTON] which have been discussed here on the floor by both of those two gentlemen this afternoon. That is our intent in trying to defeat the previous question.

If we are successful, then we will proceed with the 1-hour debate and to make in order those two amendments and to make my amendment in order as well. I think everybody knows the issue.

Both the Skelton and Bennett amendments bring the level of funding for defense up to the President's request and the level that is contained in the Gradison-Bush substitute.

Mr. DREIER of California. Mr. Speaker, I yield back the balance of my time and urge a no vote on the previous question.

Mr. DERRICK. Mr. Speaker, I yield myself 3½ minutes, the balance of my time.

Mr. Speaker, the distinguished gentleman from Texas pointed out that next week or maybe when we get into the general debate is the time to devote to the budget, but I would like to take just a moment or so and say, you know, if you listen to the rhetoric on this debate, you would think that someone was getting ready to cut the entire defense budget out.

Mr. Speaker, last year we spent almost $300 billion on national defense. Approximately half of that was directed toward keeping troops in Europe and so forth that were directed at the threat of the Soviet Union. Now, all the world knows that that threat no longer exists, at least to the extent that it once did, a fraction of it once did.

We spent half of our budget last year on that, and now we are talking about reducing the budget either 3 or 5 percent. We are not talking about reducing it 25 percent. We are not talking about reducing it 50 percent. We are talking about reducing it 3 or 5 percent.

You know, I want to make that clear, these people, the men and women, valiant as they are who fought for our country and whatnot, they did not fight for some military society. They fought for a free society, a free economic society where most of our goods and most of our economy was devoted to providing a high standard of living for its citizens.

We are competing with countries that spend approximately 1 percent of their gross national product on defense. We spend 7 or 8 percent of ours, and we cannot compete and continue to compete as long as we are going to take this path.

We did win the war. The President is right. We did win the war. Now, it is time to win the other war, and the other war is the economic war where we need to devote these resources.

Mr. Speaker, you know, this rule is very fair. It gives the Republicans an opportunity. It gives the gentleman from California [Mr. DANNEMEYER], who is a Republican, an opportunity. It gives the Black Caucus an opportunity. It gives the Democratic substitute an opportunity. I do not know how we can be more fair than that.

Mr. Speaker, I suggest to you that we support the previous question and support the rule.

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

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

Mr. SOLOMON. Let me just say that the gentleman from South Carolina [Mr. DERRICK] seems to be inferring that the cuts are very insignificant in the Democrat budget.

Secretary Cheney, appearing before the Republican conference this morning, said that if the defense budget goes through as the Democrats want in this budget, it means laying off in this next fiscal year alone, 500,000 men and women. That is why the gentleman from Florida [Mr. BENNETT] and the gentleman from Missouri [Mr. SKELTON] are so concerned, among other reasons.

I thank the gentleman for the time.

Mr. DERRICK. Reclaiming my time, I will say that I remind the gentleman that we are cutting the defense budget not 25 percent, not 50 percent. We are talking about either 3 or 5 percent.

The Soviet threat is down, and we are talking about 3 or 5 percent. Anyone who thinks we cannot live with that, I do not know what to say.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on ordering the previous question.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 248, nays 172, not voting 14, as follows:

[Roll No. 36]

YEAS—248

Abercrombie	Gibbons	Owens (UT)
Ackerman	Glickman	Pallone
Alexander	Gonzalez	Panetta
Anderson	Gordon	Parker
Andrews (ME)	Guarini	Pastor
Andrews (NJ)	Hall (OH)	Patterson
Andrews (TX)	Hall (TX)	Payne (NJ)
Annunzio	Hamilton	Payne (VA)
Anthony	Harris	Pease
Applegate	Hatcher	Pelosi
Aspin	Hayes (IL)	Penny
Atkins	Hayes (LA)	Perkins
AuCoin	Hefner	Peterson (FL)
Bacchus	Hoagland	Peterson (MN)
Beilenson	Hochbrueckner	Pickett
Berman	Horn	Pickle
Bevill	Hoyer	Poshard
Bilbray	Hubbard	Price
Blackwell	Huckaby	Rahall
Bonior	Hughes	Rangel
Borski	Jefferson	Ray
Boucher	Jenkins	Reed
Boxer	Johnson (SD)	Richardson
Brewster	Johnston	Roe
Brooks	Jones (GA)	Roemer
Browder	Jontz	Rose
Brown	Kanjorski	Rostenkowski
Bruce	Kaptur	Rowland
Bryant	Kennedy	Roybal
Bustamante	Kennelly	Russo
Cardin	Kildee	Sabo
Carper	Kleczka	Sanders
Carr	Kolter	Sangmeister
Chapman	Kopetski	Sarpalius
Clay	Kostmayer	Sawyer
Clement	LaFalce	Scheuer
Coleman (TX)	Lancaster	Schroeder
Collins (IL)	Lantos	Schumer
Collins (MI)	LaRocco	Serrano
Condit	Laughlin	Sikorski
Conyers	Lehman (CA)	Skaggs
Cooper	Lehman (FL)	Slattery
Costello	Levin (MI)	Slaughter
Cox (IL)	Lewis (GA)	Smith (FL)
Coyne	Lipinski	Smith (IA)
Cramer	Lloyd	Solarz
Darden	Long	Spratt
de la Garza	Lowey (NY)	Staggers
DeFazio	Luken	Stallings
DeLauro	Manton	Stark
Dellums	Markey	Stenholm
Derrick	Martinez	Stokes
Dingell	Matsui	Studds
Dixon	Mavroules	Swett
Donnelly	Mazzoli	Swift
Dooley	McCloskey	Synar
Dorgan (ND)	McCurdy	Tallon
Downey	McDermott	Tanner
Durbin	McHugh	Tauzin
Dwyer	McMillen (MD)	Thomas (GA)
Dymally	McNulty	Thornton
Early	Mfume	Torres
Eckart	Miller (CA)	Torricelli
Edwards (CA)	Mineta	Towns
Edwards (TX)	Mink	Traficant
Engel	Moakley	Traxler
English	Mollohan	Unsoeld
Erdreich	Moody	Valentine
Espy	Moran	Vento
Evans	Mrazek	Visclosky
Fascell	Murphy	Volkmer
Fazio	Murtha	Washington
Feighan	Nagle	Waters
Flake	Natcher	Waxman
Foglietta	Neal (MA)	Weiss
Ford (MI)	Oakar	Wheat
Ford (TN)	Oberstar	Williams
Frank (MA)	Obey	Wilson
Frost	Olin	Wise
Gaydos	Olver	Wolpe
Gejdenson	Ortiz	Wyden
Gephardt	Orton	Yatron
Geren	Owens (NY)	

NAYS—172

Allard	Barrett	Boehlert
Allen	Barton	Boehner
Archer	Bateman	Broomfield
Armey	Bennett	Bunning
Baker	Bentley	Burton
Ballenger	Bereuter	Byron
Barnard	Bliley	Callahan

Camp
Campbell (CA)
Campbell (CO)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Dicks
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins

Horton
Houghton
Hunter
Hutto
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad

Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—14

Bilirakis
Hertel
Hyde
Jones (NC)
Levine (CA)

McDade
Neal (NC)
Nowak
Ros-Lehtinen
Savage

Sharp
Weber
Whitten
Yates

□ 1608

Messrs. HEFLEY, THOMAS of California, MILLER of Ohio, DANNEMEYER, and TAYLOR of Mississippi changed their vote from "yea" to "nay."

Mr. KOPETSKI and Mr. YATRON changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

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

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

Mr. DREIER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 182, not voting 13, as follows:

[Roll No. 37]

YEAS—239

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren

Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Huckaby
Hughes
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)

Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sikorski
Skaggs
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yatron

NAYS—182

Allard
Allen
Archer
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bennett

Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Byron

Callahan
Camp
Campbell (CA)
Campbell (CO)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin

Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Dicks
Doolittle
Dornan (CA)
Dreier
Duncan
Early
Edwards (OK)
Emerson
English
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hubbard
Hunter
Hutto
Inhofe

Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Lancaster
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison
Myers
Neal (MA)
Nichols
Nussle
Orton
Oxley
Packard
Paxon
Petri
Pickett
Porter
Pursell
Quillen
Ramstad

Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—13

Armey
Edwards (TX)
Hyde
Levine (CA)
McDade

Neal (NC)
Nowak
Ros-Lehtinen
Savage
Sharp

Weber
Whitten
Yates

□ 1626

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WITHDRAWAL FROM PARTICIPATION AS MEMBER OF REVIEW PANEL OF FAIR EMPLOYMENT PRACTICES RESOLUTION AND APPOINTMENT OF TEMPORARY MEMBER THERETO

The SPEAKER pro tempore (Mr. MCNULTY) laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 3, 1992.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to inform you that, pursuant to Section 7 of the House's Fair Employment Practices Resolution, H. Res. 558 of the One Hundredth Congress and readopted as Rule LI of the One Hundred and Second Congress, I withdraw from participation as a member of the Review Panel for a particular matter which is to be before the Panel.

With great respect, I am

Sincerely yours,

DONNALD K. ANDERSON,
Clerk, House of Representatives.

Mr. FROST. Mr. Speaker, I ask unanimous consent that in appointing a temporary member of the Review Panel under section 7(a)(1) of the Fair Employment Practices Resolution, House Resolution 558 of the 100th Congress, the Speaker may appoint any employee of the House of Representatives.

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

Mr. THOMAS of California. Mr. Speaker, reserving the right to object, my concern—and I would ask this as a response from the gentleman from Texas—is that in the resolution as read it indicates that the member requests unanimous consent to appoint any employee of the House of Representatives, and under rule LI the Speaker's appointees to this review panel are normally Members of the House. So the majority is asking an exception to the rule. Is this a one-time exception for this panel only? Is that the understanding?

Mr. FROST. Mr. Speaker, if the gentleman will yield, that is correct. The gentleman is correct.

Mr. THOMAS of California. And this is not an attempt to amend the rules to provide this power to the Speaker permanently, but it is for purposes of filling this vacancy on the panel only?

Mr. FROST. The gentleman is correct.

Mr. THOMAS of California. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

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

Mr. WALKER. Mr. Speaker, reserving the right to object, my concern is that even though this is a temporary situation, we are setting a precedent here which goes beyond the nature of the rules. As I understand the rules, the Speaker has the power to appoint to the Fair Employment Practices Panel officers of the House under the present rule. There are in fact sufficient officers of the House to empower a panel at the present time, and yet we are under this particular provision changing that rule for this purpose and are proceeding under another kind of practice.

□ 1640

First of all, I would like an assurance that this not only is temporary, but will not be used as a precedent; and, No. 2, I would like an explanation of why the present rule cannot be followed.

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

Mr. WALKER. I yield to the gentleman from Texas.

Mr. FROST. Mr. Speaker, I will be happy to respond to the gentleman. Clearly this will not be used as a precedent. This is a one-time situation. I will be glad to explain to the gentleman from Pennsylvania [Mr. WALKER] why it is necessary in this particular case.

There are four officers of the House that the Speaker can choose from. The Speaker has selected two of those officers. One of those officers is the subject of this particular inquiry; the particular complaint that is being reviewed is lodged against that officer. So he must, of course, recuse himself from consideration of the particular complaint.

That leaves two other officers that we could appoint. One of those is the Sergeant at Arms, Mr. Russ, who is incapacitated. The other is the Postmaster, who is otherwise occupied currently with a number of things and does not have the time to devote to this particular inquiry.

I would point out to the gentleman from Pennsylvania [Mr. WALKER] that what is being asked here, and it is not a precedent, is that the Speaker have the same authority to choose from all employees of the House that the minority leader currently has in making his two appointments. Under the rule as written the minority leader could appoint any of the thousands of the employees of the House. The Speaker was restricted to the four officers.

This would put the Speaker, at least for this one instance, on temporary footing, the same footing with the minority leader.

I would also point out that there has been some concern raised in this House that there were not enough women serving on the panel, and this will permit the appointment of an additional woman to serve on the panel, but again, only for this one case.

Mr. WALKER. Mr. Speaker, reclaiming my time, I thank the gentleman from Texas [Mr. FROST] for his explanation. Of course, the reason why the minority leader has the ability to choose from all employees is because there are no officers of the House that the minority is permitted to have. If in fact you want to share some of that authority with us, I am sure we would be very happy to have the minority leader choose from amongst officers of the House on our side.

I do understand the circumstances for this. The principal assurance that I wanted to have was that we are not setting a precedent here and that this will not be used in the future as a way of further evading the rules on fair employment practices.

There are a number of us on our side who believed from the outset that this was something that should be done pursuant to the laws followed by all the rest of the Government, that we ought not have a separate operation, and that fair employment practices ought to be carried out as a part of the regular law of the nation. This probably confirms this, that this particular pattern does not work very well, it is subject to change when we run into patterns that we cannot accommodate, and might be an indication that we ought to take a look again at just following what everybody else does.

But given these present circumstances and with the explanation of the gentleman from Texas [Mr. FROST], I would withdraw my reservation of objection.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to the order of the House of today, and the provisions of rule LI, the Chair, without objection, appoints as a temporary member to the Review Panel of the Office of Fair Employment Practices Ms. Diane Powell, staff director, Committee on Agriculture.

There was no objection.

APPOINTMENT AS MEMBER OF SELECT COMMITTEE ON AGING

The SPEAKER pro tempore. Pursuant to the provisions of clauses 6 (f) and (i) of rule X, and without objection, the Chair appoints the gentleman from Arizona [Mr. PASTOR] to the Select Committee on Aging.

There was no objection.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 650

Mr. JONTZ. Mr. Speaker, I ask unanimous consent to have myself removed as a cosponsor of H.R. 650, the Mediplan Health Care Act of 1991. I had no intention of cosponsoring this legislation, and my name was added to this measure in error.

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

There was no objection.

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1993

The SPEAKER pro tempore. Pursuant to House Resolution 386 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 287).

□ 1634

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 287) setting forth the congressional budget for the U.S. Government for the fiscal years 1993, 1994, 1995, 1996, and 1997, with Mr. SERRANO in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to the rule, the concurrent resolution is considered as read the first time.

The gentleman from California, [Mr. PANETTA], will be recognized for 1 hour and 30 minutes and the gentleman from Ohio [Mr. GRADISON], will be recognized for 1 hour and 30 minutes. Said time will include a period of 1 hour on the subject of economic goals and policies.

The Chair recognizes the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I rise today in support of the budget resolution reported by the Budget Committee. Much of the committee's work is consistent with the invest in America now initiative I presented to the Budget Committee several weeks ago. My real hope is that we have the courage to ratify this resolution by approving Chairman CONYERS' bill to take down the walls which restrict our access to any peace dividend.

I support this budget resolution because it redirects Pentagon savings to the Nation's real needs. Only if we follow through on this resolution will my constituents at the Willow Run plant receive the assistance they need to get retrained and find new jobs. Only if we follow through on this resolution will the hard-working families in my district get some help in sending their kids to college.

I particularly support the Budget Committee's decision to direct more than $650 million from the peace dividend to Job Training Partnership Act [JTPA] programs, including assistance to Michigan's dislocated workers fully satisfying my request to the Budget Committee. For thousands of Michigan workers and their families, the financial commitment we make to dislocated workers' assistance means hope for the future in the face of a seemingly endless recession.

The budget resolution assumes a 17-percent increase over existing funding and will go far toward helping displaced workers learn the skills they need for new and productive employment. Moreover, this decision reverses the President's fiscal year 1993 budget proposal to cut funding for these critical programs which answer the needs of average Americans.

Along with the additional funding for JTPA, the Budget Committee also heeded my call to increase funding for school readiness, elementary and secondary education, and college assistance for the children of middle-income families.

The Budget Committee's decision to invest in America now by investing in this Nation's children offers a vision for the future sadly missing from the Bush budget. An increase of $3.7 billion over last year for educational opportunity offers promise to hard-working American parents trying to build a better future for their children. And $800 million in increased funding for Head Start will mean tens of thousands of youngsters will have a better chance to succeed by being ready to learn when they get to school.

Overall, this budget resolution endorses fiscal year 1993 funding more than $5.7 billion over fiscal year 1992 levels for school readiness, elementary and secondary education, higher education, training and employment, child care, and the women, infants, and children [WIC] programs. These levels are close to double the level of support proposed in the President's fiscal year 1993 budget.

For the past 11 years, this Congress has been party to a costly reordering of priorities. This Nation's domestic agenda—education, job training, housing, health, middle-income American families—has taken a back seat to a deficit fueled by 11 years of borrowing to promote military spending and tax cuts which coddled the rich. We now spend more to service the debt than we do on all domestic discretionary spending.

Mr. Chairman, we have paid the piper dearly. No doubt, the outbreak of democracy around the world has reduced the global threat of war. The time has come to reap the reward of the new peace.

We must prepare our workers for the jobs of tomorrow. We must prepare our children and grandchildren for the challenges of a new day. The time to invest in America is now.

This Nation's economic and social future depends on having the best educated work force in the world. Our competitors must be met by graduates of American schools who are educated on the lessons of the America's great past and the technology of the future.

Through our budget process we have locked ourselves into a fiscal straitjacket and let OMB swallow the key. Experts and nonexperts both warned us that we would regret the day when we agreed to fiscal inflexibility in the guise of fiscal discipline. The world is not inflexible—witness the past 2 years. Our country is not inflexible. It is resilient and over the years this Nation's people have risen to meet every challenge.

Mr. Chairman, as Members of Congress, we were elected first to represent our constituents. That is our duty. That is our responsibility. But our more demanding responsibility is that we lead. Our courage to lead will determine whether America moves forward to reclaim our role in the world or whether we allow our world competitors to consign us to second class status.

In the next few weeks, I will bring legislation to the floor which will give middle-income families access to Federal financial assistance to send their kids to college. The Higher Education Act Amendments of 1992 holds real promise if we are bold enough to follow through and let our children profit from the peace dividend.

I urge my colleagues to join me in supporting this budget resolution as well as Chairman CONYERS' budget reform bill. Taken together, this invest in America now strategy will permit our future to profit from today's peace dividend.

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

Mr. Chairman, I rise in support of House Concurrent Resolution 287, the concurrent resolution on the budget for fiscal year 1993. I would remind Members that this is the earliest resolution on the budget that we have brought to the House out of the Committee on the Budget in the history of the Budget Act. So since 1975 and the creation of the Budget Act, we have never brought a budget resolution to the floor earlier. This is the earliest.

Mr. Chairman, I want to express my thanks to the members of my committee and to the staff and other Members on both sides of the aisle who cooperated in moving this resolution along, expediting it to the floor, because we did want to respond to the request of the President to be prompt in moving economic packages this year so that we could try to address the problems within our society and within our economy.

Mr. Chairman, we faced a number of challenges in this effort as we tried to do this. The first was obviously the whole process of expediting a resolution, getting through the numbers, getting through the priorities, and trying to decide how we would adjust those priorities. That takes time and it is tough. We basically worked through the evenings with staff and worked with a number of caucuses to try to arrive at the package that we present before you.

The second challenge we faced is the uncertainty over the issue of what happens with regard to what are called the walls. For those that are not familiar with what we are talking about, these are the requirements under the budget agreement that you cannot take Defense savings and use them in other domestic areas, even if you stay within the overall spending limit provided under the budget agreement.

There is legislation in both the House and the other body to basically allow for the use of Defense savings for investments in these other areas. We do not know how that legislation will be disposed of. Obviously it comes to the floor next week and Members can express themselves on that legislation at that time.

Some would say that it has no chance. But, on the other hand, the President yesterday has basically indicated that he disputes and admits that the greatest mistake he ever made was the budget agreement. I do not know what he will apologize for tomorrow, but he has already apologized for almost every decision he has made with regard to domestic policy and economic policy in his administration.

Second, the budget proposal submitted by the administration indicates that perhaps one possibility is to use Defense savings for the purpose of paying for tax cuts. Although I do not support that, that was clearly an indication made by the Director of the Office of Management and Budget, within the budget, and also before the Committee on the Budget.

So we do not know. It is uncertain as to what happens with regard to that legislation. And that created a problem for the committee in terms of what we pieced together as a budget resolution.

We felt the only responsible approach for the Committee on the Budget in an effort to expedite the resolution was to develop two paths: one, assuming that the walls would come down and that we would be able to use defense savings for domestic investment; and the second, if the wall stayed up and we have to operate within the caps established under the budget resolution.

We felt this is the only responsible approach, because clearly if we took one path, only to find that the legislation did not pass, we would then be left with a situation where the Committee on Appropriations had absolutely no guidance to follow in trying to expedite the appropriations process.

So for that reason, the resolution presents these two paths. It provides that if the bill, 3732, or similar legislation is not enacted by the time that we have to appoint conferees, that we will go to conference and conference on plan B, which is to operate within the caps. Therefore, both approaches really frame the kind of debate that needs to take place in the House of Representatives as we confront what is truly a changing world and changing needs within our own society.

□ 1640

Let me make clear that both approaches that we have presented here are very different from the President's approach in his budget. We reject the gimmickry that is part of the President's budget, particularly with regards to accrual accounting.

We reject the unfair approaches with regards to cuts, and we reject the nature of the investments that the President makes. So under both approaches we have basically tried to establish a very different direction in terms of where the budget ought to head.

Both approaches stress three points, and let me summarize each of the three points.

The first is that we maintain budget discipline. Under both approaches, we stay within the overall spending limits established by the budget agreement. Obviously plan A would do it under the discretionary spending limit; plan B within the specific limits established under discretionary spending, domestic discretionary spending. Under both we would use defense savings in part for deficit reduction, and so both of the proposals we present here involve a lower deficit number than the President.

Under plan A we would be at roughly $331 billion in deficit; under plan B, $324 billion. The difference obviously is that in plan B we would take all defense savings and use it for deficit reduction.

We eliminate the use of gimmicks, and I have got to stress again that for all of the discussion about the importance of budget discipline and the need to stick by the budget agreement, what the President's budget essentially did was to flimflam the Congress and the country by the use of the gimmick called accrual accounting.

What accrual accounting means is that we simply reach into the future to grab assets, phantom assets, and then bring them to the present and spend them, and spend them. We could argue perhaps about the rationality of using accrual accounting as an approach. I think that is legitimate to do. But to then take that accrual accounting, grab those assets, bring them to the present and then spend them either on tax cuts or other areas is wrong. It is gimmickry of the worst kind, and we rejected that.

We have basically thrown accrual accounting out because we do not want to send that kind of message either to the House or to the American people.

Last, we have to make tough decisions with regard to how we freeze domestic discretionary spending, and we do. In most areas we freeze domestic discretionary spending, except for those areas that we think ought to be targeted for increases. And in addition to that, we recommend a 5-percent reduction on the operations of the Congress and of the executive branch and of the White House because we feel strongly that we have to send a signal to this country that we are willing to tighten our belt at a time when most families are tightening their belt as well.

So budget discipline is very much a part of both approaches that are recommended here.

Second, fairness, and again I would stress both approaches that we recommend reject proposals by the President that we think go after the most vulnerable in our society.

We reject a Medicare cut of almost $14 billion over 5 years recommended by the President. We reject a veterans cut, cuts in veterans benefits of almost $3.5 billion over 5 years. We reject that.

We reject cuts on Civil Service areas, Civil Service employees of $5.5 billion in the President's budget. We do not accept the delay in pay of 3 months. We think that is arbitrary and discretionary in terms of the way the President has approached the budget.

We reject the increase in retirement contributions that is required under the President's budget, and we also reject the elimination, the total elimination of the lump sum requirement which is also part of the proposal by the President.

In addition to that, look at some of the domestic cuts that are part of the President's budget. Mass transit is almost cut by close to $1 billion in the President's budget, mass transit, something we think is an integral part of the transportation system of this country. We reject that.

We reject cuts in higher education, in low-income housing. The Community Development Bloc Grants Program, for those of my colleagues concerned about conversion, let me tell them, as someone who is going through the process of dealing with Defense cuts, that program, the Economic Development Program, is one of the most important programs to try to assess as we make that conversion.

We have rejected the President's cuts. He almost emasculates both of those programs in his budget proposal. Juvenile justice cuts of $64 million; cuts in low-income energy assistance, those are all rejected in both approaches that we have presented to the House.

Last, we have tried to redirect some investments into areas that we think are important for this country. Let me begin perhaps by discussing the Defense budget because obviously that is an area of dispute that legitimately ought to be debated on both sides as to where we go.

Some would say that the world has not changed. Some would say that there is no need to address this issue. Some would pretend that somehow we do not have to confront the issue of how we gradually reduce defense and try to reorder priorities in our society.

I am afraid that that is a fundamental decision that this country needs to make. Every industrialized country is now focusing on its economic base, improving its society, improving its economy. Do we not have to do the same thing? Are we going to hide from that?

There are people that are now talking about the Defense budget as if it is a public works job program. The Defense budget is designed to protect our national security, no more, no less. And that is how we decide our Defense budget.

I understand the jobs issue. As I said, I understand it probably better than anybody here. But we cannot just use that as an excuse for not dealing with the transition that absolutely has to take place in our society today.

Defense is an area that has to be addressed. We have to be careful. It has to relate to the threat. It has to relate to a strategy. It has to be done under a transition basis, and I pay tribute to the chairman of the Committee on Armed Services that basically designed an approach that said, let us look at several strategies and try to design something that meets the potential threat that may be out there in 3 to 4 years. That is the way we approach the Defense budget.

The President's budget developed a number at a time when the Soviet Union still existed. Are we going to accept that number? Is that rational? The world has changed. We need to carefully approach that transition. That is our responsibility to our people and to our Nation. So the numbers recommended by the chairman of the Committee on Armed Services are exactly the numbers that we adopted, not just in one approach but in both approaches, because we think it meant good policy.

And so what we do is we essentially take $10 billion in outlay savings, $15 billion in budget authority savings under both approaches. Under plan A we take about $6.4 of that and target it into key investments. We take about $2.6 billion of that and put it to deficit reduction. And we take $1 billion and say that is important for conversion. So essentially the defense area, the Committee on Armed Services get $1 billion back to basically try to deal with the problem of conversion.

Under plan B, where we retain the cap, $9 billion goes to deficit reduction and $1 billion to conversion.

Let me tell my colleagues that when we look at what has happened with regard to Defense and domestic spending, there is no reason why we cannot do this, no reason. It is right. If we look at the graph that defines what has happened to Defense spending and domestic spending, as a percent of GDP, in the 1980's Defense spending went up almost 6.5 percent of GDP. At the same time, the domestic spending was going down to 3.3 percent of GDP.

What we did in the 1980's was we made a transfer. We basically took a lot of domestic savings and put them in the Defense budget. That is what happened. The Defense budget almost tripled.

The domestic budget went down, and people were hurt in that process, were paying the price for that policy.

Now, my goodness, when we have got a changed world, do my colleagues mean to tell me that we absolutely cannot restore some of the balance, that we are absolutely tied to having this kind of budget take place?

Now is the time to use some creativity, some imagination and, hopefully, some compassion so that we focus on the needs within our own society.

□ 1550

That is what we tried to do in the budget. Let me just mention the areas that we target investment at, because we have had heads of corporations come to the Committee on the Budget and say, "For goodness sake, if you want us to improve our productivity, if you want us to improve our competitiveness, then you absolutely have to invest in key programs that affect our society. You have to invest in education. You have to invest in health care. You have to invest in jobs and job training if you are going to help us do a better job competitively in the world.

Eight CEO's came to the Committee on the Budget and said, "We want you to increase funding for Head Start, because we need it. Please do that." So what we have done in this budget is targeted three areas. The first is education. What we did in education is essentially increased the funding for Head Start so we could take in another 37,000 kids beyond what the President proposed, and in elementary and secondary education and higher education we basically doubled the President's number, as this graph shows, doubled the President's number, so that instead of cutting 400,000 who otherwise would be eligible for Pell grants, we allow 500,000 students the opportunity to be able to get some help so they can go on and educate themselves.

We know what is happening right now. The American dream is vanishing. The hope that our kids can have a better life is vanishing. If they are going to have a chance at getting a better life, they have to do it through education. That is a legitimate area to put resources into.

Second, on health care, we know what the problems are in health care. Everyone is focused on that. There is not a program here that is not supported on both sides of the aisle. Even the President has recognized the importance of some of these programs.

The WIC Program, Women, Infants and Children's Feeding Program, is one of the best programs out there to help women who are pregnant so that they can have healthy babies. Every dollar we put into that program saves us $4 in health care costs. We put $400 million into the WIC Program so that we could serve almost an additional 600,000 women, infants and children.

Health research, another area that needs to be expanded. We put $800 million, doubling the President's number, so we could focus on the kind of health research that our people need for the future.

Low-income health care and immunization. Let me just mention that one area because I really think that is important. We put $150 million into immunization, $150 million. That compares to the President's $51 million. Why did we do that? Because it is a disgrace in our society not to have children who are fully immunized.

Why have we waited so long to try to immunize all of the kids in this country so they do not face the kind of dreaded diseases that they face in Third World countries? There is no reason why this country cannot do that. There is no reason why the United States of America cannot fully immunize every child under 6 years old. We do it in this budget.

AIDS research. We know what AIDS is doing to our society. We have put $425 million into that area because we think it is important to fully fund the Ryan White program and to fully fund the research we need to try to find the answer to that dreaded disease.

Veterans programs, we added $100 million so we can serve an additional 100,000 veterans, so they can get health care that they deserve in our society.

The last area I would mention is the area of jobs, growth, and conversion. Under any scenario, whether we follow the President's budget, his cuts, in defense, or whether we follow the Aspin numbers we have incorporated here, whatever scenario we follow we have to put money in conversion. We absolutely have to do that. We cannot ignore that.

We put about $5.4 billion into conversion programs. One is infrastructure. Everybody supported the highway bill last year. What we did in highways is to put the full number, $2.6 billion, into the budget, which represents, incidentally, 150,000 jobs for this country.

Mass transit, which the President virtually emasculated, as I mentioned, we add about $500 million into that program.

Job training, dislocated workers. Talk to the GM workers, talk to the workers who are being displaced every day in our society. One of the most important programs we can help them with is the dislocated worker program. We add about almost $300 million to that program, a total of about $689 million so we can try to help about 180,000 workers in this country.

Housing, again the President basically went after low-income housing, rural housing, and we tried to restore those funds so we could continue to develop those units for our people.

As I said, CDBG, the community development block grant, EDA, we added money there because we felt those programs are particularly important to conversion.

Last, on energy, if this country does not get smart and develop energy independence, we are going to lose out in the competition for tomorrow's world. We will lose out. If all we do is wind up continuing to be dependent on Middle Eastern oil, we are being irresponsible in how we handle our economy.

The President said, "Do not worry about conservation. Do not worry about research and development and alternative fuels." He is wrong. We do need to put money into that area, and we added about $430 million for that purpose.

So those are the priorities. Those are the targets. I would wager to say there is not a Member here who disagrees with those priorities. They may disagree about where we try to find the funds to do it, but there is not a Member here who does not believe that those priorities are important for this country.

There is a fundamental choice that faces all of us. The choice is what alternative do we adopt in these next few days. Is it the President's budget, which I think moves us backwards? Is it the progressive budget that will be debated tomorrow that cuts Defense even more than what any of the plans would do that are being presented? Or is it the proposals of the Committee on the Budget that offer, I think, a responsible approach?

When we talk about budgets, there is a tendency to get wrapped up in numbers. These are not just numbers that we are talking about here today. We are talking about people. We are talking about whether or not we can establish 400,000 jobs, as we do in this budget. We are talking about students looking for Pell grants. We are talking about women looking for services out of WIC. We are talking about whether we can immunize 4 million kids in this country. We are talking about 37,000 kids who could get into the Head Start Program, and 110,000 veterans who can get health care.

□ 1656

Those are the issues. That is what this debate is all about. It is not about numbers; it is about people. That is the way we framed the debate.

The choice for the Members is really the choice about what kind of future are we going to have as a Nation. The choice is yours, ladies and gentlemen of the House of Representatives. I hope you will support the House committee version.

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

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

Mr. MAZZOLI. Mr. Chairman, I want to commend the gentleman from California on an outstanding statement. I have observed him over many years in the House. He is a thoughtful, deliberative and I think today very clearly a sensitive and compassionate Member of this body. The things the gentleman from California has talked about, everything from the CDBG to the additional money for mass transit are very important to communities which I am proud to represent, so the gentleman from Kentucky stands with the gentleman from California in support of the committee product, and I do hope that after this long process is ended that will be the version we send on.

Mr. PANETTA. Mr. Chairman, I thank the gentleman from Kentucky.

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

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

Mr. Chairman, the House is being asked today to debate and vote on one of the oldest pieces of legislation many of us can remember. The problems with this bill start from the very beginning: It's called a budget resolution—but it is not a budget, and it resolves nothing.

Frankly, what happened is that the Budget Committee Democrats were in a jam. Some of them wanted to produce a budget that conformed to the budget disciplines, with its spending caps and firewalls, adopted in the Congress less than 1½ years ago. This is plan B of the legislation before us. Plan B has a number of significant flaws, but also has a basic virtue: It would target all its spending reductions—most of which are in defense—to deficit reduction—just what the Budget Enforcement Act intended.

But another group of Democrats have found they just can't live with the budget discipline even though 19 of the 23 Democrats now serving on the Budget Committee voted for the Budget Enforcement Act of 1990. Even though the Democrats on the Budget Committee keep looking for ways to spend the so-called peace dividend on their favorite domestic programs. That is all well and good. But, this would require breaching the firewalls that are an essential part of the discipline imposed upon the Congress by the budget agreement such a short time ago.

So how did Democratic committee members resolve the differences between these two sides? Very simply: They didn't. They took their two budgets and submitted them together, as if they were one. So we have plan A, which requires breaking the budget agreement to pay for a wish list of domestic spending, and plan B, which is largely the same as the President's budget except that—like plan A—it cuts deeper into fiscal year 1993 defense spending and achieves none of the specific entitlement savings that the President recommends.

Now, we should note why the Budget Committee Democrats say they have done this. The ostensible reason is that pending legislation—the Conyers bill—would tear down the firewalls separating discretionary spending categories. That legislation has not yet been to the floor, and even if it gets here, it's uncertain whether it would pass. It is all but certain not to be enacted. But the Budget Committee Democrats insisted they had to give the House a choice anyway, so that the House would have one kind of budget if the firewalls stay intact, and another if they don't. Why wouldn't they let the Budget Committee make a choice? And why wouldn't the Rules Committee let the House make a choice? The answer is obvious—they need to pass something to retain the facade of relevancy for the Budget Committee. And God forbid that they should ever need Republican votes to pass any measure on the floor of the House of Representatives.

The Democrats have given the House multiple choice instead of leadership—a cafeteria plan instead of a budget. This would be enough reason to simply ignore this whole procedure as irrelevant. But for the sake of argument, let's still look at some of the specifics in this so-called resolution, starting first with national defense.

Both of the Democrats' proposals would cut defense in fiscal year 1993 more deeply than the President, who already has recommended steeper reductions than those in the 1990 Budget Enforcement Act. But the Democrats' numbers are based on four highly tentative defense paths outlined by the Armed Services Committee chairman in a 30-minute presentation 2 days before markup. The Budget Committee Democrats were unable or unwilling to choose which of the four spending paths they preferred, so they have simply inserted plug numbers for defense in the outyears, and left the real decisions to the Armed Services Committee. The Budget Committee majority does not clearly define the outyear dollar figures for defense. Curiously, they've inserted OMB's baseline numbers for the outyears, but it is very clear from the resolution itself that these numbers are unreal. Amazingly, under the Democrats' plan, they project spending $35 billion more than the President over the 6 years 1992–97. But the Budget Committee chairman has just gone on about all the glorious cuts they intend to make in defense. Once again, will the real Democratic plan please step forward.

They also refused to accept the President's rescission of more than $7 billion in defense spending in fiscal year 1992. The implication is that they would force all these defense savings and cuts into fiscal year 1993, rather than accepting the more gradual and rational approach outlined by the President.

When Republicans on the Budget Committee moved to provide rescissions of $7 billion in defense spending for fiscal 1992, the current year, the Democrats who are telling us how much they want to cut defense voted us down.

Let us move now to domestic discretionary spending.

The Budget Committee Democrats contend that certain domestic needs are so important that taxpayers should spend more on them than the President recommends. But that turns out to be true only if Congress can capture a highly uncertain defense windfall to pay for it. Under plan A, as our chairman has just pointed out, the Democrats would increase Head Start funding by $800 million, compared with the President's $600 million; they would raise higher education funding by $3.7 billion, compared with the President's $1.7 billion boost.

□ 1705

They would increase veterans' health services $1.1 billion, rather than the President's $986 million. You will hear a lot about these and other election-year spending increases throughout this debate. Just remember that they are not real. Under current law, which is most unlikely to be changed, these spending levels will lead only to veto, sequester, or both.

Plan B is the real budget. And here, these priority investments were apparently not that important to the Democrats. In this version of their budget, the Democrats maintained precisely the amount of spending increases in these three areas: Head Start, higher education, and veterans' health, as recommended by the President. So much for their initiatives.

This is obviously because the budget agreement's discipline forces any increased spending to be financed by spending cuts elsewhere. This they simply could not bring themselves to do.

Many Democrats complain that domestic discretionary programs are being strangled by the tight domestic cap. They are wrong. They are dead wrong. The 1993 budget authority cap will allow 34-percent real growth, after inflation, in domestic discretionary budget authority compared over the 1986 level. The outlay cap represents a 19-percent real increase after inflation during the same period. How much is enough? When will the Democrats' appetite for higher spending ever be satisfied?

It is ironic that each budget summit agreement has countenanced higher limits on domestic discretionary spending. Despite all the rhetoric to the contrary, this category was under better control between 1982 and 1986 than it was after it was controlled by the budget agreements of 1987, 1989, and 1990. Each new higher limit offered relief from the alleged starvation diet of the earlier regime. Solemn promises were sworn that henceforth firm discipline would reign—until the next time. No wonder the President has had second thoughts about the Budget Enforcement Act. So should the House of Representatives.

When will committee Democrats really start controlling this spending. I do not know about you, my colleagues, but my constituents do not really want more Government spending. They want a smaller deficit, and that is the issue before us today.

ENTITLEMENTS

The Democrats talk a good game about the importance of entitlement restraint, but when it came to doing something about it, they said no. The President proposed specific entitlement savings of $38 billion over 5 years. These the Democrats have rejected outright. Instead, and this I do not understand, but I will tell you what the problem is, some time between the end of markup and the time when the budget resolution was filed, $2 billion a year in unspecified entitlement savings were added to the budget by the majority. These savings are undefined, unreconciled, and so far as I can tell, unclaimed. But perhaps before the debate is over we will find out just what these are. When we suggested cuts in entitlements, we were virtually laughed out of the committee and voted down on a party line basis.

Now, the Democrats would be the first ones to move how sensitive entitlement programs are, because they directly affect individuals. But if that is true, why did they, in the dark of night plug in this $2 billion of entitlement cuts without giving an indication in the committee report about where the money should come from?

REVENUES

Neither of the two Democratic plans in this resolution reflects the tax bill passed by the House on February 27, just about a week ago, the same day as the Budget Committee's markup. If the Democrats' tax bill defines the differences between the two as they keep telling us it does, why does their budget resolution ignore it? Probably for this reason: Including it would have yielded a deficit higher than the maximum deficit amount allowed by the BEA—which, in turn, would cause a sequester. Talk, in other words, their tax cut was just pie in the sky; they do not have any idea how to pay for it in 1992 and 1993, which is the here and now of budgeting.

Finally, with regard to deficit reduction, I can only conclude that my friends on the other side of the aisle really are not interested in deficit reduction. During the markup, our side offered amendments that would have resulted in more than $15 billion in deficit reduction in fiscal year 1993, and every one of those proposals was rejected.

The committee's majority insists that there are certain domestic investments, as they call them, that are crucial to preparing the Nation for the 21st century. Now, many of us agree about the value of programs such as Head Start and WIC and immunizations for children.

But what the Democrats just cannot seem to acknowledge, and I do not think they understand it, is that reducing the deficit is investment, too.

Deficit reduction shrinks Government borrowing so that more money remains in the private sector for savings, capital formation, home ownership, plant construction, job creation, and the like, and that is true on a dollar-for-dollar basis. A dollar less borrowed by the Federal Government is a dollar more available for the private sector. Thus, deficit reduction in this Member's view is the best investment for long-term economic growth.

In this regard, the Democrats' plan B, by concentrating all its defense savings on deficit reduction, is far better than its counterpart. Unfortunately, one cannot tell from this twin resolution which plan for the Nation's future the Democrats really favor, and when all of the smoke clears and their budget resolution is approved, as it probably will be, we still will not know what they stand for.

Mr. Chairman, in this debate, we have already heard a lot about the investments the Democrats want to make, about their bolder plan for setting a course toward the next century. But what we have before us is really no plan at all. The question that truly is before this House is: Will the real Democratic budget resolution please stand up?

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

Mr. PANETTA. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. ESPY], a member of the Committee on the Budget and one member who has been very helpful in putting together this budget resolution.

Mr. ESPY. Mr. Chairman, I thank the gentleman for yielding me this time. I congratulate him on his excellent work.

Mr. Chairman, a budget resolution is a blueprint. It is a road map. It is a statement of priorities, and more than anything else, it is a statement about how this institution will respond to the pain and suffering presently existing within our Nation.

Now, while the President's budget remains stuck in addressing the threats to our past, this committee has produced a forward-looking budget that addresses threats to our present and threats to our future.

Most important of all, Mr. Chairman, when 10 million Americans are unemployed, when 10 million more are underemployed, and when untold millions are worried about losing their jobs, this budget creates jobs.

Our economy now, Mr. Chairman, is in the longest recession since the 1930's. This budget that promotes economic growth, not by repeating the failed policies of trickle down, but by building from the ground up.

Assuming that this Congress does the right thing next week and removes the firewall so that some of the defense savings can be used for domestic needs, plan A of the Committee on the Budget will create 150,000 new jobs through increased funding for highways. It creates 28,000 jobs through funding for mass transit, and it creates 10,000 new jobs for every billion dollars that is transferred from defense procurement to domestic investments.

The committee budget helps train our work force, Mr. Chairman, by increasing job-training programs by $689 million if the walls come down, and by $429 million even if they do not. It provides $160 million for Job Corps, capital improvement, and $5 million for a new program, microenterprise program, which helps welfare recipients get jobs, helps at-risk youth enter the economic mainstream.

This budget promotes economic growth and job creation by increasing funds for the Rural Development Administration, the rural development programs, the EDA and the Small Business Administration which provides 80 percent of all the new jobs in America. It promotes economic growth, Mr. Chairman. It creates jobs.

Mr. Chairman, lastly, this budget ensures that communities hurt by the necessary reductions in defense are assisted by providing funds for economic conversion, and it enhances our future by transferring funds to convert our research technology from military applications to much needed civilian applications.

□ 1715

Mr. Speaker, for the past 40 years we have devoted our Nation's resources to preparing for war. Now we need to prepare for peace, restore our domestic economy and to create jobs.

This budget, Mr. Chairman, is a good one. It begins to take us down the path that we must go.

Mr. GRADISON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from North Carolina [Mr. MCMILLAN], a member of the Committee on the Budget.

Mr. MCMILLAN of North Carolina. Mr. Chairman, I believe most of us were elected to be part of a solution, not part of the problem, but these budget proposals perpetuate the problem rather than address the solutions.

Almost every outside expert, and we had many, testified that the best thing we could do for the economy was hold to the spending caps, not increase taxes, and use any so-called peace dividend to reduce the budget deficit.

This committee budget is neither a plan nor a solution. It is simply a statement of the status quo with a few minor adjustments.

You will hear a lot of rhetoric about the differences, but you will not hear much about the fact that it is a perpetuation of massive budget deficits which will continue to sap our capital investment, raise real long-term interest rates and reduce economic growth, competitiveness and productivity.

The underlying economic problem of this country is a result of misguided fiscal and tax policies and these budget proposals do not correct that.

What we have got is essentially a continuation of the same stuff that will produce a $400 billion deficit in 1993 and deficits in excess of $200 billion a year as far as the eye can see.

And so we have plan A and plan B from the Democratic side, and the President's budget, as a substitute to be proposed by Mr. GRADISON as well as other substitutes to be offered.

The public should understand what the differences are—and they are not much.

Basically, the two-headed Democratic plan cuts defense outlays by $5 billion more than the President's budget for fiscal year 1993. Plan A would break the Budget Enforcement Act and apply those additional defense reductions along with some of the President's other reductions to more domestic spending programs. Plan B would stick to the Budget Enforcement Act and apply the additional defense reductions to deficit reduction, and those who support that should be commended.

While the differences between plans A and B are not great for fiscal year 1993, the differences in principles are: Plan A breaks the budget agreement. That act, which caps discretionary spending, is the only thing in the law today that is partially restraining runaway spending.

Both plans A and B are uncertain as to what defense outlays would be beyond 1993.

Defense requires long-range planning and these cuts set in motion actions with long-range consequences that both plans A and B leave up in the air.

The President's plan to be offered by Mr. GRADISON is essentially the same as plan B on domestic spending but is quite clear in its proposal to reduce defense spending by $50 billion over 5 years. It also holds to domestic discretionary spending caps.

Where all of these proposals fall short is their failure to address the dramatic increase in mandatory programs, due primarily to the rampant increases in the cost of medical care across this country. Entitlements make up over 50 percent of this budget and the 13-percent annual increases in medical care, roughly four times the rate of inflation in the economy, are driving up budget projections for Medicare and Medicaid right through the roof to $344 billion in 1997 or over 20 percent of the budget.

While most entitlement programs are growing at or below the rate of inflation, Medicaid is expected to leap 18 percent in 1993 and roughly 13 percent per year thereafter. Medicare is increasing at an annual compound rate of over 11 percent per year.

Chairman PANETTA, to his credit, included in his December 1991 report the following statement:

> The concept of an entitlement cap is strongly endorsed by the committee and it deserves to be examined, carefully defined, and ultimately enacted.

I sought in the Budget committee to put teeth into this rhetoric by offering a plan to cap the rate of growth in Medicare and Medicaid at a factor determined by the caseload growth rate projected plus the Consumer Price Index, plus 2.5 percent, primarily as a way to force this Congress into dealing with the cost-drivers that are forcing up medical care costs for everybody in this country. That works out to roughly 8 percent per year or twice the rate of inflation. The object of such a move is not to cut anyone's benefits. In fact, it is designed to save them, but rather to force the authorizing committees to honestly address the factors that are driving up everyone's health care costs both in the public and the private sector; but the committee chose not to lead in that respect.

And so, Mr. Chairman, what we are voting on today is more of the same old stuff; a continuation of the status quo. All of these proposals fall short, but plans A and B fall the shortest. The President's is superior to the committee's proposal.

But anyone who thinks we are solving the fundamental economic problems of this country by agreeing to this budget resolution is either selling you the Brooklyn Bridge or has just bought it.

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. ROSTENKOWSKI], the chairman of the Committee on Ways and Means.

Mr. ROSTENKOWSKI. Mr. Chairman, I rise in support of House Concurrent Resolution 287, the fiscal year 1993 budget resolution. The Budget Committee faced an unusual set of challenges in drafting this resolution: compelling domestic needs, a shifting international balance of power, and the overriding need for deficit reduction. I believe that the committee has made sensible choices in confronting these issues and, as a consequence, brings us a resolution that provides both flexibility and needed resources.

I am especially pleased that this resolution provides much-needed funds to address a looming crisis at the Government agency that serves as a life line for so many elderly and disabled Americans, the Social Security Administration. As a result of the 1991 comprehensive oversight initiative of the Committee on Ways and Means, we discovered that the Social Security Administration today faces serious problems on three fronts due to a 20-percent staff reduction during the Reagan administration:

First, the Social Security Administration cannot keep pace with the current level of applications for disability benefits. More than 800,000 Americans are now struggling to make ends meet while their applications sit awaiting action at SSA. Under the President's budget, this backlog of applications will rise by 70 percent next year—to an estimated 1.35 million applications—increasing the average time a disabled worker must wait for a decision from 3 to 7 months.

Second, SSA cannot answer its telephones. During early January, busy rates on the agency's 800 number averaged 80 percent on peak days and 73 percent on average days. Regrettably, the President's budget proposal assumes that this situation will continue.

Third, local Social Security offices across the country are failing to perform certain protective services mandated by law. They have fallen far behind in conducting continuing disability reviews of disabled beneficiaries, and they are failing to investigate individuals appointed to manage the funds of beneficiaries who are too ill or elderly to handle their own affairs.

Mr. Chairman, Social Security is too critical to the lives of millions of Americans to take a wait-and-see approach to these problems. They require action now. I am delighted that, in response to my request and that of Social Security Subcommittee Chairman, ANDY JACOBS, the Budget Committee has seen fit to initiate such action: Included in this resolution is an additional $500 million for SSA administrative funding under plan A and, under plan B, an additional $207 million. Added to the President's request of $4.8 billion, these funds will help avert a service crisis at SSA that threatens to disrupt the lives of millions of Americans.

Mr. Chairman, I commend Chairman PANETTA and the members of the Budget Committee for their work on this resolution, in particular their attention to the needs of the elderly and disabled. I urge my colleagues to give the resolution swift approval.

Mr. GRADISON. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. HOUGHTON], a member of the Committee on the Budget.

Mr. HOUGHTON. Mr. Chairman, I would like to commend both the gentleman from California [Mr. PANETTA] and the gentleman from Ohio [Mr. GRADISON], two intelligent, thoughtful, understanding people who really tried to work on this budget and have done a job that I have not seen in all my time on the Budget Committee.

The problem I see is that we do not know where we are going. We have got one clear budget, which is the President's budget, and we do not know what the Democratic budget is. Is it one, is it two, or maybe would it be more?

Everyone knows that we have got economic problems. That is no secret.

□ 1725

Everyone knows that we spend too much here; that is no secret. Everyone knows we are living on borrowed time and on borrowed money.

Now, suppose I say to you, "I have got a budget and I will hold to the agreement and this is what the number is," and then I say, "Well, now, wait a minute, there is something else. I really don't want to do that, because I got something else I want to spend some money on. So, if I can pass this amendment, that first budget will go out the window and this will be the one that we have." What are we voting on? It does not make any sense.

The thing that scares me is that the whole concept about the budget agreement which the chairman and the ranking member agreed to about a year and a half ago was that any additional money coming down from the military would go for deficit reduction.

Mr. Chairman, we had a trial vote on that in the Committee on the Budget, and it was voted down. That is what bothers me.

The key to any budget is really, "Did you keep the faith? Did you do what you said you would do? Did you break a promise?"

Well, we broke a promise on Gramm-Rudman I, we broke a promise on Gramm/Rudman II, and we broke a promise on Gramm/Rudman III, and now we are saying, "Well, you know, we need some things, we may break a promise again."

There are good things about the Democratic plan. I think the community development block grant is great, what we are doing in housing makes a lot of sense.

There are things about the Republican budget I do not think are particularly good, particularly taxing the credit unions, which I hope will be stricken in any sort of a conference.

But the thing that makes me appeal, and appreciative more of the President's budget is that it does not absolutely decimate the military.

Mr. Chairman, I got out of the service after World War II, in August 1946. Four years later we were attacked. The South Koreans were attacked by the North Koreans, and we had nothing.

Are we going to do this again? It does not make any sense.

This is a budget, a budget is a guideline; spending starts here. On one hand you have a clear, like-it-or-not, budget from the administration; on the other hand, what is it? Will the real Democratic budget really stand up and be seen?

Mr. Chairman, I am a Republican. I am going to talk against the Democratic bill.

I do not like to do this because I think anything I have been able to accomplish here has been done on a bipartisan basis. I say this not because what comes before us is the Democratic proposal. My problem is with two features to which Members ought to take exception.

The first feature is a tax increase on the so-called high earners. The problem is not with higher individual earners. The problem is with owners of small businesses who will have greater taxes at the very time they're struggling. Many of their businesses are not incorporated. They pay individual taxes. They are the people that are going to be hurt.

That is not a good idea. Two-thirds of all new jobs are generated by the very group being attacked. That may make sense from somebody's economic standpoint. It does not make sense from mine, particularly if we are trying to help this economy move again.

The second reason that I oppose this plan focuses on the $30 billion this package will cost the people of this country over the next 2 years, over and above the budget agreement. $30 billion.

Now, I am on the Budget Committee. I do not think it does the greatest job in the world, but the one thing it does try to do is to set up an element of discipline. If we break that discipline, we have nothing else to go on.

So, if we hit the small business people who are trying to create jobs which will bring us out of the recession—also if we break the small amount of discipline that we do have in the budget cycle—I think we are making a mistake.

One other point, Mr. Chairman. The economy right now is very sensitive to interference. It is driven by people, private individuals who are creating jobs out there, not by Members of Congress. Please, let us not do something for political purposes which is going to hurt the very fueling process that makes this country great.

Mr. PANETTA. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois [Mr. DURBIN], a member of the Committee on the Budget.

Mr. DURBIN. I thank my colleague, the gentleman from California [Mr. PANETTA], the chairman of the Committee on the Budget, who has done an extraordinary job on a very, very difficult document. I also want to salute my colleague, the gentleman from Ohio [Mr. GRADISON] for his contribution and the contributions of all the members of the committee.

Mr. Chairman, it has been my pleasure to serve on the Committee on the Budget for 6 years. The job has not gotten any easier. But I do believe we have handled that responsibility in a manner that not only meets the needs of this Nation as best we can under trying circumstances, but also makes a sincere effort to reduce the budget deficit.

During the 6 years, I have tried to focus on many programs of importance to my district and my home State of Illinois, but I have tried to look to a national issue which I think is critically important. That is the issue of health.

I would like to take exception to some of the comments made earlier by my colleagues on the other side of the aisle who suggested there is no difference, that there are only minor adjustments between the Democratic approach to spending in this budget resolution and the approach by the President in his budget proposal.

I would tell you that in the area of health we are talking about significant differences.

Now, for those who have not followed this debate as closely, there are two budgets included in our resolution: plan A, which assumes that the walls will come down and defense savings can be spent for domestic programs; and plan B, which keeps the walls up and says that any savings on defense will go to deficit reduction, cannot be spent on domestic programs.

I would like to say to you that, even assuming plan B, which has the least amount of money to spend on domestic programs, the Democratic budget proposal is significantly better in the area of health than President Bush's suggestion.

Now, let me give you some specifics: The supplemental program for women, infants and children, a program that provides high nutrition for the most disadvantaged, family-at-risk generation in America today, receives significantly more funds under the Democratic-proposed budget; in fact, 25 percent more funds than proposed by the President.

We propose that some 415,000 more women, infants and children will receive this nutritional assistance than President Bush does. These are not minor adjustments; these are adjustments to give people an opportunity to help live a healthy life.

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

Mr. DURBIN. I yield to the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. I thank the gentleman for yielding.

Mr. Chairman, is the gentleman talking about plan A or plan B?

Mr. DURBIN. I am talking about plan B; 415,000 more women will be served, 38 percent more than President Bush.

Under plan A, 600,000 more will be served. So, under either plan there will be a significant benefit to the WIC Program.

Mr. GRADISON. I thank the gentleman.

I think it would help in all of the debate on our side as well as the gentleman's side to say which plan we are referring to.

Mr. DURBIN. I think that is a worthy point.

I would like to say at the outset that I am going to address myself exclusively to plan B, which is the low-cost approach, the approach with the walls. And I think, even under that plan, we have made significant progress in the area of health.

Let me use a couple of other examples to show you what I believe we have accomplished.

In the area of immunizing children, you know, we take it for granted that if you live in middle America, your kids will get their shots, show up for school and have their check marks and physician's signature, and life goes on pleasantly. But for a lot of kids in America the immunizations never take place. They turn out coming to school needing immunizations or in fact are exposed to diseases, come down with measles, mumps, whatever and, frankly, have to be hospitalized at great cost.

Under our plan B we have recommended $150 million in budget authority to provide immunizations for more than 6 million pre-school-age children in America, 4 million more children than President Bush in his budget.

Now, in the area of community health centers, if you live in an underserved part of America, rural America, which I represent, or inner-city America, where you cannot find a doctor, you need a community health center so that a doctor is available. Under our recommendation, we increase funding by $100 million for community health centers, a 19-percent increase to provide primary and prenatal care to over 850,000 low-income Americans. This is a 15-percent increase over President Bush's request. This is not a minor adjustment. This is in fact a defining decision as to where we are going in this country.

In the area of the National Institutes of Health, I cannot tell you how important I think this is. Most Americans believe that the Federal Government is leading the way in medical research, and we are. But most Americans do not know that of all the applications for medical research to find cures for AIDS, for cancer, for heart disease, we fund one-fourth of those that have been approved. Three out of four are not funded. They wait another year or they are never funded.

There are cures waiting for funding. Each year, I push for more money for the National Institutes of Health, and I want to tell you that I am proud to report to you that we increased funding for NIH by $500 million under our proposal.

Within that we have increases for areas that I think are particularly important. Several weeks ago I had the pleasure of meeting in my office a woman named Elizabeth Glazer, a name that may not be familiar to you. She is from California. She has made it her life mission to find funding for pediatric AIDS research.

I am happy to report to Mrs. Glazer and to the many children whose lives are at stake that we have put an additional $5 million in to find ways to avoid transmitting AIDS from the pregnant mother to the fetus in the womb or the child who is born.

These are significant expenditures. Some of my colleagues are excited by the prospect of a space station and traveling to the Moon or Mars. That does not hold out the same kind of excitement to me as finding a cure for pediatric AIDS, a cure for the AIDS disease. And we are putting the money in the Democratic budget resolution to move us closer to that day.

I am very proud of that fact.

I might also tell you that we have added funding for the Alcohol/Drug Abuse and Mental Health Administration. If you want to fight a drug war, you fight it in drug clinics, in addition to police stations. You have got to take the people who are addicted and take them through rehabilitation. And we put more money in for that purpose than the President.

That is money well spent for all of America.

Let me say there is an area of disappointment here too. We have not increased the funding for the Food and Drug Administration, an agency I follow closely. We continue to heap responsibilities on this agency and we refuse to give them the resources to do their job expeditiously and professionally.

The day of reckoning is coming. If we want to have drugs and medical devices approved in a professional manner, we have got to put the resources to work to do it. I am sorry to report that neither the President's budget—in fact, the President cuts spending for the FDA—and I am sorry to report that our budget only holds them at last year's level. We do have to take that responsibility seriously.

Let me close by saying I think there are significant differences, defining differences between Democrats and Republicans. The Democratic budget proposal is committed to health research and health delivery, people who need it in America, and I think it does a better job than the President's plan.

□ 1735

Mr. GRADISON. Mr. Chairman, I yield 6 minutes to the gentleman from Pennsylvania [Mr. SANTORUM], a member of the Committee on the Budget.

Mr. SANTORUM. Mr. Chairman, I thank the gentleman from Ohio [Mr. GRADISON] for yielding this time to me. I, too, want to congratulate the chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA], for the fine work he has done, for the exhaustive amount of hearings he had on this and other ideas with regard to the Federal budget we have worked on over the past year, and also the fine work of my ranking member, the gentleman from Ohio [Mr. GRADISON], for his work on facilitating a lot of the work we have been doing on the Republican side of the aisle to come up with some alternatives to the budget problem.

Mr. Chairman, I am a new Member of Congress, and I came here with some very clear goals in mind. One of them and one of the reasons I wanted to serve on the Committee on the Budget was because I thought we had a real problem in this country with the budget deficit. It is $300-some-odd billion. I know that number sort of flips off the tongue pretty easily around here, but that is a big number. It is 351 billion, with a b, dollars. That is a concern to me.

Under either budget, any of the budgets, really, we are going to be voting for, we do really nothing in the area of deficit reduction. We do virtually nothing to get this deficit, this runaway deficit, under control, and that to me, if there is anything that I come here a little dissatisfied about or disheartened about, it is we have not really taken a serious look at the No. 1 problem, in my mind, facing us, the economic recovery.

In fact, Mr. Chairman, if my colleagues look at the Economic Journal, the February 22 edition, it says, "Digging out from under—America's mountain of debt is stalling an economic recovery," and inside it is the cover article. It says, "Why won't the recession go away," and the answer is, "The answer: a debt-soaked national balance sheet," and what the gentleman from Illinois [Mr. ROSTENKOWSKI] and others have said is right. There are a lot of needs out there in this country, and there are a lot of people who have problems that we have to solve, but taking money out of their pockets so they cannot solve that problem, by soaking up all the resources for investment of industry, by soaking up all the capital out there for our use here in Washington, is not going to solve those problems, is not going to help solve those problems.

I believe that the people out in America know how better to spend their money than we do. I mean it is a fundamental belief that by using more and more, and putting us deeper and deeper in debt, all we are doing is bogging down this economy, and the other thing we are doing that really bothers me is I have an 11-month-old daughter, and I look at Elizabeth every day, and I say, "Elizabeth, are you going to have the kind of country to grow up in that I had? Are you going to have the opportunities that I had? Every day we're spending a billion dollars more than we take in, and, Elizabeth, you're going to pay that the rest of your life."

More and more the national debt keeps going up. It is $4 trillion now, $4 trillion. I mean I wish I had Ronald Reagan's gift for being able to put that in some sort of terms that could be understood like linking paper clips from here to the moon. I do not know what it would be, but it is an amazing amount of money that my colleagues and their children are going to be saddled with the rest of their lives. And we are doing this.

Mr. Chairman, let us talk about the politics of greed here in Washington. We just soak all this money in and let the future generations pay for it. That is the politics of real greed.

I know these are tough decisions. I know it is very difficult to cut programs. I know it is very difficult to rein in entitlements, but we owe it to the future. We owe it to the kids. We owe it to the future, that they have at least as good an America as we have, and these budgets do nothing to solve that problem.

About 8 months ago the gentleman from Ohio [Mr. KASICH], the gentleman from Washington [Mr. MILLER], the gentleman from Texas [Mr. DELAY], and I started to work on an alternative budget that was going to try to approach this problem and do something about deficit reduction, try to cut the deficit. It would not take big globs and chunks out of it, but do something in the way of reducing the debt, and we came up with a budget that cut $32 billion. That is not an enormous amount, about less than 10 percent of what the deficit would be. We tried to push some of those programs into the Committee on the Budget, and we were defeated, as was stated by the gentleman from Ohio [Mr. GRADISON] earlier. We also have tried to talk with the President and tried to get him to put it into some of his budgets, and unfortunately we were not successful in that.

However, Mr. Chairman, I can tell my colleagues that there are a group of people here who really do care about what the deficit is doing to our country, and I know everybody stands here and says, "Wow, we really do care about the deficit, and, yeah, we know it's a national problem," but, my colleagues, we have got to start doing something about it instead of paying lip service to this problem. This is a serious problem, and I know that everybody out there believes it, that this is a serious problem, and I know that this is a difficult thing.

But there are plans, and we are happy to share them with our colleagues. We have ideas about how to reform the Government, how to reform proposals that are going to make Government work more efficiently, that will do things to really start to get at some of the systematic budget deficits we have here, that is going to reform entitlements, not to take away benefits from people, not to rob people of what they need in society, but to better and more efficiently manage these programs and make them work so that we do not have, as my colleagues know, generation after generation of Americans dependent on the Government. But we empower people to do and take care of themselves, and we do it with less money.

We have to start looking at these problems. We have to start trying to deal with these solutions, no matter how tough, how politically sensitive and how unpopular they are. That is our job, that is why we are here, and I hope we will have the will at some point to do it.

Mr. PANETTA. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New York [Mr. RANGEL], a member of the Committee on Ways and Means.

Mr. RANGEL. Mr. Chairman, I had not come to the floor to speak, but I was so moved by the eloquence of the preceding speaker in an attempt to describe to the Americans just what $300 billion can mean in terms of our deficit, and I think that I can do a little better than linking paper clips. Ronald Reagan may have suggested in saying that $300 billion is the figure that has been given to me as what we are losing every year in lost revenue, in paying for the drug addiction, and crime problems that face our Nation today. If we took all that we are throwing at treatment, all that we are throwing in jails, all that we are losing in revenues, all that we are losing in productivity, it would come to $300 billion a year, and I understand from Dick Darman of the Office of Management and Budget, from the President's Economic Adviser, as well as from the Secretary of Treasury who testified in front of the Committee on Ways and Means, that $300 billion is a low and conservative figure, and that is the reason why, when we talk about spending that, how could we not talk about cutting back, including the military?

Mr. Chairman, that is the reason why I believe that the Dellums-Towns Congressional Black Caucus approach, which cuts an additional $50 billion of military spending, makes a lot more sense because, instead of investing in bombs and arms, we are investing in domestic spending to make it possible for Americans to be more productive, raise the revenues to reduce the deficit.

Mr. Chairman, let me thank the gentleman from California [Mr. PANETTA] and the Republicans that worked with him in fashioning a budget that not only reduces Federal spending, but tries to do something with the deficit, not by cutting out domestic spending, but trying to tackle the drug problem in a way that I think is the most dramatic and the most meaningful.

Some of my colleagues have heard Jack Kemp and Bobby Garcia, a former Member, and I talk about the enterprise zones. For years it just languished in the Committee on Ways and Means because, while everybody talked about it, no one was excited enough to spend the money that was necessary in the budget to do something about it. Well, this year the Committee on Ways and Means has put this in the tax bill that passed the House, but it is not just an enterprise zone bill. It is a bill that says that it takes more than tax incentives to go into communities that are ravaged with crime, drugs, joblessness, and hopelessness. That we really have to think of human beings the same way we think about plants and equipment—and so—going to the Attorney General's office, as well as working with HUD, we took a program called Weed and Seed, and the gentleman from California [Mr. PANETTA] has put together $500 million, $65 million more than the administration asked for, $280 million in new money so that we do not have to transfer the moneys from other programs into these zones which provide economic incentives for entrepreneurs, but also funds for the supplemental Head Start Program to allow employers to increase the training and to eliminate——

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The CHAIRMAN. The time of the gentleman from New York [Mr. RANGEL] has expired.

Mr. RANGEL. Mr. Chairman, I would ask the gentleman from Ohio [Mr. GRADISON] if he would yield 1 minute of his time to me.

Mr. GRADISON. I am sorry, Mr. Chairman, but all my time has been asked for. I wish I could accommodate my friend, but I cannot.

Mr. PANETTA. Mr. Chairman, I yield 30 additional seconds to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, what I am saying is that all the things about fighting against crime are in there, but at the same time, all the things that are necessary to prevent crime are also there. We save a lot of money by keeping people out of jails and out of hospitals and reducing the deficit by making these people productive.

Mr. Chairman, I thank the gentleman for the additional time.

Mr. GRADISON. Mr. Chairman, I yield 6 minutes to the gentleman from Louisiana [Mr. MCCRERY], a member of the Committee on the Budget.

Mr. MCCRERY. Mr. Chairman, I rise today in support of the President's budget for fiscal year 1993. Historian John Buchan said "The hasty reformer who does not remember the past will find himself condemned to repeat it." My colleagues, heed this: Two times in the last 50 years Americans were thrust into wars that, I submit, may have been prevented had we used keener discretion in national security affairs. I believe adopting the Defense spending plan in the majority's budget resolution cuts into the muscle of our national security system, terminating needed forces and weapons. To explain why I believe this, let me begin by saying we have learned two lessons in modern history.

The first lesson is that the United States has always engaged in rapid and deep reductions in national defense after major conflicts, only to be challenged by tyrants who perceive America as too weak in will and readiness to defend her national interests. I cite as a case in point the post-World War II comments of Secretary of State Dean Acheson—who announced on January 9, 1950, that the American defense perimeter in the Pacific included Japan, Okinawa, Formosa, and the Philippines. South Korea was left off this list and expected to defend itself. By July 1950, American forces were engaged in combat on the Korean Peninsula.

The point is, after 5 years of rapid and deep cuts after World War II, America was in a poor state of readiness. Lack of readiness, combined with no signal of national will, led to a major invasion of that small country by its enemy to the north. The U.S. Army suffered 1,884 killed in action in the first 6 weeks of fighting.

This was not an abberation. After Vietnam, deep and rapid cuts were made in defense spending, and in 1975, a small country in Southeast Asia took control of our *Mayaguez* and her crew. In 1979, Iran took American hostages. Our lack of readiness became evident to all the world when we couldn't even fly a few helicopters across a desert, much less rescue Americans held against their will. And just when we thought we were coming to a new era of peace after winning the cold war—a new tyrant named Saddam arose to threaten our national interest and question our resolve and readiness. Even recent history teaches us not to make deep and rapid reductions in Defense spending.

The second lesson is that we cannot predict where future unknown threats to American interests will arise. I emphasize future threats because the Defense plan in the budget resolutions recommended by the House Budget Committee is based on past threats. We cannot predict the nature of the next challenge to our national interest. As sure as Iraq surprised the world by invading Kuwait, that challenge will come.

The fiscal year 1993 budget resolution adopted by the Budget Committee assumes the world is a far safer place, requiring less military capability than that recommended by Chairman of the Joint Chiefs of Staff—Colin Powell—and Secretary of Defense—Dick Cheney. These are two of America's most brilliant leaders in any sector of our Government. These leaders who brought us swift and sure victory in Operation Desert Storm make a defense spending recommendation that provides readiness, adequate force projection, and demonstrates a will to protect American interests. I challenge anyone to give a single reason why these two intelligent American leaders would not present a well reasoned, threat-based plan for our national security forces. Remember, readiness requires being ready for likely threats to our national interests, but should include being ready for the unexpected.

The President's defense budget provides sufficient resources to meet readiness goals and unexpected threats. The fiscal year 1993 Budget Committee resolution now before the House does not.

The President's defense budget hinges on the concept of the base force, a flexible strategy that abandons the old cold war assumptions and focuses on the kinds of regional conflicts that could emerge in the future—including the unexpected. The base force, which will result in a 25-percent reduction in military manpower, assumes a substantial reduction in the threat of a Soviet invasion of Western Europe, and a deescalating nuclear superpower conflict.

The majority party has a great deal to say about the changes the world has undergone in the past 3 to 30 months, and they are correct. However, it is no secret in Washington that the President's defense budget has already taken these changes into consideration. Yet, the majority's budget resolution argues the President's defense plan does not take these changes into consideration. The truth is, it is the majority's defense plan which fails to acknowledge emerging threats to American national security.

Such emerging threats include:

First, improved ballistic missile capabilities: The Central Intelligence Agency and others have cautioned that by the year 2000 an additional 15 nations will possess ballistic missiles capable of reaching the United States.

Second, fire sales of military hardware: The Republics of the former Soviet Union are showing signs of financing their way out of domestic troubles by selling off military hardware. United States intelligence officials indicate the Russians plan to sell two *Kilo* class attack submarines, five miniature submarines, and Mig-29 supersonic jet fighters to Iran. The Russians also are negotiating the sale of angle-deck aircraft carriers, ships as capable as any owned by the United States, to China and India.

Third, nuclear proliferation: North Korea continues to vigorously pursue the acquisition of nuclear weapons. In addition, Iraq is balking at permitting the destruction of its nuclear weapons and ballistic missile production facilities.

The defense spending plan in the fiscal year 1993 budget resolution submitted by the Budget Committee cuts the Department of Defense deeper than the President's budget by $7.4 billion in spending authority and $5.2 billion in outlays in fiscal year 1993. The majority's defense budget is based on one of four options offered to the Budget Committee by the Armed Services chairman who concedes that the defense options have yet to be thoroughly reviewed and analyzed.

Even more troubling is that the majority defense budget adopts deep cuts in defense for fiscal year 1993, yet the outyears have higher defense spending authority in fiscal years 1994–97 than the President's defense plan, $35 billion over 4 years. This inconsistency between deep cuts in fiscal year 1993 and much higher increases in fiscal years 1994–97 highlights the lack of analysis by the majority on how the defense budget is linked to national security.

Finally, we have heard much during this political season of creating and maintaining jobs. I ask you, how well thought out is the majority plan that, if followed to its logical conclusion in future years, would cut 217,000 Active Forces over 5 years in addition to the 530,000-person reduction sought by the President in his plan. I would argue that achieving the President's reduction in force will be difficult to achieve without involuntary separation of military forces. Even deeper cuts will threaten morale, weaken training efforts, and impair readiness. The majority defense cuts would result in an additional 90,000 unemployed Active Forces by the end of fiscal year 1993, and 110,000 more at the end of fiscal year 1995.

Another concern is that the majority defense plan assumes only 16,000 reserve personnel will be cut while two active divisions will be eliminated. However, roughly 60,000 reserve personnel are needed to support two active divisions. It is unclear from the information provided in the majority plan whether they are hiding the number of reserves they plan to cut, or if they intend to retain 44,000 without a mission.

Mr. Chairman, the House of Representatives has the responsibility for enacting a defense budget that provides a reasoned and analytical approach to national security. This responsibility should be taken with grave seriousness when dealing with the lives of brave men and women in uniform. We have a responsibility to lead, and to make decisions based on reason and analysis. The majority defense plan is not based on reason and analysis. We should support the president's defense plan because it was designed by the best and the brightest America has to offer her citizens. Let us heed the call to reason and analysis while abandoning irrational political posturing.

I urge the rejection of the Democratic budget which would lead the United States to make the same mistake we have made too many times in the past—after a great victory, we assume the world is safe, and we tear down our defense structure, only to pay for it later with American lives and crisis spending.

Mr. PANETTA. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from South Carolina [Mr. SPRATT], who is a member of the Committee on the Budget and who has been so very helpful in helping us in defining the defense numbers.

Mr. SPRATT. Mr. Chairman, I rise in support of the budget resolution reported by the Budget Committee. And I would like to focus on function 050, the budget allocation for defense.

The budget resolution allocates to national defense $247.4 billion in budget authority. It allows for $287.2 billion in outlays, or actual spending, in fiscal year 1993.

To connect these numbers to the present, it helps to start from a baseline we all understand: The ceiling on defense spending agreed to in the budget summit and enacted in the Budget Enforcement Act.

This year, according to the Budget Enforcement Act, the ceiling for defense spending is $288.4 billion in budget authority, and $296.2 billion in outlays. The President has already decided to bring his budget below that ceiling. His budget cuts budget authority for Defense to $281 billion in fiscal year 1993, which is $7.4 billion below ceiling; and it cuts outlays to $291.4 billion, which is $4.8 billion below ceiling.

This budget resolution merely builds on those cuts. It increases the President's cut in BA from $7.4 to $14 billion, and it increases the President's cut in outlays from $4.8 to $9 billion.

Insofar as defense is concerned, that's what this debate is all about. It's about a cut of $6.6 billion off the President's mark for BA, and a cut of $4.2 billion off the President's mark for outlays, hardly enormous cuts. In percentage terms, what the Budget Committee is saying is that Defense budget authority/050 can be cut by 2.3 percent more than the President has already cut it. And that outlays should be cut even less—by 1.4 percent below the President's request.

The Budget Committee did not pull these numbers from thin air. We held hearings; we heard from all sides; and in the end, we took the advice of Mr. ASPIN, the chairman of the Armed Services Committee. He advised the Budget Committee that Defense BA could be cut by another $5–$7 billion beyond the President's cuts, and the committee opted for the upper end of his range: $6.6 billion.

Mr. ASPIN, for his part, did not take his recommendations off the back of an envelope. Since late last fall, the Armed Services Committee staff have been engaged in what the chairman calls a bottom-up study of our Armed Forces, in light of the fact that the cold war is over.

The first phase of that study is finished. It outlines four force options, partly for analysis, partly for framing the debate for hearings. Three of the four options point the way to defense cuts over the next 5 years that are deeper than the President proposes. Option C, which the chairman prefers, holds the potential of $91 billion in cumulative cuts over the next 5–7 years.

We have only begun to explore these options; no one has settled for sure on any of them; and this budget resolution does not lock us into any of them. It puts defense spending on a down-sloping curve that is a little steeper than the President's. And it positions defense spending for further cuts next year, when the walls come down and the cap gets tighter. The discretionary spending cap next year is $7 billion below the cap for this year.

In addition to its macrostudy of the force, the staff did a quick study of next year's budget to see if $6.6 billion more could be cut without damaging personnel or readiness, two things we clearly want to protect.

We have the finest forces our country has ever fielded; and we do not want to lose quality or morale or break faith with our All-Volunteer Force as we downsize all four services. And we want to stay ready. Even after the cuts being proposed are implemented, we will be spending billions on defense; and we do not want to spend billions, only to have a hollow force. It we want forces that are ready, then we have to pay the price; we have to fund flying time, steaming time, live-fire training, and op-tempo overall.

Yesterday, we met with Secretary Cheney, who warned us that the outlay cuts in this budget resolution will drive us to deeper cuts in the personnel accounts and in O&M. He warned specifically he might have to cut 300,000 more in personnel if we adopted the Budget Committee's recommendations. Cutting $6.6 in budget authority and $4.2 billion in outlays from the President's budget will not be easy, but I believe it can be accomplished without further cuts in personnel. And I can tell you from serving 10 years on the Armed Services Committee that we will avoid such cuts if there is any way possible. Indeed, Secretary Cheney acknowledged that the budget reductions before us today could be accomplished by cutting O&M by $4.5 billion and R&D by $3.1 billion—though he warned that such cuts would hurt long-term modernization and readiness too.

I firmly believe there are ways to cut this $287 billion budget, without cutting personnel or cutting readiness. Let me suggest just a few examples. The defense budget is divided into six major accounts. The largest of these is O&M. The request for O&M next year is $84.5 billion. Some of this goes to ammunition and fuel, repairs and maintenance—basic readiness. But out of it also, the services buy spares, replacement parts, inventory for everyday operations, which is stored in depots and warehouses. In January, the GAO reported that DOD accumulated over the last decade an enormous inventory of all sorts, stored in depots and warehouses around the country. According to the GAO, the total value of this inventory, based on its cost, is $250 billion. That's inventory on hand; it has increased by $150 billion in value over the last decade. Small item inventory grew from $43.4 to $101.9 billion. Based on its study, GAO recommends that the budget provision for secondary or small items can be cut by at least $5 billion below amount purchased in fiscal year 1992.

Here is one proposal alone that would cover most of our BA reduction and much of our outlay reduction. In addition to trimming excess inventory, the O&M budget might be trimmed by as much as a billion dollars, because the defense operating fund, which has an annual throughput of $77 billion, is alleged to be overfunded by this much at least. Already this year, $1.2 billion in excess funds has been taken from this account for helping the Russians and the Kurds. Or O&M can be reduced by terminating foreign nationals employed at our bases overseas. Our remaining troops, who are at a lower alert level because of the collapse of the Warsaw pact, might take up some of the tasks assigned to foreign nationals.

The procurement accounts are down, and down sharply from 1990. The total request for fiscal year 1993 procurement is $54.4 billion; it was $81.4 billion as recently as fiscal year 1990. There are few big ticket items left; but surely savings can be found in a $54.4 billion procurement budget.

The R&D budget is lower than procurement, but it actually goes up in fiscal year 1993, from $36.9 to $38.8 billion, most of the increase for SDI. SDI is allocated $5.4 billion in the President's budget, $1.3 billion more than this year. If SDI is allowed an inflation increase only, $1 billion can be saved out of R&D.

In a budget of over $280 billion, surely saving 2.3 percent is not an impossible goal.

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Mr. Chairman, in closing let me say what we have here is not an impossible challenge; it is a request to cut the defense budget by $2.3 billion and apply it on the deficit. If you want to vote for deficit reduction, vote for plan B and vote for the Democratic resolution.

Mr. GRADISON. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in opposition to the Democratic budget resolution.

Once again the Democratic majority has turned its back on the hard choices that need to be made in the budget. In fact, this time, they couldn't even decide on which of their own ideas they liked best.

President Bush made the hard decisions to reduce U.S. Armed Forces by 25 percent and terminate major defense programs such as the B-2 Stealth bomber, the Seawolf submarine, and the Minuteman III ICBM.

A domestic discretionary spending freeze, a cap on increases in mandatory entitlement spending, and the elimination of hundreds of Federal programs are also hard choices made in the President's budget.

Strictly allocating limited resources will always be done by making hard choices. Increasing Federal spending while our Nations has a debt of over $4 trillion will have to be done by gimmicks.

President Bush announced, as part of his base force plan, a 25-percent reduction in the U.S. Armed Forces. This deep, but prudent cut in military spending responds to the changing global climate without compromising the security of the United States and many of our allies who depend on our strength and support.

Despite the remarkable and encouraging political and economic changes taking place around the world, there still remain both identified and unanticipated threats to our national security. The Democratic budget would gut our defenses and throw an additional 300,000 service men and women out of a job. The goal of our military reduction is not demobilization, instead, responsible restructuring.

Deeper and less responsible cuts appear to be based more on political scheming in an election year rather than on security planning in the post-cold-war era.

By 1997, under the President's plan, defense spending, in real terms, will have decreased by almost 37 percent since the mid-1980's. In that same period of time, mandatory entitlement spending is projected to increase by 33 percent.

Unfortunately, while defense spending is declining in real terms, the Federal budget deficit hovers around $400 billion and this budget resolution raises the Federal debt ceiling to $4.5 trillion. In the light of this debt, the peace dividend is an illusion.

Today's budget charade has once again proven that the Democratic majority in Congress does not have to obey the law when it comes to budget discipline, they just have to change it. The only way to force the Congress to pass a balanced budget is to amend the Constitution to require that Congress pass a balanced budget.

I urge my colleagues to join me in opposing the Democratic budget resolution and in supporting a balanced budget amendment.

Mr. PANETTA. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. BROWN], the distinguished chairman of the Committee on Science, Space, and Technology.

Mr. BROWN. Mr. Chairman, I rise to commend the chairman of the Budget Committee, Mr. PANETTA, for his work, to support the concurrent resolution, and to indicate the importance of the resolution to the overall situation in this country with respect to research and development.

Mr. Chairman, the continuing economic recession in the United States has fostered at least one healthy development—a willingness to recognize and confront those factors which are impeding long-term economic growth, and with it the production of good, stable jobs. Some economists marvel at the pessimism of the American people in the face of economic statistics that do not seem to be all that bad. As usual, it is the people, not the economists, who are right. Their concern comes from the fact that many long-term trends—in productivity, in education, in investment, and in quality of life—are not positive in relation to our principal economic competitors.

These trends can be reversed. Sacrifice will be required to shift the Nation from an ingrained cultural pattern of overconsumption, toward a pattern of productive investment. And this investment must be carefully targeted, in infrastructure, in education and training, and in technology to rebuild the economy and the country. These are well-accepted, almost tired truths. But achieving political consensus on them, particularly in the climate of economic jump-starts and short-term giveaways which characterize most election-year politics, will be difficult.

Today, I would like to summarize the positions taken by the Science Committee in its "Views and Estimates" presentation to the Budget Committee 3 weeks ago. Specifically, we focused on how our Nation should target its investments to deal with three of the principal problems facing our economy. These problems are: First, the decline in U.S. economic competitiveness; second, the need to carefully manage the shift of our military infrastructure into productive civilian investments; and third, the need for increased energy security.

I am pleased that the Budget Committee, in its wisdom, has reported a bill which embodies many of our suggestions. Plan A highlights a number of programs in function 250—in NASA and in basic science conducted by the National Science Foundation and the Department of Energy—which are critical to this Nation's research base. Plan A also provides for substantial increases in applied technology programs in the Department of Commerce and for conservation and renewable energy programs at the Department of Energy. These are all commendable initiatives—initiatives that we highlight in our "Views and Estimates"—and they form the basis for my strong support of the resolution before us today.

Let me briefly elaborate on the three challenges facing our economy.

First, we have a serious problem with global competitiveness.

The 1985 report of the President's Commission on Industrial Competitiveness presents the bet commonsense definition of competitiveness:

> Competitiveness is the degree to which a nation can, under free and fair market conditions, produce goods and services that meet the test of international markets while simultaneously maintaining or expanding the real income of its citizens.

A recent report of the Office of Technology Assessment, Competing Economies, points out that we are failing the Commission's definition on both counts. First, we are not meeting the test of international markets. Our share of the world's merchandise imports has risen steadily over the past 20 years—from 12 to 18 percent—while our share of exports has fallen—from 14 to 10 percent. At the same time, imports have captured an increasing share of the U.S. domestic market, rising from 3 percent to over 9 percent of GNP in the past 30 years, and our trade balance has suffered accordingly.

A good part of the bad news in trade statistics is due to the fact that productivity gains in the United States have been far slower over the past 30 years than in virtually all of our trading competitors. These trends in productivity have improved somewhat in recent years, but we still lag behind Japan and several other nations.

As OTA points out, some of these trends were inevitable as war-ravaged economies of Europe and Asia rebuilt their industries. Shrinking market share alone would not be cause for concern if the standard of living for Americans, both in absolute terms and compared with that of our major competitors, remained strong.

Unfortunately, on this second test, the trends are even more disturbing. Real hourly wages of manufacturing production workers peaked in 1978 at $9.50/hr. By 1990, they had sunk to almost $8, a decline of about 16 percent in only 12 years and the worst record in nearly 30 years. The problem is not limited to manufacturing workers. Real hourly and real weekly wages of all full-time workers—over 73 percent of the employed civilian work force—have been sinking too. Real hourly wages today are 12 percent below their peak in 1972, and are comparable to the levels of the mid-1960's.

Perhaps the most disturbing aspect of these trends is that there is no sign that they are abating. OTA concludes in "Competing Economies":

> If there are no major changes in government policies of developed nations, we expect U.S. manufacturing competitiveness to continue to sink compared to Japan. There will be more emerging technologies in which the dominant power is Japan and established industries will remain behind the Japanese world leaders.

Thus, while the current economic recession dominates the news, below the recession lurks a more disturbing economic trend—nearly 20 years of stagnant or declining living standards in the United States, with no improvements in sight.

The second major problem facing our economy is the need for civilian reinvestment, particularly in manufacturing.

While we have seriously neglected the civilian manufacturing sector in the United States, in the past decade we have paid for and supported a huge defense manufacturing base. We have also provided most of the Federal support for critical technologies and critical manufacturing processes through the Department of Defense. These policies and these technologies helped us win the cold war and the Persian Gulf war. Unfortunately, because of the differences between civilian and military manufacturing processes and applications, they will not generally be helpful in the continuing global economic competition.

Barring unforeseen international changes, the defense budget will continue to decline for the next several years, both in real terms and as a percentage of Federal spending. These declines present several challenges to our economy. We will need programs to deal with severe regional economic disruption in areas with high defense-related employment. In addition, much as in the former Soviet Union, there will be a continuing need to assist manufacturers and workers in making the transition to profitable civilian production.

It will be critical, as defense budgets are reduced, to ensure that critical high-technology elements of the defense industrial base are preserved and, to the extent possible, transferred to civilian production. In short, we should substitute civilian programs for defense programs in promoting the development of critical technologies.

The third critical problem facing our economy is energy security.

The largest component of the U.S. trade deficit is not cars or car parts. Nor is it consumer electronics. The single largest factor in our negative trade balance is the $50 billion that we spend every year to import oil. Worse, our use of imported oil continues to increase, from only 27 percent in 1985 to about 45 percent today.

Reducing both our reliance on imported oil and our total consumption of oil will have a number of beneficial effects on the U.S. economy, not the least of which will be economic insulation from oil price shocks and supply cutoffs. Further, we will realize additional benefits, in competitiveness and in environmental protection, if we undertake these reductions primarily through increased energy conservation and use of renewable energy sources. Our current wasteful use of energy not only drives our trade deficit, it also threatens our ability to compete in world markets. As our competitors continue to outpace us both in the efficient use of energy and in the development of alternative energy technologies, we will find ourselves further disadvantaged in markets that increasingly demand products that use energy efficiently.

There is a common element in the solution to the three economic challenges facing us—namely, the development of a coordinated technology policy.

Civilian manufacturing, especially in high-technology industry, is the cornerstone of the economic security of the Nation. Yet, the United States remains unique among industrialized countries in its lack of a coherent national strategy for civilian technological advancement. Although the legislative record reflects a grudging recognition of the need for a technology policy over the past 15 years, targeting of civilian high-technology industries has largely been viewed as outside the realm of Federal policy.

Unfortunately, the system which successfully led a global coalition against communism is not working effectively to expand the real income of U.S. citizens. After decades of focusing its resources and attention on international issues, the United States has emerged from the cold war to find itself struggling economically with competitors who did not neglect their civilian technology base, who invested far less in their defense infrastructure, and who have had far more focused technology policies. Japan, Germany, Korea, and other nations have targeted funding for industrial R&D in critical technologies. They have supported high-technology industries by steering low-cost capital in their direction, by protecting domestic markets, by promoting the transfer of technology from laboratories to factories, and by aggressively training a skilled and motivated work force for high-technology manufacturing jobs. At the same time, the United States rejected similar proposals to aid specific industries in the United States on the grounds that such support constituted industrial policy. As a result, we give up world leadership in many of our most important industries, such as steel, automobiles, and consumer electronics.

Regaining our global competitive position will not be an easy task. While private industry bears the major responsibility for producing high-value goods and services that are competitive worldwide, I believe that the U.S. Government must assume a more aggressive role in developing a supportive infrastructure for our industries. This includes: Creating a favorable investment climate for both industry and the private citizen; focusing the Federal laboratory system on supporting the development and application of critical technologies; investing in education to upgrade the skills of our work forces; developing a national network of technology extension centers to enhance industry's manufacturing capabilities, especially those of small to medium-sized companies; refocusing Government policies in the areas of trade, standards, and regulations; and developing the physical structures for transportation and communications. In its "Views and Estimates," the Science Committee discussed specific proposals in each of these areas, and we will be introducing comprehensive competitiveness legislation encompassing all of these proposals within the next month.

As we consider these proposals—many of which involve additional focused Federal spending—we must recognize that the relative decline in civilian research and development [R&D] funding is clearly not the sole explanation for the deterioration of our position in high-technology industries, nor is increased spending in this area the only answer to our national challenges in competitiveness, economic growth, civilian reinvestment, and diversification of our defense infrastructure, and energy security. Vigorous R&D funding will be of limited value if it is not accompanied by coherent R&D policies, including a coordinated technology policy and effective systems for technology transfer and utilization. Similarly, enlightened R&D policies will be of limited value unless accompanied by effective programs in education and training and by tax policies designed to promote long-term productive investments.

Nevertheless, examination of R&D funding trends suggest that there is a strong rationale for additional targeted investments in civilian high-technology programs. The resolution before us today includes funding for many of these targeted investments.

For most of the past 10 years, defense R&D soared while Federal civilian R&D failed to keep pace with inflation. During the same period, with no coherent Federal technology policy in place, private R&D investment fell behind levels set by our competitors. Today, as a result, these competitors far outstrip the United States in percentage of GNP devoted to civilian R&D investments. As a percentage of GNP, the United States is only investing about two-thirds as much as Japan or Germany on civilian R&D. Even with defense R&D included, the United States is still slightly behind Japan in total R&D expenditures. In many high-technology industries, it is not unusual for Japanese companies to spend up to 15 percent of their profits on cutting-edge R&D—often two to three times as much their United States counterparts.

Actually, according to two stories which appeared recently in the New York Times, I may even be underestimating the extent of our comparative decline in research and development. These stories, written by Bill Broad, highlight several disturbing trends. First, in the past 2 years, the amount of total R&D conducted in the United States has declined for the first time in over 20 years. In 1990, as a result of restructuring and recession, industrial R&D in the United States showed its biggest drop in three decades. Second, it is becoming clear that the Federal Government has been using inappropriate currency conversion rates and systematically underestimating the strength of Japan's support of industrial R&D. Using actual exchange rates between the dollar and yen, Japan—with half the population of the United States and an economy only two-thirds as large as that of the United States—is spending over $80 billion annually on industrial R&D, a figure considerably larger than that of the United States. In short, at a time when Japan is outspending the United States on capital investment—$586 billion versus $524 billion in 1990—it has also become the world's leading patron of industrial R&D.

It is compelling to note that this period of growing civilian R&D commitment by our competitors, which was unmatched by the United States, correlates with the decline in our industrial competitiveness. Furthermore, in those areas where U.S. R&D expenditures have remained strong, such as biotechnology, pharmaceuticals, and aeronautics, our competitive position has remained strong.

In light of the critical importance of R&D to economic growth, we would recommend as a fundamental national goal that the total Federal R&D commitment maintain pace with inflation over the next 10 years. As discussed below, this commitment will necessitate an acceleration of the ongoing shift of resources and personnel from defense R&D programs to civilian R&D programs. In addition, tax policies should be structured so that within a decade, private R&D investment will grow sufficiently to enable our overall civilian R&D investment level to approach that of our economic competitors.

While our civilian R&D expenditures stagnated over the past 10 years, defense R&D experienced 76-percent real growth. In 1979, the ratio of Federal defense to civilian R&D was 48:52. The ratio steadily rose to a peak of 69:31 in 1986 and has been slowly decreasing since. In fiscal year 1992, the ratio stands at 60:40, and in the President's 1993 budget submission, despite the greatly diminished Soviet threat, the ratio drops only one additional point to 59:41.

Given that the total annual Federal R&D investment is well over $70 billion, small percentage shifts from defense to civilian R&D have the potential to yield large returns in technological investment. Reversing the current 60:40 defense:civilian ratio to a 40:60 ratio would reallocate a total of $14 billion from defense R&D to civilian R&D programs. In light of the declining military but growing economic challenges facing the United States, I would recommend that a shift of this magnitude, phased in over a period of 5 years, should be a fundamental goal of U.S. R&D policy. The shift could be accomplished by a $2 billion transfer in fiscal year 1993, and $3 billion transfers in each of the succeeding 4 fiscal years.

The 1990 amendments to the Budget Act established caps through fiscal year 1993 for discretionary spending in three categories: domestic programs, defense programs, and international programs. In fiscal year 1994 and fiscal year 1995, the individual caps will be replaced by a total discretionary cap. The benefit of these provisions lies in the fiscal discipline that they impose; their weakness lies in their inflexibility. Momentous changes since 1990 have made it clear that threats to our national security are increasingly economic rather than military. Yet, the provisions of the Budget Act preclude transfers of funding from military to civilian accounts until 1994.

An unfortunate side-effect of the Budget Act, and of the way that the Appropriations Committees are organized, is that funding for civilian science programs is pitted, year after year, against funding for civilian social programs. With the defense funding capped and walled off by the Budget Act, recent congressional debates over increased civilian R&D funding have in effect become a surrogate for debates over military spending. Thus, in each of the past 3 years, the Congress has held extensive debates over whether the country should fund the space station and the superconducting super collider, or whether funding should instead be allocated to veterans, housing, water projects, and environmental programs.

The focus of these debates is fundamentally misguided.

The correct way to conduct the debate is to determine the appropriate level of civilian R&D funding and the rate and extent to which civilian R&D should replace military R&D in the Federal budget. Once these factors are determined, it is entirely appropriate to consider the merits of the space station or the SSC in the context of other R&D priorities. The only way to conduct this debate the right way will be to bring down the Budget Act wall between civilian and defense discretionary spending in fiscal year 1993, and then to shift funds from defense R&D to civilian R&D in an orderly and phased matter.

Mr. Chairman, the Science, Space, and Technology Committee has recommended a transfer of $14 billion from defense to civilian R&D over the next 5 years. Where should these additional civilian R&D funds be directed over that time? We tried to address this question in our "Views and Estimates," and we will include our proposals in comprehensive competitiveness legislation, which will be introduced within the next month. Briefly, let me summarize the elements of our proposal:

Technology policy coordination. We recommend the establishment of a Critical Technologies Office within the Office of Science and Technology Policy to promote critical technology development.

Industry-Government partnerships. We need to expand the Advanced Technology Program at the Department of Commerce, establish a low-cost commercialization loan program to bridge the gap between R&D and commercialization, expand industry-government R&D consortia, establish a network of regional manufacturing technology centers, and do a better job of promoting U.S. standards internationally.

Infrastructure. The National Science Foundation's Academic Facilities Program needs to be expanded, and the High-Performance Computing Program should be expanded and directed toward more general applications beyond research and education.

Targeting R&D funding. Federal laboratory partnerships should be expanded and improved, as should NSF's engineering research centers. In addition, we need to do a better job of internationalizing "big science" projects.

Education and training. We need to enhance support for the K–12 math and science curriculum and increase worker training programs.

Tax policy. Tax policy needs to be restructured to favor long-term capital investments in technology, education, and infrastructure. The declining investment in industrial R&D must be turned around.

Energy policy. Funding should be increased for conservation and renewable energy R&D.

Mr. Chairman, in summary, we need to address the key economic challenges facing us with strategies in a number of areas: technology development, education and training, R&D investment, energy policy, tax provisions, and trade policy. We need to develop a coordinated technology policy which maximizes investment to create high-quality jobs for the 21st century. Additional investments associated with these strategies may be financed by a two-step process: first, by bringing down the fire wall between defense and civilian discretionary spending in fiscal year 1993, and secondly, by the orderly, phased, and planned transfer of funding from defense research and development [R&D] accounts to civilian R&D.

I believe that the resolution before us today goes a long way toward addressing the concerns and the strategy that I have outlined. It does reinvest defense funding appropriately in a variety of productive civilian programs, many of which I have highlighted today.

Before I close, however, I would like to clarify a point regarding funding for function 250 that has caused some confusion. Under plan A, the committee has provided for substantial investments above a freeze level of $17.335 billion. Specifically, the committee has recommended that an additional $377 million be provided for the NSF, an additional $118 million for the Department of Energy, and an additional $501 million for NASA. The Committee assumes that $161 million in funding be transferred from the Department of Defense for NASA programs, and that an across-the-board 1 percent cut—$184 million—be applied to the function. In addition, the resolution reflects the fact that the administration has shown in its budget submission $230 million in offsetting receipts for this function. These offsetting receipts have no effect on the appropriations process. Thus, for all intents and purposes, the committee is recommending that appropriations for function 250 should total $18.147 billion, with $161 million of the total being transferred to NASA from the DOD budget.

Mr. Chairman, for this strong support for function 250 and for other areas critical to this country's science and technology base, I commend the Budget Committee for its work and urge the adoption of the resolution.

□ 1805

Mr. GRADISON. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California [Mr. DANNEMEYER], a member of the Committee on the Budget.

Mr. DANNEMEYER. Mr. Chairman, I thank my chairman for yielding time to me.

I want to talk just for a few moments about a publication I received from the populist caucus, signed by a member named Lane Evans. It says, "It may take years for this country to recover from cuts made to domestic programs to accommodate the unprecedented peacetime military spending of the Reagan-Bush administration."

Members, I have a chart here that lists the spending increases ranked by major programs from 1981 to 1991, and the biggest increase is in Medicaid, 212 percent. The next is net interest, 183 percent; Medicare, 167 percent.

Defense is No. 9. It is 73.5 percent. In other words, social programs spending is far outstripping any increase in defense spending during the decade of 1981 to 1991. And then if we want to take the period 1974 to 1991, we find the social programs spending is far and away outstripping defense spending, which in that period of time was No. 12. I am going to put this in the RECORD, just in case any Member claims that defense spending is the culprit whereby we are in this big deficit mess.

Spending increases—Ranking major programs

1981–91:	*Percent*
	Percent
1. Medicaid	+212.5
2. Net interest	+183.1
3. Medicare	+167.3
4. Housing assistance	+120.5
5. Social Security	+92.7
6. Civil service retirement	+90.9
7. Public assistance (AFDC, SSI)	+90.7
8. Nutrition assistance (food stamps)	+75.9
9. Defense	+73.5
10. Military retirement	+68.6
11. Other programs	+63.1
12. Unemployment compensation	+37.6
13. Veterans compensation and benefits	+25.6

1974–91:	*Percent*
2. Housing assistance	+855.6
3. Net interest	+808.9
4. Medicaid	+805.2
5. Nutrition assistance	+547.7
6. Civil service retirement	+489.5
7. Social Security	+381.2
8. Public assistance	+368.4
9. Military retirement	+352.9
10. Unemployment compensation	+344.3
11. Other programs	+281.2
12. Defense	+244.6
13. Veterans compensation and pensions	+138.2

Another analysis I have here is also an interesting one because from time to time we find Members of Congress take the floor and claim that Congress is appropriating less money than what the President asked for. This analysis takes the years 1982 through 1990 and shows that in every single one of those years Congress appropriated more money than the President asked to be spent. The period between 1982 and 1988, for example, during that interval of 6 years Congress appropriated $70 billion less than what the President asked for in defense. It appropriated $17 billion more for Medicare, $16 billion less for Social Security, and $47 billion more for net interest. And the biggest increase was $246 billion more in other programs, mostly domestic programs.

We are in this deficit problem not because we spent too much on defense but we have spent too much on social programs spending.

FEDERAL BUDGETS: THE PRESIDENT VERSUS CONGRESS

[Outlays in billions of dollars]

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	89.8	89.8
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
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FEDERAL BUDGETS: THE PRESIDENT VERSUS CONGRESS—Continued

[Outlays in billions of dollars]

Function	President's requests			Actual outlays		
	WED [1]	CBO [2]	OMB [3]	WED	CBO	OMB
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			352.5		
Total	1,094.2			1,142.6		
Fiscal year 1990: [5]						
National defense	303.0			297		
Medicare	94.9			97		
Social Security	246.7			249		
Net interest	170.1			179		
Other	337.1			380		
Total	1,515.8			1,202		
Cumulative						
	WED	CBO	OMB	WED	CBO	OMB
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 FY 1982–1988 [6]						
	WED	CBO	OMB			
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] Representative W.E. Dannemeyer: President's budgets as submitted (fiscal year 1982 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 and 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 fiscal year 1987.

[5] Estimated.

[6] Actual outlays less President's requests.

Then another analysis that I want to also put into the RECORD deals with Federal spending by major categories. It has the vantage point of 1974 to 1991 and 1982 to 1992. And we find that social program spending has been exploding in all these years, and it was shown quite clearly that we are again in this deficit problem not because we are spending too much on defense but too much on social programs.

I have noted with interest some of my colleagues speaking today, and we should reflect on the fact that each minute that we talk we add $879,000 to the national debt. Each second adds $15,000 to the national debt. Each hour is $52.7 million to the national debt.

I will remind my colleagues that in this fiscal year 1992, we are adding $480 billion to the national debt. The national debt at the end of this fiscal year, September 30, is scheduled to be $4.037 trillion, and that is a moving target.

I mention this because I heard the gentleman from Illinois [Mr. DURBIN], my colleague. I do not see him on the floor now, he was talking about all the needed money that should be appropriated for these programs to which he makes reference. I wanted to ask the gentleman a question: Where does he think this money comes from?

It comes from the working men and women of this country who go to work every day, raise their families, support their charities and churches, and pay their taxes. And it comes out of the hides of those people.

I say that there needs to be some voice around this place that recognizes that we are just spending this Nation into bankruptcy. The data shows that in 1980, it took 20 percent of all revenue collected by the Federal Government to pay the interest on the debt. And by 1992, it takes 42 percent of all revenue.

If we just look at the income from the personal income tax in 1980, it took 30 percent to pay the interest on the debt. And in 1992, it takes almost 60 percent of the income on the personal income tax to pay the interest on the debt.

If we do not change our big spending habits around this place, there is a good chance that by the end of this century, maybe even before, it is going to take all of the income from the personal income tax to pay the interest on the debt. And we could even get to the point that it would take all of the income to the Federal Government itself to pay the interest on the debt.

I mention that because the Committee on Rules has permitted this Member from California to offer an alternative budget that will establish the lowest spending totals for any of the alternatives being suggested by the House at this time. I will have an opportunity during the presentation of that alternative budget to explain to the Members the details of it.

FEDERAL SPENDING BY MAJOR CATEGORIES

[Budget Outlays in billions of dollars]

Program	1974	1975	1976	1TQ	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1998	1990	1991	Increase 74–91	Increase 82–92
Social Security	55.9	64.7	73.9	19.8	85.1	93.9	104.1	118.5	139.6	156.0	170.7	178.2	188.6	198.8	207.4	219.3	232.5	248.6	269.0	+381.2	+92.7
Civil service retirement	5.7	7.0	8.3	2.3	9.5	10.9	12.4	14.7	17.6	19.4	20.7	21.8	23.0	23.9	25.7	28.0	29.1	31.0	33.6	+489.5	+90.9
Military retirement	5.1	6.2	7.3	1.9	8.2	9.2	10.3	11.9	13.7	14.9	15.9	16.5	15.8	17.6	18.1	19.0	20.2	21.5	23.1	+352.9	+68.6
Other retirement (railroad and disabled coal miners	2.8	4.7	3.2	1.2	3.6	3.4	4.4	5.1	5.4	5.6	5.6	5.4	5.6	5.3	5.6	5.3	5.7	5.1	5.7	+103.6	5.6
Veterans compensation and pensions	6.8	7.9	8.4	2.1	9.2	9.7	10.8	11.7	12.9	13.7	14.3	14.4	14.7	15.0	15.0	16.0	16.5	15.2	16.2	+138.2	+25.6
Income security	76.2	90.5	101.1	27.3	115.6	127.0	141.9	161.9	189.3	209.6	227.2	236.3	247.8	260.7	271.7	287.7	304.1	321.6	347.6	+356.2	+83.6
Unemployment compensation	6.1	13.5	19.5	4.0	15.3	11.8	10.8	18.1	19.7	23.7	31.5	18.4	17.5	17.8	17.1	15.3	15.6	18.9	27.1	+344.3	+37.6
Medicare	9.6	12.9	15.8	4.3	19.3	22.8	26.5	32.1	39.1	45.6	52.6	57.5	65.8	70.2	75.1	78.9	85.0	98.1	104.5	+988.5	+167.3
Medicaid	5.8	6.8	8.6	2.2	9.9	10.7	12.4	14.0	16.8	17.4	19.0	20.1	22.7	25.0	27.4	30.5	34.5	41.1	52.5	+805.2	+212.5
Health programs	15.5	19.7	24.4	6.5	29.2	33.4	38.9	46.0	56.0	63.0	71.6	77.6	88.5	95.2	102.6	109.3	119.6	139.2	157.0	+912.9	+180.4
Housing assistance	1.8	2.1	2.5	.7	3.0	3.7	4.4	5.6	7.8	8.7	10.0	11.3	25.3	12.4	12.7	13.9	14.7	15.9	17.2	+855.6	+120.5
Food and nutrition assistance	4.4	6.6	8.0	1.8	8.5	8.9	10.8	14.0	16.2	15.6	18.0	18.1	18.5	18.6	18.9	20.1	21.2	24.0	28.5	+547.7	+75/9
Public assistance (SSI, AFDC)	7.9	10.1	12.2	3.1	13.0	13.8	13.4	17.2	19.4	19.8	21.1	21.4	22.7	24.4	25.3	27.9	29.7	31.4	37.0	+368.4	+90.7

FEDERAL SPENDING BY MAJOR CATEGORIES—Continued

[Budget Outlays in billions of dollars]

Program	1974	1975	1976	1TQ	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1998	1990	1991	Increase 74–91	Increase 82–92
Social and welfare programs	14.1	18.8	22.6	5.6	24.5	26.4	28.5	36.8	43.4	44.1	49.0	50.8	66.5	55.3	56.9	61.9	65.6	71.3	82.7	+486.5	+90.6
Select paymens for individuals	111.8	142.5	167.5	43.4	184.6	198.7	220.1	262.8	308.2	340.4	379.3	383.1	420.2	428.9	448.2	474.2	504.9	550.9	614.4	+449.6	+99.4
National defense	79.8	86.5	89.6	22.3	97.2	104.5	116.3	134.0	157.5	185.3	209.9	227.4	252.7	273.4	282.0	290.4	303.6	299.3	273.3	+244.6	+73.5
Net interest on debt	21.4	23.2	26.7	6.9	29.9	35.4	42.6	52.5	68.7	85.0	89.8	111.1	129.4	136.0	138.6	151.7	169.2	184.2	194.5	+808.9	+183.1
Other spending	73.5	93.7	102.3	27.6	112.4	135.8	141.9	161.5	171.8	161.1	163.3	162.1	176.6	185.0	171.5	184.8	203.7	253.8	280.2	+281.2	+63.1
Undistributed offsetting receipts	−16.7	−13.6	−14.4	−4.2	−14.9	−15.7	−17.5	−19.9	−28.0	−26.1	−34.0	−32.0	−32.7	−33.0	−36.5	−37.0	−37.2	−36.6	−39.4	(+135.9)	(+40.7)
Total outlays	269.4	332.3	371.8	96.0	409.2	458.7	503.5	590.9	678.2	745.7	808.3	851.8	946.3	990.3	1,003.8	1,064.1	1,144.1	1,251.7	1,323.0	+391.1	+95.1
Percent annual increase (Percent)	9.6	23.4	11.9	n/a	10.1	12.1	9.8	17.4	14.8	10.0	8.4	5.4	11.1	4.6	1.4	6.0	7.5	9.4	5.7	....	....
CPI annual increase (Percent)	11.0	9.1	5.8	n/a	6.5	7.6	11.3	13.5	10.3	6.2	3.2	4.3	3.6	1.9	3.6	4.1	4.8	5.4	4.2	+176.3	+49.8
Real outlay growth (Percent)	(−1.4)	+14.3	+6.1	n/a	+3.6	+4.5	(−1.5)	+3.9	+4.5	+3.8	5.2	1.1	7.5	2.7	(−2.2)	1.9	2.7	4.0	1.5	+214.8	+45.3
Receipts	263.2	279.1	298.1	81.2	355.6	399.6	463.3	517.1	599.3	617.8	600.6	666.5	734.1	769.1	854.1	909.0	990.7	1,031.3	1,054.0	+300.6	+75.9
Nominal deficit	−6.1	−53.2	−73.7	−14.7	−53.6	−59.2	−40.2	−73.8	−78.9	−127.9	−207.8	−185.3	−212.3	−221.2	−149.7	−155.1	−153.4	−220.4	−268.7	+4,304.9	+240.6
Gross Federal debt	483.9	541.9	629.0	(643.6)	706.4	776.6	828.9	908.5	994.3	1,136.8	1,371.2	1,564.1	1,817.0	2,120.1	2,345.6	2,600.0	2,867.5	3,206.3	3,599.0	+643.7	+262.0
Real deficit	−17.6	−58.0	−87.1	n/a	−77.4	−70.2	−52.3	−79.6	−85.8	−142.5	−234.4	−192.9	−252.9	−303.1	−225.5	−255.2	−266.7	−338.8	−392.7	+2,131.3	+357.7

Mr. PANETTA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Virginia [Mr. PAYNE], who is a member of the Committee on the Budget.

Mr. PAYNE of Virginia. Mr. Chairman, I rise in strong support of House Concurrent Resolution 287, the Budget Resolution for fiscal year 1993.

I would like to commend the chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA], our ranking member, the gentleman from Ohio [Mr. GRADISON], and the members of the Committee on the Budget for completing the work on this Budget Resolution so quickly.

This resolution, either alternative A or B, produces a budget deficit for 1993 that is less than that proposed by the President, and the budget deficit proposed for 1993 is about 20 percent less than the budget deficit for this fiscal year.

Plan B adheres to the spending caps set by the 1990 budget summit agreement and keeps intact the firewalls between defense, international affairs, and domestic discretionary spending.

Under these caps, domestic outlays will actually decrease below the 1992 level. The budget resolution before us recognizes that if we are going to compete successfully in the global economy, we must carefully target and invest our scarce Federal resources in our people, especially our young people, and our infrastructure. Significant increases are proposed in both plans for the Head Start Program for at-risk pre-school children and the WIC Program. The success of head Start and WIC at improving school performance and reducing health care and other costs are well documented.

The bottom line is simple: Children who cannot learn cannot become productive members of either our society or our economy.

There is a strong relationship between public investment in roads, rails, and airports and growth in the private sector. Spending on infrastructure makes private investment in plants more profitable. I believe the additional funding for highways, mass transit, and aviation included in this budget resolution will enhance America's competitiveness.

This budget resolution recognizes the need to protect and enhance rural America and provides for continued funding for community development block grants, community health centers, and the Economic Development Administration.

Mr. Chairman, during my tenure on the Veterans Affairs Committee—from which I am now on leave—I learned about the strains on the VA's medical care budget. During the 1980's, growth in the VA medical care budget did not keep pace with the 10 to 15 percent growth in medical inflation. For example, the prices the VA pays for prescription drugs has risen 21 percent in the last year and a half. Vietnam veterans suffering from post-traumatic stress disorder must wait up to 1 year to begin treatment.

The portion of the medical care budget set aside to help homeless veterans has been continually underfunded. As a result, the VA has been able to help less than 10 percent of those veterans who are homeless.

The VA system now handles more AIDS patients than any other Federal health care system, as our veterans grow older, there will be increased demands for long-term care. The budget resolution [plan B] will help address these and other urgent needs by allocating about $700 million in additional budget authority to the VA medical care budget.

The President's budget proposed $3.5 billion in cuts to VA benefits over 5 years. These cuts would have hurt veterans by increasing medical and drug co-payments, raising home loan fees and down payments, reducing pensions, and increasing contributions under the Montgomery GI bill. The budget resolution rejects all of these cuts imposed on veterans.

As the military is downsized, it is important to help ease the transition to civilian life for our service men and women. About $100 million, either plan A or B, has been allocated to provide transitional assistance for military personnel returning to civilian life and to address the unemployment needs of our Nation's veterans.

This 1993 budget resolution is responsible, and it puts us on the right path toward responsible budgets for 1994 and 1995 which meet the targets of the Budget Enforcement Act. I urge my colleagues to support this resolution.

Mr. CONYERS. Mr. Chairman, I rise and commend the good work of the Budget Committee chairman in expeditiously bringing the fiscal year 1993 budget resolution before this body. It is a product that is significantly better than the President's proposal in so very many ways.

Once again this President, like the President before him, has proposed a budget that favors the rich and leaves crumbs for the rest of America. His budget and its tax program would once again put a strong wind at the backs of wealthy investors, and a headwind of hurricane force against hard-working Americans. Frankly, I'm fed up with misguided leadership from the White House that continues to run the Government as if it were a playground for millionaires, rather than at the service of all Americans.

The Bush budget shaves only $44 billion off a proposed $1.5 trillion military budget over the next 5 years. That's a cut of 3 percent, less than $10 billion per year. The excuses for these levels of spending have vanished. The Warsaw Pact has collapsed; we don't need to protect West Germany from East Germany.

The Soviet Union has disintegrated; the hammer and sickle flag no longer flies over the Kremlin. The last time I looked the Russian leader was a capitalist, not a Communist.

Mr. Chairman, we have just come through a decade of disinvestment. Reaganomics I and II have bushwacked the economy and starved critical areas of investment that would promote economic growth, make us more competitive in the world, aid people in need, and reduce the deficit. We would need to spend $77 billion more for investment programs in 1993 than the President has proposed just to get us back to the 1980 level of Federal spending on investment. We are not talking poor people's programs here, Mr. Chairman. We're talking about infrastructure, education, job training, science and technology, economic development, and selected health and housing programs, programs that are the foundation of national security in the new world order.

So that is why I urge my colleagues to support the proposal of the Budget Committee. The budget resolution presents us with two plans, A and B. Both are superior to the President's proposal. This resolution reduces his ridiculously high levels of military spending. It cushions the hardship to families and communities caused by defense cutbacks. It makes a downpayment on investments needed to bring this economy out of recession and promote growth for the long term. It stops the President's budget cuts to Medicare, veterans programs, and a host of other critical activities. It gets rid of the charade of accounting gimmicks that is dishonest and a disservice to sound budgeting, and both plans reduce the deficit.

Plan A is clearly the superior of the two. It begins the process of rebuilding America by making some much-needed investments in education, health care, long-term economic growth and economic conversion, while making a downpayment on the deficit. Adopting this budget resolution will give America's veterans $586 million more than the President proposes, $2.2 billion more for education programs, nearly $600 million more for job training, and create thousands of more jobs in congressional districts across this country.

The Members from the other side of the aisle have criticized this side of the aisle for offering two plans. Mr. Chairman, two plans only make sense. Plan A can only work if this body passes H.R. 3732, a bill I have the pleasure of being the lead sponsor of, which would break down the walls between defense, domestic, and international spending. But the President has said he will veto such legislation, so we need a fallback position if we cannot override his threatened veto.

Mr. Chairman, I had hoped we could have done more and better with this budget. Proposed military spending is much too high. Domestic investments are way too little. Without those investments, our educational system will continue to slip, our infrastructure will crumble, and new technologies will go undiscovered. These investments are the future engine of growth that will get this economy working again and lead us out of our budget debt and our social deficits.

But I understand the realities of competing interests and counting votes. Again, I congratulate the Budget Committee chairman for a job well done under these trying circumstances and I urge my colleagues to support this resolution.

Mr. Chairman, it is also important that the Members consider two issues included in this budget resolution that go to the heart of our ability to efficiently manage the Federal Government. They are the imposition of a partial hiring freeze and a 1 percent across-the-board cut for certain administrative expenses.

The Committee on Government Operations has spent the last several months surveying the General Accounting Office, the inspectors general, and other experts on Government management to identify the most significant management problems in the Federal Government.

A recurring theme that shows up in many agencies and programs is the hollowing-out of Government, that is the scaling back of personnel, investments, and other resources to the point that the agencies are unable to perform their missions or provide the services for which they were created.

Hollow government was a creation of the Reagan-Bush administrations. It used personnel cuts and resource reductions in the misguided pursuit of downsizing Government. Record Reagan-Bush deficits show that hollowing out Government does not balance the budget, it simply leads to mismanagement, the inability to provide needed programs and services, and ultimately the expenditure of more tax dollars to fix the ensuing problems.

Let me provide just a few examples of the hollowing out of Government that has taken place over the last 12 years:

Twenty-five cents out of every dollar spent by American consumers are for products regulated for safety by the Food and Drug Administration. We are all now familiar with FDA's efforts toward safe breast implants. It also regulates such items as aspirin, AIDS drugs, heating pads, heart valves, and every type of food.

Despite these enormous responsibilities, Reagan-Bush cuts have decimated the FDA. After drastic cuts in the 1980's, its number of field inspectors has just now returned to its 1979 levels. As a result, the FDA is able to monitor a smaller share of the production, distribution, and sale of regulated products than a decade ago. Inspections have dropped by at least 40 percent over the past decade.

The NASA inspector general is able to audit only 4 percent of the agency's programs and contracts per year. Even by limiting audits to high priority areas, the inspector general staff can look at those areas only once every 9 years. This leaves the entire space program vulnerable to fraud, waste, and abuse of taxpayer dollars.

While the number of visitors has leapt from 172 million in 1970 to an estimated 267.2 million last year, the National Park Service's ranger force has remained static. This means less protection for visitors and resources in the system's 359 units.

At Pictured Rock National Lakeshore in Michigan, a ranger force of 80 has been cut to 14. Alaska's 12.6 million-acre Wrangell-St. Elias National Park—the biggest in the system—has only three rangers on full-time patrol. Vagrants constantly break into the Martin Luther King Jr. birthplace in Atlanta, seeking shelter and sometimes vandalizing the national historic site.

The President's budget, meanwhile, calls for a hiring freeze for civilian personnel by robbing Peter to pay Paul. For example, the Justice Department would receive an additional 3,672 employees, despite the fact that we have already doubled the size of the Department over the last 10 years. To fund those new bodies, the President would cut between 500 and 1,000 employees each from the Department of the Treasury including the Internal Revenue Service, the Department of Housing and Urban Development, and the Department of Interior, among others.

The budget resolution also includes a partial hiring freeze. But it provides much more flexibility to the Appropriations Subcommittees and the agencies to rehire those positions most needed for the efficient management of the agencies. I would urge the subcommittees to use that flexibility to ensure that managers, auditors, and other essential personnel are not lost.

Another persistent problem identified by the Government Operations Committee survey is the inability of the Federal Government to competitively attract the quality managers and specialists needed to run the Government. How does the President react to this challenge in his budget? By delaying the annual pay raise and making it that much harder to attract and retrain qualified employees.

The Budget resolution also includes an across-the-board cut of 1 or 2 percent for travel and overhead or other administrative costs. However, the resolution provides some flexibility to postpone cuts to capital investments, software purchases, and related expenses. Again, I urge the Appropriations Subcommittees to make these decisions very carefully so that essential programs are not hollowed out any further.

□ 1815

Mr. PANETTA. Mr. Chairman, I yield 30 minutes to the distinguished gentleman from Indiana [Mr. HAMILTON] for the purpose of debate on economic goals and policies. I ask unanimous consent that he be entitled to yield that time.

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

There was no objection.

Mr. GRADISON. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. ARMEY] for the purposes of debate on economic goals and policies. I also ask unanimous consent that he may be entitled to yield time. Such time as he does not use, as I understand it, will be reserved and available to this Member for yielding to others later.

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

There was no objection.

Mr. HAMILTON. Mr. Chairman, I yield myself 15½ minutes.

Mr. Chairman, the Full Employment and Balanced Growth Act of 1978, sponsored by Senator Humphrey and Congressman Hawkins, wisely provided time in the consideration of the budget resolution for a debate on economic goals and policies. I think it is very important that we have such a debate. And I would urge my colleagues to rethink the focus of that debate. We can't keep focusing on the short run and the quick political fix. We need to address fundamental long-term problems in the American economy.

Apparently, economists are trying to decide whether we are technically still in a recession. If we are, it is the longest recession since the end of World War II. If we are not, we are in the weakest recovery since the end of World War II. In any case, it is hard to find grounds for optimism that a strong recovery is imminent.

And that is what I find really troubling. This recession is not just a temporary blip in an otherwise vigorous economy. Our economic performance has been disappointing for a long time now, and it looks like it will continue to be disappointing for a long time to come if we don't change the focus of the policy debate to pay more attention to the long term.

Many are asking an important question, "What should we do about the recession?" I think we also need to be asking the more fundamental question, "How can we restore healthy long-term growth and raise the standard of living of the average American family?" Some policies that look appealing for getting us out of the recession look less appealing when we consider their impact on the budget deficit and long-term growth.

I think we missed this point in our recent debate on the tax bill. Important as restoring some equity to the Tax Code and trying to stimulate the economy during this recession are, they are not the main problems facing the Nation. Our major effort really should be boosting productivity and long-term growth. And that means our priorities should be on reducing the budget deficit, increasing national saving, and making important long-term investments: in infrastructure, research, education, training, children.

Our problems did not begin with the recession and they will not end when the economy comes out of the recession. We didn't get into trouble in a few months, and we will not get out of trouble in a few months. And we will never get out of trouble if we continue to focus only on the short run.

I. THE SHORT-TERM OUTLOOK

Admittedly, this short-run outlook is disappointing. Most forecasts for this year, including the administration's, suggest that we will have modest growth of about 2.2 percent. This is well below the 4-6 percent rates of growth that have been typical of economic recoveries and it will not be enough to lower the unemployment rate much. The one piece of good news is that inflation should remain relatively low.

II. SHORT-TERM SOLUTIONS

A. DO NO HARM

It is understandable that we want to do something about the recession. But early in their training medical students learn that their first responsibility in treating a patient is to do no harm. I think there is wisdom for economic policymakers in that advice. We do not have a weak economy, but we should be careful that any cure we come up with for the recession is not worse than the disease. I am impressed that most economists remain skeptical that massive fiscal stimulus is the right medicine for this economy. I am convinced that working to achieve healthy long-term growth is the best way to prevent future recessions from lingering as long as this one has.

B. PRIMARY RESPONSIBILITY LIES WITH THE FED

My basic view is that the primary responsibility for getting us out of the recession continues to lie with the Federal Reserve. It made a dramatic move to lower interest rates in December, cutting the discount rate a full point to 3.5 percent. I wish the Fed had taken this kind of aggressive action sooner, and I do not expect the economic indicators suddenly to blossom. But lower interest rates will have an important positive impact on the economy. And I believe the Fed still has room to cut.

C. ANY FISCAL STIMULUS SHOULD BE CAREFULLY TARGETED AND SHOULD NOT MAKE THE LONG-TERM DEFICIT OUTLOOK WORSE

In principle, fiscal stimulus through increased Government spending or tax cuts could be a useful complement to lower interest rates in promoting a healthy recovery. But such a stimulus package would have to be carefully targeted and clearly temporary. Reducing tax receipts or increasing spending on a permanent basis would be disastrous for the budget. The Federal Government is already spending nearly $3 for every $2 that it takes in. In my judgment, another rate cut by the Fed would be a far more useful tonic to this economy than an ill-conceived fiscal stimulus package.

III. LONG-TERM OUTLOOK

A. RECOVERY FROM THE RECESSION WILL NOT CURE OUR LONG-TERM PROBLEMS

Unfortunately, recovery from the recession, however welcome, will not cure the more fundamental problems worrying the American people: poor productivity growth, declining competitiveness, stagnant wage growth, and growing income inequality.

National income was growing slowly for some time before we actually fell into recession. During 1989 and the first half of 1990, growth in the Nation's output of goods and services—real GDP—averaged only 1.2 percent per year, compared to 2.6 percent per year from 1979 to 1989. Moreover, average growth in the 1980's was slower than in any previous decade since the end of World War II; growth averaged 2.8 percent in the 1970's, 4.1 percent in the 1960's, and 3.9 percent in the 1950's. Most economists expect growth in the 1990's to be slower still.

Slower growth in national income is not just due to slower growth in the labor force. Hourly pay of the average American worker is only 3 percent higher now, after adjusting for inflation, than it was at the depth of the previous recession in 1982. This stands in marked contrast to the years from 1948 to 1973 when wages grew 3 percent per year. Families had to work harder and longer to get ahead in the 1980's. More than in any previous period since the end of World War II, upper-income families and workers achieved disproportionate gains in their standard of living. These problems of growth and fairness were evident before the recession and they will persist after the recovery if we do not adopt more sensible policies.

B. POOR PRODUCTIVITY PERFORMANCE AND INADEQUATE SAVINGS ARE THE ROOT CAUSE OF OUR LONG-TERM PROBLEMS

The reason for these problems of growth and fairness is not hard to find. Productivity is not growing as fast as it must to provide satisfactory growth in wages and incomes. American businesses have achieved increases in output per hour of about 1 percent per year over the last decade, while the Japanese have raised their productivity four times faster. When the productivity of American workers doubled between 1948 and 1973, so did their wages and incomes. Productivity growth since 1973 has been only one-third as great; wage and income growth has slowed accordingly.

And the United States is a low-saving country relative to other industrial countries, especially the most successful, Germany and Japan. The consequences of our low saving have not shown up in disastrous declines in investment only because we have greatly increased our international indebtedness. We are better off having foreign-financed investment than not having it. But strong, sustainable, long-term growth in our standard of living requires that we increase investment beyond what we achieved in the past and that we finance that investment with our own national saving.

Frankly, I am appalled that the fiscal policy debate seems to have turned into a debate about who can cut taxes the most and who can provide the most tax incentives. It should be about how to get productivity and savings up. Poorly-designed tax cuts can seriously hurt national saving while doing little or nothing to increase national investment and productivity. It's time to recognize that such tax cuts may be good politics, but they are not good economics.

IV. LONG-TERM SOLUTIONS

A. GOVERNMENT POLICY MUST COMPLEMENT PRIVATE SECTOR INITIATIVES TO INCREASE INVESTMENT

Much of the responsibility for improving productivity rests with the private sector. They have to take the longer view, build new plants and equipment, and invest in the research and development that produces new products and better methods of production. But Government has a role to play as well. Both have to stop encouraging consumption at the expense of investment.

B. SIX PRINCIPLES FOR A LONG-TERM PROGRAM TO BOOST GROWTH

A long-term program to boost growth would have several components.

First, Congress and the President should stick to the spirit of the budget agreement and make a renewed commitment to lowering the long-term budget deficit. Why? Because the economy is not going to strengthen fundamentally until we boost saving and investment. And that won't happen until we bring down the budget deficit. Government borrowing crowds out money for private investment and drives up interest rates. It is a drain on our already meager pool of savings.

Second, the Federal Reserve must cooperate by providing sufficient stimulus to allow the economy to expand with lower interest rates, more private investment, and a better trade balance.

Third, in considering tax incentives, Congress should remember the lesson of the 1980's that generous tax cuts and savings incentives do not boost economic growth when they result in massive budget deficits. Only carefully targeted incentives that generate new savings or additional, productive, long-term investment are useful components of an overall strategy to boost growth.

Fourth, we must stop neglecting public investment in infrastructure and technology. Congress should provide adequate funds for the infrastructure that the private sector needs but cannot be expected to provide for itself. This includes not only physical infrastructure like roads, bridges, and airports, but also infrastructure of the future—smart highways, state-of-the-art telecommunications networks, and modern air traffic control systems, for example. We also need investments in the production and dissemination of technological knowledge through research and development. And we should look for ways of doing this that do not add to a budget deficit that is already too big a burden on the future.

Fifth, we need greater public achievement in human capital—investments in people to make the future work force healthier, better educated, and more productive. Policymakers need to reverse the trend of the last decade in which the share of total Federal spending going to nondefense investment dropped from 16 percent in 1980 to 8 percent today.

Sixth, we need a limited technology policy. I don't believe that the Federal Government should micromanage the economy and I don't think the Federal Government should be in the business of picking winners and losers. But I see merit in trying a limited program that makes funds available on a competitive basis to support the development of new technologies that businesses themselves think are important.

V. THE BUDGET

A. THE PRESIDENT TALKS A GOOD GAME, BUT HIS BUDGET PROPOSALS DON'T ADDRESS OUR MOST IMPORTANT PROBLEMS

Looking at the Bush budget proposals in light of my concerns for long-term growth and fairness, I am pleased when he talks about important priorities like shifting money toward spending on children, education, preventative health care, science, and research. But his actual proposals do not sufficiently address the long-term structural problems in the economy that must be solved if we are to achieve stronger productivity growth, better jobs, and more solid increases in our standard of living. And there is very little in his budget for the poor and working poor who have been hard hit by the recession.

We in the Congress have to do better. We can't ignore the recession, but we have to ask how any recovery program we propose affects our long-term growth prospects. I see some merit, for example, in proposals to increase grants to State and local governments as part of an antirecession package. They have seen their revenue sources dry up in the current recession. Without some relief they will be forced to cut back on their investments in infrastructure and education. In general, however, the test for Federal spending should be whether it contributes to economic growth or other important national goals. If it does, policymakers should find a way to pay for it. If it does not, it should be eliminated.

I support the moves in Congress today to cut defense spending and use the savings from Pentagon cutbacks to pay for deficit reduction and some more investment. I think this is what the Budget Committee has in mind in its plan A. Reorienting our spending priorities is critical, but I continue to believe that we must stick to our commitment to bring the deficit down.

B. TAX CUTS ARE NOT THE ANSWER

On the tax side, the President offered proposals that disproportionately benefited the most well-off Americans. And claims that a capital gains tax cut would have a substantial impact on economic growth appears to be based almost exclusively on hope and faith rather than experience or scientific evidence. Still, there is some common ground between the President's tax proposals and proposals coming from Congress. A middle-class tax cut, investment incentives, and incentives for individual savings have some merit and are broadly supported. What concerns me is that the individual impact of any of the proposed tax law changes will be small and could even be beneficial, but they represent a retreat from the tax reforms of 1986 and cumulatively could balloon the deficit.

I am convinced that we have to resist the temptation to make politically popular tax cuts the centerpiece of any recovery program. Any tax cut large enough to matter for the recovery will be too large in terms of the budget deficit. And there is a real danger that we could have a tax-cut bidding war between Congress and the President that would get out of hand, widening the deficit and driving up interest rates.

I do not think it is wise to make a major tax cut in the face of a $400 billion deficit, when the Government spends almost $3 for every $2 it has, when the public investment needs of the country are so urgent, when unmet social needs are so enormous, and when we are adding to the national debt at a rate of $1 trillion every 3 or 4 years.

The President's tax plan comes up short on grounds of fairness and long-term growth. But I have serious concerns about the House-passed tax plan as well. I have grave doubts that it will pay for itself over the long run. And I cannot believe that a tax program that adds to the long-run deficit is in the public good, especially when, for all its ingenuity, it will likely have only a marginal short-term effects on the economy.

It does have the advantage over the President's plan of putting more money into the hands of people at lower income levels and in greater need. But even its message of tax fairness is blunted by many tax breaks that benefit the wealthy, such as capital gains and the passive loss provision. I think we may be underestimating the revenue losses from these provisions. More important, I think there is a hugely optimistic assumption at the heart of this package, namely that in the midst of the next election year, 1994, we in the Congress will let the middle-income tax cut lapse. I think we are more likely to extend it.

For these reasons, I conclude that the tax proposal is more a political statement on fairness than it is a growth package. It tries to bring equity to the Tax Code and tries not to harm the economy too much, but I wonder if it is really what this economy needs at this time. I doubt if this bill would be on the agenda if this were not an election year.

C. THE BUDGET DEFICIT IS STILL TOO HIGH

The President is clearly sending a strong message in his budget not to worry about the deficit. He proposes large deficits for the next 5 years. His projected 1993 budget deficit of $352 billion is lower than this year's $399 billion deficit, but still far above the previous record of $269 billion recorded last year. His budget fails to meet the pay-as-you-go test, uses creative accounting to keep the deficit down, and relies on unspecified savings. He proposes no comprehensive plan to reduce future deficits.

Obviously, we in the Congress are subject to many of the same pressures to ignore the deficit as the President. Too often, policymakers face the dilemma that what appears attractive for making the next 6 to 12 months better is often not what is needed to make the next 6 to 12 years better.

Realistically, I understand that major deficit reduction is not likely to happen this year, given the President's budget proposal, the state of the economy, and the political pressures of the election year. The deficit is very hard to cut because the harm that comes from increasing it in any one year is so gradual that nobody notices it, but over a decade or more it makes a substantial difference in the standard of living of Americans.

We've ignored this long-term harm for too long. I just think there's an imperative for a fundamental change in fiscal policy and for self-discipline in Government. I have the very strong feeling that Washington politicians ought to worry much more about the State of the Union in January 2000 rather than November 1992. I think it is time to govern, not to pander.

VI. SUMMARY

In summary, the economy's underlying problems have been some 20 or more years in the making, and they are not easily solved. I am convinced that more than anything, the United States needs to think of its long-term needs. It is very tempting to think that the answer to our economic problems is to cut taxes and not worry about the deficit. But the real challenge is to increase national saving and redirect our public and private spending toward more productive long-term investments.

□ 1830

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

Mr. ARMEY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, we come to this point in the budget debate where we are mandated by the Humphrey-Hawkins Act to examine the budget with respect to its potential impact on employment and price stability, and economic growth.

This act, of course, is an extension of the concept of the Employment Act of 1946 by then Senator Hubert Humphrey and Congressman Gus Hawkins, who has recently retired from the House of Representatives. Neither of these two gentlemen, I might add, Mr. Chairman, were exactly what you would consider arch-conservative Members of either body. As a matter of fact, I think you would find that they were both clearly comfortable with being identified as somewhere on the left end of the political spectrum in the more liberal wing of the Democrat Party, and they quite rightly were concerned, as we have been since 1946, with the impact of our budgetary practices on the performance of the economy as it affects the employment of Americans and their ability to purchase within the context of stable prices.

There was another aspect of the Humphrey-Hawkins Act that we should emphasize. I think one of the most important aspects of the Humphrey-Hawkins Act was that it emphasized that the correct, the appropriate, the balanced relationship between the public and the private sector of the economy would be best reflected by maintaining public spending at about 19 percent of gross national product. This was set in the law as a target for us to strive to achieve in our budgetary practice. We began the 1980's with the Federal Government's budget at around 22 percent of gross national product, and throughout the 1980's we tried to keep it from expanding. Now it has slipped out of control to the point where today it is over 25 percent, that is to say, the Federal Government now commands over 25 percent of the gross national product of the American people. This is clearly not in compliance with the intentions of the Humphrey-Hawkins Act.

I would like to spend a moment and talk about how that could happen. First of all, Mr. Chairman, I have served 4 years on the Committee on the Budget. I have served 7 years in this House where I have watched this process closely, and I have to tell you, in my estimation, the Budget Act of 1974 was a perfect formula for no discipline, no responsibility.

What the Budget Act of 1974 did was to require the President to make a budget recommendation to Congress in early February, and then to require the Congress to set a budget by April 15. It did not allow for the President to sign that budget. It has only the most lax rules by which the budget can be held binding over the subsequent behavior of Congress in the fiscal year when we get down to the real business of spending the taxpayers' money through the 13 separate appropriation bills.

Then in addition to that, the Budget Act of 1974 repealed or revoked the President's power to engage in what are called impoundments and rescissions. The upshot of that was it largely cut the President out of the budgetary process except in the most ceremonial sense, that he submits a budget recommendation and then lives with the consequences of Congress.

It was a division of authority over spending and taxing decisions on the side of the legislative branch, and accountability in the public's perception remaining with the executive branch. Now, I am convinced that anytime we put a division between accountability and authority, we have a perfect formula for irresponsibility and lax methodologies and bad outcomes, because the people with the real authority to do the job do not have to answer on behalf of the job that was done, and in this case, the executive branch, the President, who frankly has very little input and very little authority in this process, gets left, in the vernacular of my home State of Texas, left holding the bag of public accountability.

I would like to focus on one particular way in which this happens. As we put together a budget, we deal with all kinds of esoteric terms, things like tax bases, and forecasts and projections, and revenue forecasts and so forth. Incidentally, we in the Congress go about this all wrong. We try to forecast what revenues will be available, and then we go about the business of spending these forecast revenues.

□ 1840

It seems to me that fundamentally budgeting must begin with a basic examination of what are we doing with the public's money. Is it necessary? Is it critical? Is it important? Is it desirable, and is it productive to the public's interest, and then cast out those programs that have not been productive, revise those that maybe could be productive, take away those that are not necessary and get that budget in line. We do not do that.

We begin with the proposition that we ought to begin spending the money as we have been spending it in the past.

Now, the psychologists define crazy as continuing to do more of the same thing and expecting different results.

Fundamentally, I would argue this is a crazy process, because we begin with the proposition that we ought to have current services budget spending and continue doing the same thing next year and the year after and so forth that we are doing now, rather than reexamining piece by piece, part by part, what we are doing and seeing what it is we can cast out of the process.

Now, after we have made that decision that we will continue doing what we are doing now and then determine the extent to which we will do more of it, quite rarely do we decide that we might consider where we could do less of it.

We have found ourselves with chronic deficits ranging from $100 billion to now $400 billion. When a family finds itself with chronic deficits, it does a fundamental review of the budget. When business finds itself with a chronic deficit, they do a fundamental review of their budget. We do not do that.

One of the reasons we have these budgets is that we are so bad at estimating revenue.

I want to focus for just the last few minutes on a very clear example of this unfortunate revenue estimate device.

We cannot today use countercyclical policy as envisioned by the Employment Act of 1946 or the Humphrey-Hawkins Act by way of increasing or decreasing spending. When you are talking about a recession, for example, you would under the old theory increase spending or cut taxes, raising the deficit. We have 400 billion dollars' worth of deficit, 400 billion dollars' worth of fiscal stimulus, and we cannot get any growth result from that.

Furthermore, the budget is in itself such an overwhelming problem, the deficit is such an overwhelming problem, that we would not dare increase spending in a recession and worsen the deficit because it is too bad already.

So the fiscal policy spending part of the old fiscal policy equation of Humphrey-Hawkins and the Employment Act is no longer a tool at our disposal.

We then look to tax policy. The question is, what happens if you change the Tax Code?

We have, of course, a great reliance on a partisan organization called the Congressional Budget Office, which does analysis and then gives that analysis to the staff of the Joint Tax Committee and others to score these alternative tax policies. The Congressional Budget Office also projects the revenues that go into building the baseline from which we depart in this budgetary process.

Now, in the Congressional Budget Office they have a model that presumes that there will be little or no response by real people in the real world to changes we have in the Tax Code, that irrespective of what we do with taxes, people will continue doing as they have been doing because they observe, I suppose, that irrespective of what is going on in the economy or in the budget, Congress continues doing what they have been doing.

It does not occur to them that people in their private lives are more rational and responsive to changing circumstances than people are in their public lives. They are not aware of the fact that nobody spends somebody else's money as rationally as they spend their own.

The CHAIRMAN pro tempore (Mr. BENNETT). The time of the gentleman from Texas has expired.

Mr. ARMEY. Mr. Speaker, I yield myself an additional 7 minutes.

So, Mr. Chairman, they presume no change.

Now, here looking at this very important and very critical and very controversial question of capital gains taxation and the response to changes in the capital gains tax rate, we can see that as we have lowered the capital gains tax rate with the Steiger amendment of 1978 there was a tendency for people to get more involved in investment activities; more put their savings and resources into productive investment activities, generated more output and production, increased employment and income, and realized more capital gains income. That pattern continued at a fairly steady gradual rate until 1982 when we had the Reagan tax cuts and then people accelerated their rate of response.

In 1986, in anticipation of a raising of the rates, people accelerated their capital gains realizations before the new higher rate took place. We peaked out in 1986, with people reacting rationally to what they see happening or what they expect to happen, and then, of course, with the increase in the capital gains tax rate in the 1986 tax bill, we saw the predictable response. After 1986, people retrenched on investments. They quit making as many investments and, of course, capital gains income dropped sharply.

Now, what did the Congressional Budget Office do in making projections? They assumed that people would continue throughout this whole process doing what they had been doing. They could have taken a 4-year-old and given him a color crayon and said, "Look at what is happening in 1978 and 1979, and 1985, and tell me what you expect to happen." They would have drawn a straight line and said: "more of the same."

Now, what does this mean to us? It means that in 1989 in this great debate about the budget and capital gains taxation, the Congressional Budget Office, in projecting base line receipts, mis-estimated by $75 billion what would be realized as capital gains. They overestimated by $75 billion. Despite the fact that capital gains were going down, they said it was going to go up. They could not even get the sign right.

Now they said since capital gains are going to go up by $75 billion, we can apply the tax rate to that and we will get an additional $20 billion of revenue and of course, Congress immediately went out and spent it and built that into the spending pattern of their baseline.

Now, they never acknowledged having made that mistake until I discovered it and brought it to their attention. They have acknowledged it to me privately, but they have never told Congress as a whole. They have never made a public disclosure of error. That error made a great impact on the debate in 1989 over the Archer-Jenkins tax proposal, where it was argued that if we would lower the capital gains tax rate, people would respond as they did before, increase capital gains investment and increase capital gains realization, and get some growth in the economy.

The huge CBO error made a big impact by grossly distorting the analysis of the alleged distributional impact of the capital gains cut. The CBO error helped make the case that the capital gains tax cut was unfair.

Now in 1990, they made a similar overestimation of capital gains income of $134 billion, or 112 percent. Rather than correct their static model they continued with the same model and made a more egregious error. In this case it amounted to a $30 billion overestimation of the moneys that would come in.

Now we see the upshot of this in the budgetary process. You build the overestimation of revenues into your baseline and then in anticipation of having that money, you put in place programs that will spend that money. Then as you spend the money and the revenues do not come in, you end up with a deficit that is larger than you thought it would be. Then you amend your work and say, well, the deficit is $20 billion worse than we projected it would be. Uh-oh, time for a technical reestimate.

Then the next year you have got that $20 billion worth of revenue that is built into the tax and spending baselines and then you have the additional 30 billion dollar's worth of error, so you get all this sea of red ink that grows and grows and seems to be out of control and out of people's grasp.

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And how can we correct that? Well, Mr. Chairman, it seems to me if we are going to be serious, then we are going to have to make some fundamental methodological changes in how we make budget decisions, how we make projections, how we correct for errors when they are discovered.

Should CBO disclose to Congress the existence of the errors when they are discovered? And will we in fact deal with baselines that are predicated on the proposition of what really does happen before we make plans to go on beyond?

We should also make reforms that deal more people into the process and have a way to get a balance and a counter balance and a reality check in the process. Our problem is this is not economic analysis, this is not political analysis we undertake here; this is psychoanalysis. There is no scientific rigor, there is no application of good, sound business principles; it is just this crazy little business of pulling estimates out of the air, taking a model known to be flawed, sticking with it and continuing year in and year out to make the same mistakes over and over and over.

This budget today, Mr. Chairman, is completely meaningless. Nothing we say or do or pass in these next 2 days will have any meaningful relationship to what will be the outcome when we look back on it at the end of the fiscal year.

I ask that the attached articles on the CBO "capital gains-gate" be included in the RECORD following my remarks.

A MATTER OF TIMING

This shows just how much discretion people (especially the better-off) have over the timing of realizing their capital gains. The long running average for realizations has been around 2 percent or so of GNP. But when taxes on capital gains were reduced—in 1964, 1978 and 1982—realizations doubled, to around 4 percent of GNP. Note, too, that the spurt to over 8 percent GNP in 1986 was in anticipation of the well-advertised increase in 1987 in capital gains taxes from 20 percent to 28 percent (and no preference over ordinary taxes), as part of tax reform.

What's been totally missed in the current debate over cutting capital gains taxes is just how sharply realizations—and hence tax revenues—have dropped since then.

Richard Armey (R-Tex.), the ranking Republican on the Joint Economic Committee, has pointed out that the Congressional Budget Office estimated that in 1990, the latest year for which tax figures are available, capital gains realizations would total $254 billion, or over 4.5 percent of GNP. The CBO's estimate was way off. Just $120 billion in gains were realized. The "missing" $134 billion meant that the Treasury was short nearly $38 billion in tax revenues it has been expecting. The CBO has yet to acknowledge its error.

The chart also makes clear just how cost-effective cutting capital gains taxes is. Assume that history is repeated and that a lower rate on capital gains increases realizations by at least 2 percent of GNP, equal to around $117 billion this year. The CBO and the Democrats say that a 15 percent rate would "cost" nearly $18 billion a year in taxes forgone. But based on past performance, such a cut would generate at least that much in extra revenue. They also grossly underestimate the extra tax that would result from the increased economic activity that a cut would cause.

[From the Investor's Business Daily, Mar. 2, 1992]

WILL TAX ON RICH BOOMERANG?

(By John Merline)

Making the rich pay their fair share in taxes has become the clarion call for Democrats seeking to win over middle-class voters this political season.

Increasing the progressivity of the tax code may be good politics, but many analysts say it is bad policy.

The House Democratic tax package, which passed last week in a highly partisan vote, includes a small tax credit for the middle class, coupled with substantial tax increases on the wealthy.

Sen. Lloyd Bentsen, D-Texas, has proposed a tax plan similar to the House bill. Both the House and Senate bills propose raising the top tax bracket on income to 35% from the current 31%, and both would impose a 10% surtax on millionaires.

In addition, each of the leading Democratic presidential candidates proposes some form of tax increase on the wealthy, either to fund tax relief for the middle class or to pay for new programs.

Behind these proposals is the issue of fairness. But, as with most issues in Washington, the definition of fairness depends heavily on whom you ask.

For Robert McIntyre, director of Citizens for Tax Justice, fairness is when "the rich pay more taxes and the rest of us pay less." According to McIntyre and other supporters of higher taxes on the wealthy, tax cuts during the 1980s primarily benefited the rich.

According to a House Ways and Means Committee report, the richest "one-fifth of the population will pay a smaller percentage of their income in taxes in 1992 than in 1977 while the bottom 80% will pay more."

Therefore, the argument goes, raising tax rates on the wealthy would improve the fairness of the tax code by making the rich pay a greater share of taxes than they do currently.

But historically, high tax levies on the rich have failed to achieve their stated goal—to force the rich to pay a greater share of the total tax burden.

Highly progressive tax codes have tended to push the tax burden downward, making the middle and lower classes pick up a greater share of the total income tax burden.

A study by economists James Gwartney and Richard Stroup found that a peacetime tax increase in the early 1930s to reduce the budget deficit resulted in "a rapid decline in the reported net income in upper brackets as the marginal rates increased sharply."

In upper-income brackets, tax rates were doubled, but tax revenues expanded by only 15.7%, according to the study.

And the share paid by the wealthiest earners dropped precipitously, from 23.5% of the total tax burden before the increase to 18.4% after the increase.

Data from the IRS clearly show that tax shares of the top 0.2% of wage earners fell each time their tax rate increased. In the early 1940s, for example, marginal rates on the rich shot up, but the share of taxes paid by these earners dropped from some 90% of total taxes to 50%.

Conversely, lower tax rates on the rich typically have shifted the income-tax burden upward. In 1926, the top marginal rate was reduced to 25% from 73% in 1921. The amount of taxes paid by millionaires increased 155% in those years, while the share of taxes paid by this group increased 75%, according to IRS data.

Again in the 1960s, the top marginal income-tax rate was cut, with the same basic effect. Tax revenues from the top 5% of wage earners increased 7.7%, while the share of taxes paid by this group increased by 8%.

Tax cuts in the 1980s produced similar results. Despite cuts in the top rate of some 23%, income taxes paid by those earning $1 million or more increased 244% between 1979 and 1986, from $8.5 billion in 1979 to $29.2 billion in 1986.

MILLIONAIRES' SHARE

Between 1986 and 1989, taxes paid by millionaires increased another 35%, despite a cut in the top rate from 50% to 28%. The share of taxes paid by millionaires went from around 2% of total taxes in 1979 to almost 9% 10 years later, despite a cut in the top tax rate of 60%.

According to the House Ways and Means Committee report, this is due to the fact that the incomes of the high wage earners "rose faster than average family income."

To supporters of increased taxes, this means fairness declined. But to opponents fairness declined. But to opponents of new taxes, this growth at the top means something different.

OMB PROJECTION

"What's happening here is that the entire economy is enjoying a larger degree of opportunity, and more people are taking advantage of it," said Gary Robbins, president of Alexandria, Va.-based Fiscal Associates and a former Treasury economist.

For example, IRS data show that while the average income of millionaires did not change much between 1979 and 1986, the number of people declaring earnings of $1 million or more climbed dramatically.

In 1979, just under 8,000 reported earnings of more than $1 million. By 1986, that number had jumped to more than 31,000, even after inflation is subtracted. It doubled again by 1989.

Moreover, high rates on the rich have in the past served less as a way to raise money than as political camouflage for tax increases on the middle class.

In part, this is due to the fact that little money can be raised from the nation's richest citizens. According to the Tax Foundation, if you doubled the taxes paid by millionaires, you could run the government for an additional 13 days in a given year.

To raise significant revenues, according to tax specialists, middle-class wages have to be tapped.

For example, according to the Office of Management and Budget, if the $400 tax credit in the House bill were made permanent, and if the government paid for it by raising income taxes, the top 35% tax rate would have to begin at income levels of around $36,000 for single filers.

"If true, that suggests that there's not a lot of money to be had by just raising rates at the top," said Fed Governor Lawrence Lindsey.

"Politicians, when they set very high millionaire rates, are able to say to the middle class, "Well, look, it's not so bad for you," said Michael Schuyler, senior economist at the Institute for Research on the Economics of Taxation.

The 1990 budget agreement raised the top tax rate to 31% while also imposing higher excise taxes on gasoline, tobacco and alcohol—taxes that hit the middle class harder than the rich.

While observers doubt whether income tax rates will be raised on the middle class, the new tax rate proposed by the House bill applies to income that some might classify as middle-class. Single taxpayers earning $85,000 and up would face a 35% tax rate. Single taxpayers earning $51,900 already face the 31% bracket.

Although all brackets would be indexed for inflation, real wage growth would push more and more people into these higher brackets. "Today's rich are tomorrow's middle class," said Robbins.

High rates can have other economic effects that primarily harm the middle class. Foremost is the incentive high tax rates give the rich to seek tax shelters.

"The wealthy have enormous discretion over how, when and whether to realize income. At high tax rates, they can convert taxable income into fringe benefits or other business expenses," said economist Gerald Scully, a senior fellow at the National Center for Policy Analysis.

Even supporters of tax increases recognize this effect. "High tax rates cause pressure to bring back loopholes," said McIntyre of Citizens for Tax Justice. Still, McIntyre would like to see top rates at 40%.

DAMPER ON GROWTH

Because the rich derive three-quarters of their income from investments, high marginal taxes on this income can dampen economic growth, according to economists.

If the rich shift money into less productive investments to avoid taxes, less money is available for capital formation.

"Because capital formation is one of the primary means by which we increase productivity over time, raising top marginal rates would basically sacrifice future prosperity to soak the rich today," said Schuyler.

"There is certainly some productivity cost that comes with most ways of redistributing income," said Isabel Sawhill, senior fellow at the Urban Institute. "There is a lot of debate about how large those costs are."

"You could certainly argue that when you get up into the 70% to 90% range of top marginal rates, you really are putting a wet blanket on incentives to work, save and invest," she said. "But I think when you are arguing about 35% or something in that range, the argument is mostly ideological and not really economic."

Still if changes in investment decisions at these new tax levels have even a small effect on productivity growth, the middle class will be hurt badly.

According to Sawhill, a rise in productivity growth of 0.5% a year would mean an increase in income of some $2,000 each year for a family of four by the year 2000.

"The rich are going to get their money in one way or another. Better they get it in a way that helps the rest of us," said Robbins of Fiscal Associates.

DIFFICULT PROPOSITION

Targeting taxes that hit only the rich and don't inadvertently hit the middle class in some way has also seemed difficult in the past.

The House bill, for example, repeals the so-called luxury tax on jewelry, furs, boats and other high-priced consumer goods.

According to the technical explanation accompanying the bill, the luxury tax of 10 percent on these items may have contributed to job losses in the affected industries.

"In the context of current general economic hardship," the report states, "it is appropriate to remove even this small burden in the interests of fostering economic recovery."

The capital gains tax, according to supporters of a cut in the tax, may be less of a tax on the rich than a tax on those who want to be rich.

"A capital gains tax does not necessarily mean a tax on the rich, it's a tax on anyone accumulating capital, and most of the capital in this country is added by the middle class, not by the rich." said David Goldman, senior fellow at Polyconomics in New Jersey.

"Most of the growth in employment in the early 1980s, for example, came from small businesses," Goldman said, "and small businesses are overwhelmingly a middle-class activity."

DECLINE IN NEW BUSINESSES

The 1986 increase in capital gains taxes may have in this sense, hit the middle class. Goldman says that between 1986 and the present, fewer businesses have been incorporated each year.

"That's never happened before," he said.

"Capital gains tax cuts help people to become rich," said Goldman. "It's a tax on capital formation, not on capital."

Capital gains taxes also reflect how difficult it is to get money from those who have discretion about how and when they declare such gains on their taxes.

According to Gerald Scully, following the 1981 cut in the maximum capital gains tax, revenues from that tax almost doubled in four years.

On the other hand, the tax increase on capital gains generated 50 percent less revenue than was predicted by the Congressional Budget Office in 1989 and 1990. In fact, for three years following the tax increase, capital gains income was lower than it was in 1985, before the tax increase.

[From the Washington Times, Mar. 4, 1992]

A FREE PASS FOR CBO?

(By L. Brent Bozell III)

Why are the media covering the debate over the capital gains tax by relying on estimates that have been proven to be more than 100 percent wrong? I've narrowed it down to three possibilities: (1) The media are too lazy/dumb to figure it out; (2) they think the American people are too dumb/lazy to figure it out; or (3) the media would rather witness a class war fought over fake statistics than referee an honest debate.

Back in April 1991, Rep. Dick Armey, the ranking Republican on the Joint Economic Committee, and Chris Frenze, one of Mr. Armey's staff economists, revealed that the Democrat-appointed Congressional Budget Office had erred in its prediction of 1989 capital gains income by $75 billion, a margin or error of roughly 50 percent. The study also maintained that this error would be built into the CBO's annual baseline figures, amounting to $375 billion in error over five years, a possible deficit disaster.

Two weeks ago, Mr. Armey and Mr. Frenze revealed that the CBO admitted its forecast for capital gains income of $254 billion for 1990 missed the mark by $134 billion, an error of more than 105 percent. The media's response: nothing.

Why the silence? Because the major media covering the capital gains debate routinely rely on estimates of the Joint Committee on Taxation, which relies on the faulty CBO numbers for its calculations. When, for example, Time cites that "families that earn more than $200,000 a year would save an average of $18,000 as a result of lower capital gains rates," it's citing the completely bogus calculations of the Joint Committee on Taxation. Everybody's using these estimates without any concern for their accuracy.

Maybe the media believe that statistical reality is too technical for the American people to understand. When Mr. Armey and Mr. Frenze released their first CBO critique, the media reaction was a resounding silence, with one exception. New York Times reported Jason DeParle, who came to the Times from the neoliberal Washington Monthly, snottily dismissed the critique on May 26, 1991: "Among the congressman's complaints is that table 19 on page 1,306 should at the very least have included an asterisk."

Mr. DeParle failed to explain the CBO's errors, simply declaring them too difficult for the average American to understand. "Sorting through Mr. Armey's technical critique requires an understanding of the computer models used by the CBO and a grip on such terms as 'nominal realized capital gains.'" You would think turning complex arguments into simple language is the media's job, but even the reporters who understand these issues have refused to explain it.

The media have also ignored Mr. Armey's attempts to make the CBO accountable to Republicans as well as Democrats. Currently, the CBO's personnel are appointed by the Democratic leadership with no Republican consultation or confirmation process. This is especially galling since the media regularly tag the CBO as "non-partisan."

There's nothing non-partisan in the way CBO Director Robert Reischauer has treated his shop's accounting fraud: He covered it up. The CBO never disclosed its mistakes to members of Congress or the media, even though its tainted capital-gains and family income data had been widely used by both and even though the CBO's numbers were used as a club by the Democrats and their class-war supporters like "conservative" Kevin Phillips.

Ever since Republicans (and some Democrats) introduced capital gains tax cuts in 1989, the media have trumpeted the cause of "tax fairness," labeling tax cuts a sop to the rich while ignoring the rotten statistics underlying the hate-the-rich Democrats' case.

The media's know-nothingness has not only given a free pass to the CBO, but also to Richard Darman's oafs at the Office of Management and Budget. When Mr. Darman appeared before Congress last July 15 to announce that the OMB's old deficit estimates were horrendously off-target, the network newcasts did nothing. It took the late great Warren Brookes to point out that in January 1990, Mr. Darman forecast that the total deficit from fiscal 1991 to 1995 would be $62.3 billion.

Eighteen months later, that estimate soared to $1,081.9 billion. Thanks to the media's silence, most Americans have heard nothing about Mr. Darman's errors. After listening to a decade of media preaching about Republican neglect of the budget, it's time to ask about the media's neglect of the budget debate. Oh, the political wrangling gets top billing, but the debate's most important points are almost always ignored. The Washington press corps can't preen about its role as watchdog of the government while both budget-boosting sides—OMB and CBO—get away with statistical murder. Call the media co-conspirators.

Mr. HAMILTON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New Jersey [Mr. GUARINI].

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

Mr. Chairman, I rise in support of House Concurrent Resolution 287, the budget resolution for fiscal year 1993. As we talk about how this budget sets new priorities and how it targets domestic spending for investments that will create jobs, increase productivity, and improve our future standard of living, I ask my distinguished colleagues to consider one aspect of this budget, the part that deals with substance abuse.

Drug abuse and drug-related violence are costing our economy nearly $300 billion a year; $300 billion is more than we spend on our national defense, and far more than we invest in education, job training, child nutrition, and all other domestic discretionary programs combined.

We do not have to look very far from the Capitol building to see the devastating effects of drug use. The resulting crime, the violence and the destruction of potentially productive lives, is tearing our families, our neighborhoods and our communities apart.

Since 1981, Federal funding for antidrug efforts has increased from $1.5 billion to nearly $12 billion. This year, we will increase this funding by 9 percent. Yet, despite massive drug interdiction programs, drug use continues to rise.

The costs associated with substance abuse, increased health care costs, violent crime, destruction of property and reduced worker productivity—continue to escalate without any hope in sight.

In its war against drugs, the administration has emphasized reducing the supply of drugs—while doing very little to reduce demand. The President's fiscal year 1993 budget is no different than before. It perpetuates this lopsided approach in which 70 percent of all the resources go to reduce supply.

While this may not be the bill to establish a new drug policy, through it, we still send a strong signal to the President and the American people that our antidrug strategies must change. In addition to interdiction efforts, we must dramatically increase the funding to reduce the demand for drugs. If we do not act now, drug abuse will continue to drain the vitality from our economy, and keep our citizens living in fear—afraid to go out in their own neighborhoods.

I want to highlight two areas of this budget—programs that will save the taxpayers millions of dollars in the near future and that will dramatically improve the quality of life in regions devastated by drugs and violence.

The first, the weed and seed initiative, targets some of the increases we recommend for education, drug treatment, law enforcement, and community development for a coordinated antidrug effort. Weed and seed uses a two-pronged strategy. First you weed drug dealers and violent criminals out of neighborhoods through stringent law enforcement; then you seed these communities with development programs, expanded social services, and the tax incentives of enterprise zones. Weed and seed has a proven track record and will help us reclaim our streets and our neighborhoods from the drug dealers and criminals.

We also include an initiative to establish a comprehensive prison drug treatment program. Right now, 75 percent of our prison inmates are serving time for a drug-related offense. Yet, there is hardly any treatment and rehabilitation for these inmates. The result is that we are a nation of wall-to-wall prisons, spending hundreds of millions of dollars each year to lock up prisoners that, upon release, go out and commit more crimes and injure more innocent people.

Prison drug treatment is the most effective way we have to break this endless cycle of drugs and crime. It is also extremely cost-effective. Every $1 we invest in treatment, saves $12 in future incarceration costs.

In short, Mr. Chairman, the scourge of drugs undermines the worthwhile investments that this budget correctly makes. And as we set new priorities in our budget with increased investments in our children, in education, job creation, and long-term growth, we must also target our resources to reduce the demand for drugs.

I urge my distinguished colleagues to support this budget.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Louisiana [Mr. HUCKABY].

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

Mr. Chairman, I rise in support of the Democratic budget before us tonight and tomorrow.

My colleagues, at best this document is a standstill budget. It fails to address, it does not address, the silent issue of our day, the silent issue of our time, this ticking time bomb, this Federal deficit, this massive Federal deficit.

Mr. Chairman, for the first time ever, we bring a budget to the floor that does not project reaching balance 5 years into the future. This budget projects deficits of $200 billion as far into the future as one can see. This must be addressed and must be changed in future years.

The budget before us does address, does properly address, I feel, the issue of defense, the so-called peace dividend. Proposals on the table suggest that defense spending should be reduced somewhere between $50 and $100 billion over the next 5 years. No one knows what the right number is. There is no right answer, and certainly we cannot project with accuracy world events, what will be occurring within the next 5 years.

So, the choice was made to reduce outlays by $9 billion in the coming year, recognizing this would give us the option in the future years to go to a total reduction of $50 or $100 billion or somewhere in between.

I think this is a wise course, I think this is a prudent course to take. But this deficit, more than $300 billion, of this $1.5 trillion budget is going to cause our interest bill to continue rising. Your Budget Committee spent many days, many hours arguing and debating and horse-trading over the so-called domestic discretionary spending categories. That total category is only $250 billion. We are almost paying as much for interest as we do on all domestic discretionary programs of our Federal Government.

The time bomb is ticking; 2 years from now, if we do not change policies, we will be actually paying more on interest than what we have available to spend on our domestic discretionary programs.

Mr. HAMILTON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. PEASE], a member of the Committee on Ways and Means.

Mr. PEASE. Mr. Chairman, I thank the chairman for yielding this time to me.

Mr. Chairman, I rise to speak today in support of the budget resolution which the distinguished chairman of the Budget Committee has brought before us. I commend Chairman PANETTA for his hard work and evenhandedness in putting together this resolution.

Mr. Chairman, I supported the budget agreement negotiated between Congress and the President in 1990. I supported that agreement because it addressed the fiscal crisis facing this country. The enactment of the pay-as-you-go rules for entitlement and tax proposals has forced proponents of new programs to find a way to pay for them. I believe that provision has been very effective in making Congress fiscally responsible for the programs it wants enacted.

The agreement also imposed spending caps on discretionary spending. Like the PAYGO rules, the caps forced Congress to impose upon itself a discipline that has been needed for a long time.

But the 1990 budget agreement, although enacted only 16 months ago, was crafted under much different circumstances than we face today. The Soviet Union still existed and represented a legitimate threat. The level of defense spending contemplated by the budget agreement was credible, given the risks we faced at that time.

However, the Soviet Union no longer poses a threat to us. We have won the cold war, and it is time to reap the rewards of that victory. This does not mean that we should gut our defensive capabilities. However, I think that we can adjust our defensive structure to take into consideration our changing security needs. A necessary result of these changes must be the recognition that the military can be safely reduced.

The economy was also different in 1990 than it is today. In 1990 the economic recovery was winding down, but it certainly was not mired in a recession as it is today. The budget agreement did not contemplate the recession lasting as long as it has. Had this been contemplated, I believe greater flexibility would have been provided for.

Flexibility is what this budget resolution is all about. The resolution offers two separate plans, which are contingent upon the result of the vote on the Budget Process Reform Act. I think this is an appropriate way to proceed with the consideration of this issue. It is imperative that Members know how the defense savings would be spent before they are asked to decide on breaking down the walls. Proceeding in any other manner would be irresponsible.

Mr. Chairman, if the economy were healthier, I probably would not support breaking down the walls this year. But the recession dramatically points out the need for greater focus on our domestic problems. We need to make investments in the people of this country. We need to educate them when they're young; train them when they're jobless; and heal them when they're sick. The budget before us today reflects these priorities.

Under plan A, the committee recommends an increase in budget authority of $3.7 billion for elementary, secondary and vocational education programs. That is more than double what the President would add to these programs. Head Start would be increased by an additional $800 million, continuing Congress' commitment to provide the resources necessary to make this program available to all eligible children by the year 2000.

The committee requests a 1993 increase of $689 million over 1992 in budget authority for job training programs. These are the programs that we need to focus on if we want to help the unemployed find employment. As proposed by the committee, expansion of the Job Corps Program would continue as recommended by the 50-50 plan. This program has proven to be very successful, returning far more back to the Government than what it costs.

The committee also recommends greater funding for health programs. This reflects the committee's belief that defense savings should be used to focus on preventing, treating and curing serious illnesses threatening our society. Of particular importance are increases in funding for immunization programs and the continuing commitment for fighting the AIDS epidemic.

Chairman PANETTA has done a fine job sorting through all of the diverse interests vying for valuable, and diminishing, resources. In nearly every case, I agree with the priorities he has set in this budget resolution. They represent fundamental Democratic values and I urge my colleagues to join me in supporting the resolution.

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Mr. HAMILTON. Mr. Chairman, I yield back the balance of the time to the distinguished chairman of the Committee on the Budget, the gentleman from California [Mr. PANETTA].

The CHAIRMAN pro tempore (Mr. BENNETT). The gentleman from California [Mr. PANETTA] has 11 minutes remaining and the gentleman from Ohio [Mr. GRADISON] has 32 minutes remaining.

Mr. GRADISON. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Chairman, I want to keep defense spending at the level in the administration request.

But I also want to ensure that defense reductions do not hurt our national or domestic security.

I am not sure that removing the firewalls will help to achieve that goal.

Just last year, we thought of defense reductions in terms of the budget summit agreement.

The agreement took note of the world situation, Federal deficits and national security requirements.

It provided for a thoughtful, steady, and measured decline in defense spending.

But I worried about these cuts from the beginning.

I thought $50 billion in 5 years was too much. It cut too much muscle, and put too many people in the job market.

But I supported the agreement because it kept defense strong and invested savings in deficit reduction.

I believe Federal deficits are the greatest threat to economic security.

So it made sense to support an agreement that mirrored my double priorities of protecting national and domestic security.

Secretary Cheney says his first budget request assumed 1 percent growth.

His second assumed 2 percent cuts.

His third assumed 3 percent cuts.

His current request assumes a 4-percent average annual reduction.

The decline in what he wants this year—compared to what we enacted last year—is 7 percent.

Between the peak year in 1985 and 1997, the decline in budget authority will total 37 percent.

Adjusted for inflation, budget authority in 1997 will have about as much purchasing power as the defense budget in 1960.

As a share of GNP defense outlays will fall to 3.4 percent. That is well below anything since Pearl Harbor.

And look at what happens between 1985 and 1997 in budget categories other than defense:

Mandatory spending will increase 33 percent.

Discretionary spending will increase 8 percent.

When defense spending was the only category in a state of freefall, the budget agreement put on the brakes.

But now some are calling for even deeper cuts and I think that's wrong. We are not very good at predicting when and where another crisis will erupt.

At the end of World War II, I was a seaman first class assigned to sign people up for reserves.

I remember the lines I used: we just fought a "war to end all wars" and "make the world safe for democracy."

In any case, I told the guys they could join the Reserves and get all the benefits.

But a strange thing happened. War broke out in a tiny country no one ever heard of called Korea.

We will never know how many of the guys I signed up were called to serve in Korea—or how many never came home. We were a hollow military power.

The point is that as peaceful as the world looks today, no one can say what will happen tomorrow.

If Gen. Colin Powell had told us in mid-1990 that there would be half a million American troops in Saudi Arabia by the end of the year who would have believed him?

When he appeared before our committee, General Powell said:

> When I first became Chairman, if someone had asked me to bet on whether we would be involved with deployments to Panama and the Persian gulf within the space of 18 months, I would've given high odds against it.

Powell said that we fought in World War II, Korea, and Vietnam using forces that had not been prepared for those conflicts.

He concludes:

> I cannot tell you where the next Noriega or Saddam Hussein will arise to threaten stability in the world, but you can be certain that it will happen.

All I am asking is that defense reductions continue to be steady, measured and stable.

Think back 50 years ago to 1942 when the outcome of World War II was not yet certain.

Let us not put this country or our soldiers, sailors, and airmen and women at risk.

Support defense spending at a level that will give us military forces that are flexible enough to react to the unknown.

The purposes for which money is spent in plans A and B are laudatory and I have mixed emotions about not funding programs I am fond of.

However, I believe our first responsibility is the security of this Nation.

We may disagree on how much is enough, but this Member would rather err on the side of national security.

This is why I will vote against this resolution.

Mr. GRADISON. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman from Ohio [Mr. GRADISON] for yielding this time to me, and let me just compliment my friend, the gentleman from Virginia [Mr. SISISKY], a conservative, strong prodefense Democrat, who just spoke and who has been a voice of reason on the House Committee on Armed Services, and let me repeat a few of the points that he made because I think they are important.

Mr. Chairman, when that war that he spoke of was over, World War II, and another war broke out in Korea, a war about which James Michener wrote a book called, "The Bridges at Toko-Ri," a war for which we were unprepared, if my colleagues read the book, in the last of the book when the hero who I think was portrayed by William Holden was ultimately shot down, and the rescue helicopter was shot down, and he was killed, the captain of the carrier from which he flew stood on the deck a short time later and said:

> Where does America get such men to fly off these tiny carriers, and fly into harm's way, seek a target that's heavily defended, and finally try to go back out to sea, and find that small carrier that they came from?

□ 1910

And the answer was given to us once again in Desert Storm that "when we got men and women who put themselves in harm's way, we had all those volunteers coming from our cities and our villages and our farms, and this time they were well equipped, and this time they were supported by a unified America and by a Congress which, if it did not support the President at first, at least supported its troops in the end."

And they were well equipped because in the 1980's we rebuilt America's defenses and we did not try to cut the margins. We tried to build a military force which in a conflict would bring overwhelming odds and overwhelming striking power against an adversary, and it was that overwhelming striking power that we delivered at the Iraqi army in Desert Storm that allowed us to get through that conflict with a minimum of casualties. We did not want to have a close conflict. We did not want to have a conflict in which we measured their tens of thousands of dead and balanced them against our tens of thousands of dead. We wanted overwhelming force.

To my friends on the Democrat side of the aisle who just spoke of the disassembly of the Soviet empire, let me say that no Soviets were involved in Desert Storm, and yet if we ask our Commandant of the Marine Corps or the CNO of the Navy, if we ask our military leaders, and especially one of the finest analytical thinkers who has ever come out of this House of Representatives, for whom Democrats and Republicans are both proud, that is, Dick Cheney, we could not do with the Democrat budget, the proposed budget, again what we did in Desert Storm. The Commandant of the Marine Corps said, "Sure, we can survive and we can fight, but we can't do what we did in Desert Storm as decisively as we did."

The CNO of the Navy will say that we could not do in Desert Storm again with this reduced budget that the Democrats are giving us what we did. And indeed the Secretary of Defense has said a number of times that we cannot repeat a Desert Storm performance with what is left.

So once again we are being asked to forget that lesson of history that we should have learned after World War II, that we should have learned after World War I, and that we should have learned after Vietnam when we went into a national security decline.

Mr. Chairman, we should be responsible. We should reject this budget, and if we do, the American people will thank us for it.

Mr. GRADISON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, some years ago when I was first learning to drive race cars, the instructor told me that you cannot drive fast unless you focus well down the road. One of the things that this budget that the Democrats have brought to us fails to do is focus well down the road. This is a budget that looks to the past, not to the future, and all we have to do is look at what we have done in general terms and we understand this is not a budget about the future. This is a budget driving down the road, looking in the rear-view mirror, because this budget suggests, for example, that you can add $41 billion over the President's proposal to the national debt and it will do no harm to the future.

Yet we know that debt impedes the future. Debt means we do not have money to invest in those things the Nation needs for its future. Yet this budget piles more and more debt upon the American people. While they are doing the spending, however, the spending is not going to things that address the future either. It is the R&D accounts that have gotten cut badly by what the Democrats have done.

They have managed to underfund the science, space, and technology programs that are vital to both economic recovery and our economic future. They have drawn down the space program, the math and science programs, and the education and advanced technology programs. All of those programs are underfunded relative to the budget that the President brought to us.

I heard my colleague, the gentleman from Illinois, suggesting out here a little while ago to us that somehow underfunding these accounts would be helpful because it means that money would go to other agencies that he regarded as more meritorious. One of the things he mentioned in particular fascinated me. He said we ought to be putting the money toward doing something real about the HIV virus. I agree with him that we ought to be doing something about the HIV virus, and one of the things we ought to be doing is the advanced space program. I will give the Members an example why. Aboard the space shuttle on the last flight we grew protein upon that space shuttle that may well help us learn more than we have known before about the HIV virus and that may point us toward a cure. We cannot grow that protein in gravity; we can only grow it in weightlessness, and we can only grow it in a way that really helps the researchers by having it aboard the space shuttle. If you are going to cut out those kinds of programs, you are going to keep us from being able to have those kinds of advances in our Nation's future. Spending money on programs of the past does not get us there.

Mr. Chairman, the gentleman from Illinois, is also one of those people who says we should cancel the space station and use that money here on Earth, without understanding that the space station is one of those things that is going to give us the opportunity to address problems here on Earth. For example, we are going to put a machine aboard the space station that allows us to grow new human tissue. One of the things we will be able to do first is grow new skin tissue for skin grafts. It will be a perfect match because it will be grown from the cellular matter of the person involved. Essentially we think that machine will allow us to grow new organs. It would be a perfect transplant because they would be genetically similar or the same as the person to which the organ would be transplanted.

We may be able to grow new nerve tissue and replace spinal cords. We may be able to grow new optic nerves and cure blindness.

Those things can be done only in zero gravity because if we tried to grow this tissue in gravity, it distorts it, but when you grow it in weightlessness, it does not distort the tissue and you get perfect tissue which then can be used back on Earth. We cannot do those things if we do not have the programs to do them, and the Democrats would have us believe that somehow we can cancel the future or cancel the programs of the future and not suffer as a Nation.

Their program and their budget is a budget that denies the future to this country. Instead of looking ahead, it looks back. I do not think we can afford to be a nation that looks back. I am proud of the fact that when President Bush sent his budget to the Congress, he had a budget that looked ahead, looked out toward the future. That is what we should be doing here in the House, but we are not. The Democrats have given us a budget that I believe will prevent us from being forward-looking, and I hope it is rejected.

Mr. PANETTA. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from West Virginia [Mr. WISE], a member of the Committee on the Budget.

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

Mr. Chairman, I want to continue on the discussion of competitiveness because the issue was brought up about research, and I am not quite sure how one concludes that the Democratic budget is less on research. Let me give some examples.

On DARPA, technology preparedness, that is, within the Defense Department, technology preparedness, the President sought to cut $88 billion in budget authority, or just to keep it in outlays, $48 million below the baseline of last year's. And plan B, that is, the one where you keep the walls up, the Democratic alternative would put in $270 million.

In NSF, the Democratic alternative, in the plan A, it equals what the President had. On the National Institute of Technology, the Democratic plan, plan A, meets with the President's.

I think, though, what did not get pointed out a minute ago was NIH, the National Institutes of Health, which I think most of us consider very, very important. I note with interest that in plan B—that is the slimmer one where the walls stay up—the Democratic alternative beats the President's by roughly $50 million. That is in outlays. That is how much you spend in 1 year. In plan A, that is, if the walls come down, it more than doubles the President's.

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

Mr. WISE. Yes, I yield, but I can only yield briefly.

Mr. WALKER. Could the gentleman tell me this: I mentioned the space program, math and science, and the education and technology programs. In all those cases you are under the President's figures; is that not correct?

Mr. WISE. Actually in the space program, in both plan A and plan B, the space program is continued. In fact, I was the one that urged, and I believe I was successful in getting some of the money allocated in the defense budget so that the space budget could continue.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further?

Mr. WISE. Mr. Chairman, I need to reclaim my time from the gentleman because I do not have that much time.

□ 1920

Incidentally, there is more research in space. Some of us are a little concerned about the space program because while we think that is important, we think NIH is very important. We think NIMH, the National Institute of Mental Health, in which the President cut $30 million out of basic research, which is so crucial, particularly in this decade of the brain. Happily, in plan B, the slimmed down one, that money is restored, and in plan A, that money is greatly increased. It may mean we can fund more than 27 percent of the grants that are approved.

So whether you are talking about DARPA, whether you are talking about the National Institute of Mental Health, whether you are talking about the National Institutes of Health, research is very important.

I want to move quickly to some other areas in which it has been suggested that the Democratic budget somehow is just tinkering around the edges with the President's budget.

Women, Infants, and Children, a very important program. The Democratic budget, plan B, that is the slimmed down version, offers $60 million more than the President's budget.

Try telling a lot of women and children that $60 million that feeds hundreds of thousands or more is some kind of minor tinkering around the edges.

Unfortunately, there is a lot of unemployment this year. The JTPA, the Job Training Partnership Act, $329 million.

Community development block grants, having just been involved in a meeting with mayors and contractors and others concerned about building infrastructure, the Democratic alternative puts $500 million more in plan B than the President's budget does, so crucial to building that infrastructure.

Of course highways, the Democratic alternative tries to fund at full authority the important highway program. And veterans, housing, community health, rural housing loans, childhood immunizations. Ninety-nine million dollars, you say, how much is that for childhood immunizations? It immunizes a lot of children, much more than the President's.

I am very interested in investment. I am very interested in making sure that we get a good return on that. And if we do not invest in this country, we are not going to get any revenue back. That is why I get concerned about the bean counters who want to cut back on infrastructure, who want to cut back on some types of research, who want to cut back on building, who want to cut back, for instance, on those programs that move this country forward.

So I am delighted that the Democratic budget does not just tinker around the edges, but it recognizes and concentrates those resources and tries to get a greater return for the dollar, and actually gives taxpayers something that is going to be paying them returns for a lot longer time than what the President's budget does.

Mr. GRADISON. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

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

Mr. Chairman, we just got an interesting explanation of why the Democrats' proposal is such an absurdity. When we try to explain the Democrats' proposal, we start talking about plan A would provide this, and plan B would provide this, but if you want to know where we are on this, then you have to go to plan B, and if you do not want to talk about those figures, we will take you over here to plan A, and then it is back to plan B again, and any time you begin to ask questions about where does the plan stand on particular issues, well, you have to know whether it is under plan A or B.

I would suggest that maybe what you should have had is a plan D. The plan D does not stand for Democrat, it should stand for defeat. Because, No. 1, it is absolutely a defeatist budget that you have brought to the floor. I would submit that the President's budget does keep on track the National Science Foundation, it moves the NASA program forward, it does do the job of funding the National Institutes of Standards and Technology, and it provides and implements a national energy strategy.

Those are things on which it is very hard to figure out where your program stands, on any of those things, because we cannot figure out whether it is on plan A, B, C, or Z.

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

Mr. WALKER. I will be glad to yield to the gentleman from West Virginia.

Mr. WISE. Mr. Chairman, I appreciate the gentleman from Pennsylvania [Mr. WALKER] mentioning the energy strategy. Actually we have to build that back up from the President, particularly putting in money for alternative fuels and other types of energy research, because the President had cut that back so significantly.

Mr. WALKER. Mr. Chairman, reclaiming my time, if the gentleman will allow me, the problem is that most of what you want to do is not in the area of R&D; that most of the things that the President thinks can be done for an energy strategy do not demand a lot of R&D dollars, but they demand some investment in the economy.

What you people are doing by raising taxes and doing all the rest of these things is that you are preventing us from having the investment dollars we need for a responsible energy strategy.

So the President has in fact implemented a positive program in this regard, and your programs in fact cut back on the very areas that are the most important for the Nation's science future.

As ranking Republican on the Committee on Science, Space and Technology, I have had a chance to review what you have done. I cannot figure out whether it is plan B or A that I was dealing with, but all I know is it does not look very good.

Mr. GRADISON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I offered my general assessment of this resolution in my opening remarks. I listened carefully to the debate, which does not give me any reason to think we have a clear proposal before us from the Democratic majority.

The Committee on the Budget regretfully began its march toward irrelevancy last spring when it could find no real alternative to the President's 1992 spending plan, but pretended to conjure one up anyway. This journey toward irrelevancy continued last Thursday when committee Democrats could not even decide on a coherent budget resolution.

Mr. Chairman, by failing to make a recommendation for a budget, and I stress not two budgets, but a budget, the committee majority has abdicated its responsibility. Regrettably, what is being presented to the House is not a budget resolution, but a nonbudget nonresolution.

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

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

Mr. Chairman, I rise and ask Members again to support the committee's budget resolution. I hope that Members, regardless of how they feel about the various proposals, will at least have the courage to vote for one of these alternatives that is presented.

I think the good thing here is that Members will have a selection of alternatives. They will have the President's budget to decide on, with the taxes that are part of it, with the cuts in Medicare and other human programs that are part of it.

I hope that those who attack the proposal of the Committee on the Budget will at least have the courage to vote for the President's proposal.

I am sure there are some that will vote against the Dannemeyer alternative. There will be those who will vote against the alternative offered by the progressive caucus. There are those that will vote against the Committee on the Budget resolution. There are those who would not vote for a budget resolution no matter what you brought here, because it is always easier to go back to your constituents and say, "Oh, I wasn't for that. I am for doing this, but I wasn't for that."

Mr. Chairman, the time has come when I think the American people are frankly very tired of people who promise everything, but when it comes to doing it, do not deliver. We have a responsibility now to deliver on a budget resolution so that we can continue the work of this House, so we can move on to the appropriations process, and so we can move on to deal with the economic issues that confront this country.

Mr. Chairman, I think the resolution that we have presented responds to those challenges. It certainly presents some alternatives to what the President tried to do.

Mr. Chairman, we retain budget discipline under both approaches suggested under the budget resolution. We do not play with gimmickry. If you like accrual accounting and gimmickry, please vote for the President's budget. We rejected that. We also rejected the unfairness that is part of the President's budget.

If you want the Medicare cuts, if you want the cuts on mass transit, if you want the cuts on veterans, if you want the cuts that deal with civil servants, please, vote for the President's budget. But if you do not, then support the committee's resolution.

Ultimately, if you do believe that the time has come to reorder some priorities and to target some investments, in education, in health care, in jobs, in growth and conversion within the communities of this country, then vote for the committee resolution. Because the President does not reorder any of those priorities.

Budgets, as I said, are not about numbers, they are about people. If you care about the person who can get a job because we have provided highway funding and mass transit funding, if you care about the student who needs a Pell grant, if you care about the mother who needs help from the WIC Program, if you care about the child who needs immunizations, if you care about people that are struggling every day, who need the help and support to try to make it in our society, then vote for the committee resolution.

Mr. Chairman, the time has come to make a choice. We are presenting those choices to the Members. Make the choice that helps people in this country.

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

The CHAIRMAN. All time for debate has expired.

Pursuant to the rule, the concurrent resolution is considered as read for amendment under the 5-minute rule.

H. CON. RES. 287

Resolved by the House of Representatives (the Senate concurring), That the budget for fiscal year 1993 is established, and the appropriate budgetary levels for fiscal years 1994, 1995, 1996, and 1997 are hereby set forth.

RECOMMENDED LEVELS AND AMOUNTS

SEC. 2. (a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1992, October 1, 1993, October 1, 1994, October 1, 1995, and October 1, 1996:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1993: $845,300,000,000.
Fiscal year 1994: $911,300,000,000.
Fiscal year 1995: $968,100,000,000.
Fiscal year 1996: $1,017,800,000,000.
Fiscal year 1997: $1,070,400,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1993: $0.
Fiscal year 1994: $0.
Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1993: $85,300,000,000.
Fiscal year 1994: $91,200,000,000.
Fiscal year 1995: $96,800,000,000.
Fiscal year 1996: $102,900,000,000.
Fiscal year 1997: $109,200,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1993: $1,255,900,000,000.
Fiscal year 1994: $1,269,500,000,000.
Fiscal year 1995: $1,310,000,000,000.
Fiscal year 1996: $1,375,800,000,000.
Fiscal year 1997: $1,469,300,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1993: $1,243,500,000,000.
Fiscal year 1994: $1,255,500,000,000.
Fiscal year 1995: $1,258,600,000,000.
Fiscal year 1996: $1,305,200,000,000.
Fiscal year 1997: $1,416,600,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1993: $398,200,000,000.
Fiscal year 1994: $344,200,000,000.
Fiscal year 1995: $290,500,000,000.
Fiscal year 1996: $287,400,000,000.
Fiscal year 1997: $346,200,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1993: $4,477,300,000,000.
Fiscal year 1994: $4,879,000,000,000.
Fiscal year 1995: $5,228,900,000,000.
Fiscal year 1996: $5,571,500,000,000.
Fiscal year 1997: $5,969,500,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1992, October 1, 1993, October 1, 1994, October 1, 1995, and October 1, 1996, are as follows:

Fiscal year 1993:
(A) New direct loan obligations, $19,600,000,000.
(B) New primary loan guarantee commitments, $116,200,000,000.

Fiscal year 1994:
(A) New direct loan obligations, $19,800,000,000.
(B) New primary loan guarantee commitments, $117,300,000,000.

Fiscal year 1995:
(A) New direct loan obligations, $19,800,000,000.
(B) New primary loan guarantee commitments, $120,300,000,000.

Fiscal year 1996:
(A) New direct loan obligations, $20,000,000,000.
(B) New primary loan guarantee commitments, $123,400,000,000.

Fiscal year 1997:
(A) New direct loan obligations, $20,400,000,000.
(B) New primary loan guarantee commitments, $126,400,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new primary loan guarantee commitments for fiscal years 1993 through 1997 for each major functional category are:

(1) National Defense (050):

Fiscal year 1993:
(A) New budget authority, $274,400,000,000.
(B) Outlays, $287,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:
(A) New budget authority, $289,300,000,000.
(B) Outlays, $287,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:
(A) New budget authority, $292,800,000,000.
(B) Outlays, $287,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $295,100,000,000.
(B) Outlays, $291,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $300,600,000,000.
(B) Outlays, $297,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1993:
(A) New budget authority, $19,700,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $11,000,000,000.

Fiscal year 1994:
(A) New budget authority, $19,600,000,000.
(B) Outlays, $18,200,000,000.
(C) New direct loan obligations, $3,000,000,000.

(D) New primary loan guarantee commitments, $11,400,000,000.

Fiscal year 1995:

(A) New budget authority, $19,300,000,000.

(B) Outlays, $18,100,000,000.

(C) New direct loan obligations, $3,100,000,000.

(D) New primary loan guarantee commitments, $11,800,000,000.

Fiscal year 1996:

(A) New budget authority, $18,900,000,000.

(B) Outlays, $18,100,000,000.

(C) New direct loan obligations, $3,200,000,000.

(D) New primary loan guarantee commitments, $12,200,000,000.

Fiscal year 1997:

(A) New budget authority, $18,600,000,000.

(B) Outlays, $18,000,000,000.

(C) New direct loan obligations, $3,300,000,000.

(D) New primary loan guarantee commitments, $12,600,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1993:

(A) New budget authority, $17,800,000,000.

(B) Outlays, $16,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $18,400,000,000.

(B) Outlays, $17,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $19,000,000,000.

(B) Outlays, $18,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $19,600,000,000.

(B) Outlays, $19,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $20,600,000,000.

(B) Outlays, $20,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1993:

(A) New budget authority, $6,300,000,000.

(B) Outlays, $5,500,000,000.

(C) New direct loan obligations, $2,000,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1994:

(A) New budget authority, $6,500,000,000.

(B) Outlays, $5,900,000,000.

(C) New direct loan obligations, $2,100,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1995:

(A) New budget authority, $6,600,000,000.

(B) Outlays, $5,700,000,000.

(C) New direct loan obligations, $2,200,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1996:

(A) New budget authority, $6,400,000,000.

(B) Outlays, $5,600,000,000.

(C) New direct loan obligations, $2,300,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

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Fiscal year 1997:

(A) New budget authority, $6,700,000,000.

(B) Outlays, $5,200,000,000.

(C) New direct loan obligations, $2,400,000,000.

(D) New primary loan guarantee commitments, $300,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1993:

(A) New budget authority, $21,600,000,000.

(B) Outlays, $21,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $22,700,000,000.

(B) Outlays, $22,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $23,600,000,000.

(B) Outlays, $22,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $24,200,000,000.

(B) Outlays, $23,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $25,100,000,000.

(B) Outlays, $24,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1993:

(A) New budget authority, $16,400,000,000.

(B) Outlays, $16,100,000,000.

(C) New direct loan obligations, $8,800,000,000.

(D) New primary loan guarantee commitments, $6,600,000,000.

Fiscal year 1994:

(A) New budget authority, $17,000,000,000.

(B) Outlays, $14,800,000,000.

(C) New direct loan obligations, $8,700,000,000.

(D) New primary loan guarantee commitments, $6,700,000,000.

Fiscal year 1995:

(A) New budget authority, $14,900,000,000.

(B) Outlays, $12,800,000,000.

(C) New direct loan obligations, $8,300,000,000.

(D) New primary loan guarantee commitments, $6,700,000,000.

Fiscal year 1996:

(A) New budget authority, $15,000,000,000.

(B) Outlays, $13,000,000,000.

(C) New direct loan obligations, $8,100,000,000.

(D) New primary loan guarantee commitments, $6,800,000,000.

Fiscal year 1997:

(A) New budget authority, $15,100,000,000.

(B) Outlays, $13,300,000,000.

(C) New direct loan obligations, $8,100,000,000.

(D) New primary loan guarantee commitments, $6,900,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1993:

(A) New budget authority, $78,700,000,000.

(B) Outlays, $74,300,000,000.

(C) New direct loan obligations, $3,600,000,000.

(D) New primary loan guarantee commitments, $60,400,000,000.

Fiscal year 1994:

(A) New budget authority, $42,900,000,000.

(B) Outlays, $37,000,000,000.

(C) New direct loan obligations, $3,700,000,000.

(D) New primary loan guarantee commitments, $62,500,000,000.

Fiscal year 1995:

(A) New budget authority, $23,200,000,000.

(B) Outlays, −$12,900,000,000.

(C) New direct loan obligations, $3,800,000,000.

(D) New primary loan guarantee commitments, $64,600,000,000.

Fiscal year 1996:

(A) New budget authority, $8,000,000,000.

(B) Outlays, −$41,300,000,000.

(C) New direct loan obligations, $4,000,000,000.

(D) New primary loan guarantee commitments, $66,800,000,000.

Fiscal year 1997:

(A) New budget authority, $8,900,000,000.

(B) Outlays, −$26,100,000,000.

(C) New direct loan obligations, $4,100,000,000.

(D) New primary loan guarantee commitments, $69,000,000,000.

(8) Transportation (400):

Fiscal year 1993:

(A) New budget authority, $41,800,000,000.

(B) Outlays, $36,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $42,600,000,000.

(B) Outlays, $39,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $43,200,000,000.

(B) Outlays, $40,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $44,100,000,000.

(B) Outlays, $40,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $47,000,000,000.

(B) Outlays, $40,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1993:

(A) New budget authority, $7,700,000,000.

(B) Outlays, $7,200,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1994:

(A) New budget authority, $7,700,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1995:

(A) New budget authority, $7,800,000,000.

(B) Outlays, $7,200,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1996:

(A) New budget authority, $8,000,000,000.

(B) Outlays, $7,100,000,000.

(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $7,500,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1993:
(A) New budget authority, $55,300,000,000.
(B) Outlays, $50,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,200,000,000.
Fiscal year 1994:
(A) New budget authority, $56,600,000,000.
(B) Outlays, $54,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,700,000,000.
Fiscal year 1995:
(A) New budget authority, $58,600,000,000.
(B) Outlays, $56,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $16,100,000,000.
Fiscal year 1996:
(A) New budget authority, $61,000,000,000.
(B) Outlays, $54,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $16,400,000,000.
Fiscal year 1997:
(A) New budget authority, $64,100,000,000.
(B) Outlays, $61,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $16,600,000,000.
(11) Health (550):
Fiscal year 1993:
(A) New budget authority, $106,300,000,000.
(B) Outlays, $105,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1994:
(A) New budget authority, $117,400,000,000.
(B) Outlays, $116,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1995:
(A) New budget authority, $130,200,000,000.
(B) Outlays, $129,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1996:
(A) New budget authority, $144,700,000,000.
(B) Outlays, $143,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $160,500,000,000.
(B) Outlays, $158,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(12) Medicare (570):
Fiscal year 1993:
(A) New budget authority, $132,400,000,000.
(B) Outlays, $130,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $146,500,000,000.
(B) Outlays, $144,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $163,300,000,000.
(B) Outlays, $161,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $183,500,000,000.
(B) Outlays, $180,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $204,300,000,000.
(B) Outlays, $201,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1993:
(A) New budget authority, $201,700,000,000.
(B) Outlays, $197,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $210,500,000,000.
(B) Outlays, $207,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $219,500,000,000.
(B) Outlays, $218,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,300,000,000.
(B) Outlays, $229,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $251,000,000,000.
(B) Outlays, $242,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1993:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $10,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $7,900,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1993:
(A) New budget authority, $35,800,000,000.
(B) Outlays, $35,600,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $22,100,000,000.
Fiscal year 1994:
(A) New budget authority, $37,000,000,000.
(B) Outlays, $38,400,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,000,000,000.
Fiscal year 1995:
(A) New budget authority, $38,300,000,000.
(B) Outlays, $39,100,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,100,000,000.
Fiscal year 1996:
(A) New budget authority, $39,400,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,200,000,000.
Fiscal year 1997:
(A) New budget authority, $40,700,000,000.
(B) Outlays, $41,600,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,300,000,000.
(16) Administration of Justice (750):
Fiscal year 1993:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $15,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $18,500,000,000.
(B) Outlays, $18,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1993:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $13,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $14,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $14,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1993:
(A) New budget authority, $242,200,000,000.
(B) Outlays, $242,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $264,000,000,000.
(B) Outlays, $264,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $283,600,000,000.
(B) Outlays, $283,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $305,000,000,000.
(B) Outlays, $305,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $329,900,000,000.
(B) Outlays, $329,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1993:
(A) New budget authority, −$2,500,000,000.
(B) Outlays, −$2,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, −$2,900,000,000.
(B) Outlays, −$2,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, −$2,900,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$2,900,000,000.
(B) Outlays, −$3,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$3,000,000,000.
(B) Outlays, −$3,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1993:
(A) New budget authority, −$34,000,000,000.
(B) Outlays, −$34,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, −$61,800,000,000.
(B) Outlays, −$56,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, −$68,500,000,000.
(B) Outlays, −$67,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$69,100,000,000.
(B) Outlays, −$63,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$72,000,000,000.
(B) Outlays, −$61,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

SENSE OF THE HOUSE

SEC. 3. (a) If H.R. 3732 or similar legislation is not enacted into law before conferees on this resolution are appointed by the Speaker, it is the sense of the House that the following levels are appropriate for fiscal years 1993 through 1997:

(1) The recommended levels of Federal revenues are as follows:
Fiscal year 1993: $845,300,000,000.
Fiscal year 1994: $911,300,000,000.
Fiscal year 1995: $968,100,000,000.
Fiscal year 1996: $1,017,800,000,000.
Fiscal year 1997: $1,070,400,000,000.
and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:
Fiscal year 1993: $0.
Fiscal year 1994: $0.
Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:
Fiscal year 1993: $85,300,000,000.
Fiscal year 1994: $91,200,000,000.
Fiscal year 1995: $96,800,000,000.
Fiscal year 1996: $102,900,000,000.
Fiscal year 1997: $109,200,000,000.

(2) The appropriate levels of total new budget authority are as follows:
Fiscal year 1993: $1,243,500,000,000.
Fiscal year 1994: $1,269,200,000,000.
Fiscal year 1995: $1,309,600,000,000.
Fiscal year 1996: $1,375,100,000,000.
Fiscal year 1997: $1,468,700,000,000.

(3) The appropriate levels of total budget outlays are as follows:
Fiscal year 1993: $1,236,600,000,000.
Fiscal year 1994: $1,254,900,000,000.
Fiscal year 1995: $1,257,700,000,000.
Fiscal year 1996: $1,305,100,000,000.
Fiscal year 1997: $1,416,000,000,000.

(4) The amounts of the deficits are as follows:
Fiscal year 1993: $391,300,000,000.
Fiscal year 1994: $343,600,000,000.
Fiscal year 1995: $289,600,000,000.
Fiscal year 1996: $287,300,000,000.
Fiscal year 1997: $345,600,000,000.

(5) The appropriate levels of the public debt are as follows:
Fiscal year 1993: $4,470,500,000,000.
Fiscal year 1994: $4,871,600,000,000.
Fiscal year 1995: $5,220,600,000,000.
Fiscal year 1996: $5,563,100,000,000.
Fiscal year 1997: $5,960,500,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1992, October 1, 1993, October 1, 1994, October 1, 1995, and October 1, 1996, are as follows:
Fiscal year 1993:
(A) New direct loan obligations, $19,300,000,000.
(B) New primary loan guarantee commitments, $116,200,000,000.
Fiscal year 1994:
(A) New direct loan obligations, $19,500,000,000.
(B) New primary loan guarantee commitments, $117,300,000,000.
Fiscal year 1995:
(A) New direct loan obligations, $19,500,000,000.
(B) New primary loan guarantee commitments, $120,300,000,000.
Fiscal year 1996:
(A) New direct loan obligations, $19,700,000,000.
(B) New primary loan guarantee commitments, $123,400,000,000.
Fiscal year 1997:
(A) New direct loan obligations, $20,100,000,000.
(B) New primary loan guarantee commitments, $126,400,000,000.

(b) If H.R. 3732 or similar legislation is not enacted into law before conferees on this resolution are appointed by the Speaker, it is the sense of the House that the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new primary loan guarantee commitments for fiscal years 1993 through 1997 for each major functional category are:

(1) National Defense (050):
Fiscal year 1993:
(A) New budget authority, $274,400,000,000.
(B) Outlays, $287,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $289,300,000,000.
(B) Outlays, $287,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $292,800,000,000.
(B) Outlays, $287,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $295,100,000,000.
(B) Outlays, $291,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $300,600,000,000.
(B) Outlays, $297,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1993:
(A) New budget authority, $19,700,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $11,000,000,000.
Fiscal year 1994:
(A) New budget authority, $19,600,000,000.
(B) Outlays, $18,200,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $11,400,000,000.
Fiscal year 1995:

(A) New budget authority, $19,300,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $11,800,000,000.
Fiscal year 1996:
(A) New budget authority, $18,900,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $12,200,000,000.
Fiscal year 1997:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $18,000,000,000.
(C) New direct loan obligations, $3,300,000,000.
(D) New primary loan guarantee commitments, $12,600,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1993:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $16,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $18,100,000,000.
(B) Outlays, $17,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $18,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $19,600,000,000.
(B) Outlays, $19,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1993:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,400,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1994:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $5,600,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1995:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $5,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1996:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $2,300,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(5) Natural Resources and Environment (300):
Fiscal year 1993:
(A) New budget authority, $20,900,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $22,900,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $23,400,000,000.
(B) Outlays, $22,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $24,300,000,000.
(B) Outlays, $23,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1993:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $8,700,000,000.
(D) New primary loan guarantee commitments, $6,600,000,000.
Fiscal year 1994:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $14,600,000,000.
(C) New direct loan obligations, $8,600,000,000.
(D) New primary loan guarantee commitments, $6,700,000,000.
Fiscal year 1995:
(A) New budget authority, $14,700,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $8,200,000,000.
(D) New primary loan guarantee commitments, $6,700,000,000.
Fiscal year 1996:
(A) New budget authority, $14,700,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $8,000,000,000.
(D) New primary loan guarantee commitments, $6,800,000,000.
Fiscal year 1997:
(A) New budget authority, $14,900,000,000.
(B) Outlays, $13,-100,000,000.
(C) New direct loan obligations, $8,000,000,000.
(D) New primary loan guarantee commitments, $6,900,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1993:
(A) New budget authority, $78,500,000,000.
(B) Outlays, $74,100,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $60,400,000,000.
Fiscal year 1994:
(A) New budget authority, $42,600,000,000.
(B) Outlays, $36,800,000,000.
(C) New direct loan obligations, $3,500,000,000.
(D) New primary loan guarantee commitments, $62,500,000,000.
Fiscal year 1995:
(A) New budget authority, $22,900,000,000.
(B) Outlays, -$13,100,000,000.
(C) New direct loan obligations, $3,600,000,000.
(D) New primary loan guarantee commitments, $64,600,000,000.
Fiscal year 1996:
(A) New budget authority, $7,700,000,000.
(B) Outlays, -$41,600,000,000.
(C) New direct loan obligations, $3,800,000,000.
(D) New primary loan guarantee commitments, $66,800,000,000.
Fiscal year 1997:
(A) New budget authority, $8,600,000,000.
(B) Outlays, -$26,400,000,000.
(C) New direct loan obligations, $3,900,000,000.
(D) New primary loan guarantee commitments, $69,000,000,000.
(8) Transportation (400):
Fiscal year 1993:
(A) New budget authority, $41,000,000,000.
(B) Outlays, $35,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $41,700,000,000.
(B) Outlays, $37,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $42,300,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $43,100,000,000.
(B) Outlays, $39,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $46,000,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1993:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $7,100,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1994:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1995:
(A) New budget authority, $7,000,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1996:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1997:
(A) New budget authority, $7,500,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $400,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1993:
(A) New budget authority, $51,700,000,000.
(B) Outlays, $49,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,200,000,000.
Fiscal year 1994:
(A) New budget authority, $53,400,000,000.
(B) Outlays, $51,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,700,000,000.
Fiscal year 1995:
(A) New budget authority, $54,900,000,000.
(B) Outlays, $52,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $16,100,000,000.
Fiscal year 1996:
(A) New budget authority, $57,200,000,000.
(B) Outlays, $50,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $16,400,000,000.
Fiscal year 1997:
(A) New budget authority, $60,100,000,000.
(B) Outlays, $57,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $16,600,000,000.
(11) Health (550):
Fiscal year 1993:
(A) New budget authority, $105,200,000,000.
(B) Outlays, $104,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1994:
(A) New budget authority, $116,200,000,000.
(B) Outlays, $115,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1995:
(A) New budget authority, $128,800,000,000.
(B) Outlays, $127,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1996:
(A) New budget authority, $143,200,000,000.
(B) Outlays, $141,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $159,000,000,000.
(B) Outlays, $157,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(12) Medicare (570):
Fiscal year 1993:
(A) New budget authority, $132,200,000,000.
(B) Outlays, $130,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $146,400,000,000.
(B) Outlays, $144,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $163,100,000,000.
(B) Outlays, $160,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $183,300,000,000.
(B) Outlays, $180,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $204,000,000,000.
(B) Outlays, $201,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1993:
(A) New budget authority, $199,500,000,000.
(B) Outlays, $196,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $208,200,000,000.
(B) Outlays, $206,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $217,100,000,000.
(B) Outlays, $217,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $231,800,000,000.
(B) Outlays, $227,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $248,600,000,000.
(B) Outlays, $240,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1993:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $10,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $7,900,000,000.
(B) Outlays, $10,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1993:
(A) New budget authority, $35,300,000,000.
(B) Outlays, $35,000,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $22,100,000,000.
Fiscal year 1994:
(A) New budget authority, $36,500,000,000.
(B) Outlays, $38,200,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,000,000,000.
Fiscal year 1995:
(A) New budget authority, $37,700,000,000.
(B) Outlays, $37,700,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,100,000,000.
Fiscal year 1996:
(A) New budget authority, $38,900,000,000.
(B) Outlays, $37,400,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,200,000,000.
Fiscal year 1997:
(A) New budget authority, $40,100,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $20,300,000,000.
(16) Administration of Justice (750):
Fiscal year 1993:
(A) New budget authority, $15,200,000,000.
(B) Outlays, $15,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $16,600,000,000.
(B) Outlays, $16,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $17,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $18,800,000,000.
(B) Outlays, $18,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1993:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $12,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $12,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,600,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $14,300,000,000.

(B) Outlays, $13,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(18) Net Interest (900):

Fiscal year 1993:

(A) New budget authority, $242,000,000,000.

(B) Outlays, $241,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $263,600,000,000.

(B) Outlays, $263,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $283,100,000,000.

(B) Outlays, $283,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $304,500,000,000.

(B) Outlays, $304,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $329,400,000,000.

(B) Outlays, $329,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(19) Allowances (920):

Fiscal year 1993:

(A) New budget authority, −$2,300,000,000.

(B) Outlays, $3,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, −$4,200,000,000.

(B) Outlays, $4,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, −$4,300,000,000.

(B) Outlays, $4,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$4,300,000,000.

(B) Outlays, −$4,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$4,400,000,000.

(B) Outlays, $4,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1993:

(A) New budget authority, −$34,100,000,000.

(B) Outlays, −$34,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, −$47,800,000,000.

(B) Outlays, −$44,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, −$53,500,000,000.

(B) Outlays, −$52,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$53,700,000,000.

(B) Outlays, −$48,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$56,200,000,000.

(B) Outlays, −$45,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

SEC. 4. The Committee strongly urges that measures to control the growth of health care costs be included by the committees of jurisdiction in any comprehensive health care package that they report.

The CHAIRMAN. No amendments are in order except the amendments printed in House Report 102-451, which shall be considered in the order and manner specified in the report, shall be considered as having been read and shall not be subject to amendment. If more than one amendment in the nature of a substitute is adopted, only the last amendment adopted shall be considered as having been finally adopted in the Committee of the Whole and reported back to the House.

It shall be in order to consider the amendment or amendments provided for in section 305(a)(5) of the Congressional Budget Act of 1974 necessary to achieve mathematical consistency.

At the conclusion of the consideration of the concurrent resolution for amendment, there shall be an additional period of general debate, which shall be confined to the concurrent resolution as amended, and which shall not exceed 1 hour, equally divided and controlled by the Chairman and ranking minority member on the Committee on the Budget.

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It is now in order to consider amendment No. 1 printed in House Report 102-451.

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

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

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. DANNEMEYER:

1. AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO BE OFFERED BY REPRESENTATIVE DANNEMEYER OF CALIFORNIA, OR HIS DESIGNEE, DEBATABLE FOR NOT TO EXCEED 30 MINUTES, EQUALLY DIVIDED AND CONTROLLED BY THE PROPONENT OF THE AMENDMENT AND A MEMBER OPPOSED THERETO

Strike all after the resolving clause and insert the following:

RECOMMENDED LEVELS AND AMOUNTS

SEC. 2. (a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1992, October 1, 1993, October 1, 1994, October 1, 1995, and October 1, 1996:

(1) The recommended levels for Federal revenues are as follows:

Fiscal year 1993: $845,300,000,000.

Fiscal year 1994: $911,300,000,000.

Fiscal year 1995: $968,100,000,000.

Fiscal year 1996: $1,017,800,000,000.

Fiscal year 1997: $1,070,400,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1993: $0.

Fiscal year 1994: $0.

Fiscal year 1995: $0.

Fiscal year 1996: $0.

Fiscal year 1997: $0.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1993: $85,300,000,000.

Fiscal year 1994: $91,200,000,000.

Fiscal year 1995: $96,800,000,000.

Fiscal year 1996: $102,900,000,000.

Fiscal year 1997: $109,200,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1993: $1,221,341,000,000.

Fiscal year 1994: $1,202,954,000,000.

Fiscal year 1995: $1,214,440,000,000.

Fiscal year 1996: $1,233,795,000,000.

Fiscal year 1997: $1,272,681,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1993: $1,182,910,000,000.

Fiscal year 1994: $1,147,899,000,000.

Fiscal year 1995: $1,109,823,000,000.

Fiscal year 1996: $1,100,914,000,000.

Fiscal year 1997: $1,153,859,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1993: −$337,610,000,000.

Fiscal year 1994: −$236,599,000,000.

Fiscal year 1995: −$141,723,000,000.

Fiscal year 1996: −$83,114,000,000.

Fiscal year 1997: −$83,459,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1993: $4,473,200,000,000.

Fiscal year 1994: $4,877,200,000,000.

Fiscal year 1995: $5,229,200,000,000.

Fiscal year 1996: $5,574,600,000,000.

Fiscal year 1997: $5,975,500,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1992, October 1, 1993, October 1, 1994, October 1, 1995, and October 1, 1996, are as follows:

Fiscal year 1993:

(A) New direct loan obligations, $14,166,000,000.

(B) New primary loan guarantee commitments, $107,895,000,000.

Fiscal year 1994:

(A) New direct loan obligations, $10,780,000,000.

(B) New primary loan guarantee commitments, $43,030,000,000.

Fiscal year 1995:

(A) New direct loan obligations, $10,445,000,000.

(B) New primary loan guarantee commitments, $44,111,000,000.

Fiscal year 1996:

(A) New direct loan obligations, $10,263,000,000.

(B) New primary loan guarantee commitments, $42,850,000,000.

Fiscal year 1997:

(A) New direct loan obligations, $10,128,000,000.

(B) New primary loan guarantee commitments, $43,624,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new primary loan guarantee commitments for fiscal years 1993 through 1997 for each major functional category are:

(1) National Defense (050):

Fiscal year 1993:

(A) New budget authority, $280,800,000,000.

(B) Outlays, $289,213,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $275,278,000,000.

(B) Outlays, $275,875,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $269,411,000,000.

(B) Outlays, $263,176,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $262,733,000,000.

(B) Outlays, $251,021,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $257,278,000,000.

(B) Outlays, $239,650,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1993:

(A) New budget authority, $17,464,000,000.

(B) Outlays, $13,016,000,000.

(C) New direct loan obligations, $1,860,000,000.

(D) New primary loan guarantee commitments, $10,320,000,000.

Fiscal year 1994:

(A) New budget authority, $17,464,000,000.

(B) Outlays, $13,016,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $17,464,000,000.

(B) Outlays, $13,016,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $17,464,000,000.

(B) Outlays, $13,016,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $17,464,000,000.

(B) Outlays, $13,016,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1993:

(A) New budget authority, $17,404,000,000.

(B) Outlays, $16,584,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $17,752,000,000.

(B) Outlays, $16,916,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $18,107,000,000.

(B) Outlays, $17,254,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $18,469,000,000.

(B) Outlays, $12,599,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $.18,839,000,000.

(B) Outlays, $17,951,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1993:

(A) New budget authority, $6,218,000,000.

(B) Outlays, $4,754,000,000.

(C) New direct loan obligations, $1,641,000,000.

(D) New primary loan guarantee commitments, $394,000,000.

Fiscal year 1994:

(A) New budget authority, $5,938,000,000.

(B) Outlays, $5,096,000,000.

(C) New direct loan obligations, $1,804,000,000.

(D) New primary loan guarantee commitments, $256,000,000.

Fiscal year 1995:

(A) New budget authority, $4,533,000,000.

(B) Outlays, $4,187,000,000.

(C) New direct loan obligations, $1,952,000,000.

(D) New primary loan guarantee commitments, $267,000,000.

Fiscal year 1996:

(A) New budget authority, $4,640,000,000.

(B) Outlays, $3,850,000,000.

(C) New direct loan obligations, $2,258,000,000.

(D) New primary loan guarantee commitments, $276,000,000.

Fiscal year 1997:

(A) New budget authority, $5,312,000,000.

(B) Outlays, $3,769,000,000.

(C) New direct loan obligations, $2,209,000,000.

(D) New primary loan guarantee commitments, $285,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1993:

(A) New budget authority, $21,966,000,000.

(B) Outlays, $20,522,000,000.

(C) New direct loan obligations, $36,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $21,623,000,000.

(B) Outlays, $20,907,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $22,150,000,000.

(B) Outlays, $21,321,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $22,162,000,000.

(B) Outlays, $21,622,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $22,880,000,000.

(B) Outlays, $21,937,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1993:

(A) New budget authority, $21,931,000,000.

(B) Outlays, $18,303,000,000.

(C) New direct loan obligations, $8,192,000,000.

(D) New primary loan guarantee commitments, $7,201,000,000.

Fiscal year 1994:

(A) New budget authority, $18,942,000,000.

(B) Outlays, $15,845,000,000.

(C) New direct loan obligations, $7,979,000,000.

(D) New primary loan guarantee commitments, $7,312,000,000.

Fiscal year 1995:

(A) New budget authority, $18,776,000,000.

(B) Outlays, $13,816,000,000.

(C) New direct loan obligations, $7,518,000,000.

(D) New primary loan guarantee commitments, $7,372,000,000.

Fiscal year 1996:

(A) New budget authority, $15,723,000,000.

(B) Outlays, $14,045,000,000.

(C) New direct loan obligations, $7,059,000,000.

(D) New primary loan guarantee commitments, $5,135,000,000.

Fiscal year 1997:

(A) New budget authority, $14,985,000,000.

(B) Outlays, $13,513,000,000.

(C) New direct loan obligations, $6,994,000,000.

(D) New primary loan guarantee commitments, $5,135,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1993:

(A) New budget authority, $59,742,000,000.

(B) Outlays, $74,361,000,000.

(C) New direct loan obligations, $164,000,000.

(D) New primary loan guarantee commitments, $55,070,000,000.

Fiscal year 1994:

(A) New budget authority, $37,245,000,000.

(B) Outlays, $38,744,000,000.

(C) New direct loan obligations, $30,000,000.

(D) New primary loan guarantee commitments, $1,000,000.

Fiscal year 1995:

(A) New budget authority, $22,540,000,000.

(B) Outlays, −$11,182,000,000.

(C) New direct loan obligations, $30,000,000.

(D) New primary loan guarantee commitments, $1,000,000.

Fiscal year 1996:

(A) New budget authority, $9,431,000,000.

(B) Outlays, −$39,673,000,000.

(C) New direct loan obligations, $30,000,000.

(D) New primary loan guarantee commitments, $1,000,000.

Fiscal year 1997:

(A) New budget authority, $11,934,000,000.

(B) Outlays, −$24,260,000,000.

(C) New direct loan obligations, $30,000,000.

(D) New primary loan guarantee commitments, $1,000,000.

(8) Transportation (400):

Fiscal year 1993:

(A) New budget authority, $40,855,000,000.

(B) Outlays, $33,296,000,000.

(C) New direct loan obligations, $4,000,000.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $41,384,000,000.

(B) Outlays, $33,986,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $41,984,000,000.
(B) Outlays, $34,692,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $42,825,000,000.
(B) Outlays, $35,412,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $45,664,000,000.
(B) Outlays, $36,146,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1993:
(A) New budget authority, $7,378,000,000.
(B) Outlays, $7,018,000,000.
(C) New direct loan obligations, $1,258,000,000.
(D) New primary loan guarantee commitments, $363,000,000.
Fiscal year 1994:
(A) New budget authority, $7,227,000,000.
(B) Outlays, $6,870,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $7,342,000,000.
(B) Outlays, $6,927,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $7,506,000,000.
(B) Outlays, $6,844,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $7,598,000,000.
(B) Outlays, $7,023,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1993:
(A) New budget authority, $48,486,000,000.
(B) Outlays, $46,789,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $14,794,000,000.
Fiscal year 1994:
(A) New budget authority, $47,562,000,000.
(B) Outlays, $46,517,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,201,000,000.
Fiscal year 1995:
(A) New budget authority, $48,425,000,000.
(B) Outlays, $46,934,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,575,000,000.
Fiscal year 1996:
(A) New budget authority, $49,335,000,000.
(B) Outlays, $43,429,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,902,000,000.
Fiscal year 1997:
(A) New budget authority, $50,492,000,000.
(B) Outlays, $48,473,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $15,997,000,000.
(11) Health (550):
Fiscal year 1993:
(A) New budget authority, $99,015,000,000.
(B) Outlays, $99,593,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $299,000,000.
Fiscal year 1994:
(A) New budget authority, $107,794,000,000.
(B) Outlays, $106,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $309,000,000.
Fiscal year 1995:
(A) New budget authority, $116,234,000,000.
(B) Outlays, $115,035,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $320,000,000.
Fiscal year 1996:
(A) New budget authority, $125,843,000,000.
(B) Outlays, $124,506,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $331,000,000.
Fiscal year 1997:
(A) New budget authority, $135,999,000,000.
(B) Outlays, $135,089,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $342,000,000.
(12) Medicare (570):
Fiscal year 1993:
(A) New budget authority, $127,575,000,000.
(B) Outlays, $125,987,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $136,207,000,000.
(B) Outlays, $134,524,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $145,941,000,000.
(B) Outlays, $143,566,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $156,847,000,000.
(B) Outlays, $154,273,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $169,211,000,000.
(B) Outlays, $166,009,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1993:
(A) New budget authority, $231,005,000,000.
(B) Outlays, $191,448,000,000.
(C) New direct loan obligations, $3,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $237,785,000,000.
(B) Outlays, $199,803,000,000.
(C) New direct loan obligations, $3,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $249,228,000,000.
(B) Outlays, $209,272,000,000.
(C) New direct loan obligations, $3,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $261,635,000,000.
(B) Outlays, $217,634,000,000.
(C) New direct loan obligations, $3,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $268,212,000,000.
(B) Outlays, $229,584,000,000.
(C) New direct loan obligations, $3,000,000.
(D) New primary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1993:
(A) New budget authority, $5,894,000,000.
(B) Outlays, $5,894,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $6,482,000,000.
(B) Outlays, $6,482,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $7,168,000,000.
(B) Outlays, $7,168,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $7,872,000,000.
(B) Outlays, $7,872,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,675,000,000.
(B) Outlays, $8,675,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1993:
(A) New budget authority, $35,621,000,000.
(B) Outlays, $35,543,000,000.
(C) New direct loan obligations, $1,008,000,000.
(D) New primary loan guarantee commitments, $19,454,000,000.
Fiscal year 1994:
(A) New budget authority, $36,772,000,000.
(B) Outlays, $38,213,000,000.
(C) New direct loan obligations, $964,000,000.
(D) New primary loan guarantee commitments, $19,951,000,000.
Fiscal year 1995:
(A) New budget authority, $37,987,000,000.
(B) Outlays, $37,948,000,000.
(C) New direct loan obligations, $942,000,000.
(D) New primary loan guarantee commitments, $20,576,000,000.
Fiscal year 1996:
(A) New budget authority, $39,195,000,000.
(B) Outlays, $37,699,000,000.
(C) New direct loan obligations, $913,000,000.
(D) New primary loan guarantee commitments, $21,205,000,000.
Fiscal year 1997:
(A) New budget authority, $40,494,000,000.
(B) Outlays, $40,429,000,000.
(C) New direct loan obligations, $892,000,000.
(D) New primary loan guarantee commitments, $21,864,000,000.
(16) Administration of Justice (750):
Fiscal year 1993:
(A) New budget authority, $14,028,000,000.
(B) Outlays, $14,256,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $14,402,000,000.
(B) Outlays, $14,604,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $15,019,000,000.
(B) Outlays, $14,955,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $15,382,000,000.
(B) Outlays, $15,290,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $15,762,000,000.
(B) Outlays, $15,619,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1993:
(A) New budget authority, $12,609,000,000.
(B) Outlays, $12,963,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $12,454,000,000.
(B) Outlays, $12,958,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $12,793,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,020,000,000.
(B) Outlays, $12,762,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,352,000,000.
(B) Outlays, $12,706,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1993:
(A) New budget authority, $217,140,000,000.
(B) Outlays, $217,140,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $205,118,000,000.
(B) Outlays, $205,118,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $204,427,000,000.
(B) Outlays, $204,427,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $209,343,000,000.
(B) Outlays, $209,343,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $215,201,000,000.
(B) Outlays, $215,201,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1993:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1993:
(A) New budget authority, −$43,497,000,000.
(B) Outlays, −$43,497,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, −$44,064,000,000.
(B) Outlays, −$44,064,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, −$44,569,000,000.
(B) Outlays, −$44,569,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$44,891,000,000
(B) Outlays, −$44,891,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$45,716,000,000
(B) Outlays, −$45,716,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

SEC. 3. (a) It is the sense of Congress that the Department of the Treasury shall initiate a program to issue Treasury obligations that have an annual investment yield not exceeding 2 per centum.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. DANNEMEYER] will be recognized for 15 minutes and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentleman from California [Mr. DANNEMEYER].

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

Mr. Chairman, this year, I made some comments earlier, but I think it is important for us to focus on just our stewardship of the Nation's fiscal affairs. We have never seen a year like this before.

I came here in 1979, and we are now adding an extraordinary increase to the national debt this year of some $480 billion. That is almost half a trillion.

In fiscal year 1993, the year we are talking about, we are going to add, this is a moving target but the figure I have most recently is $409 billion.

I am familiar with the proclivities of the 102d Congress, the current one. This institution, as it is organized today and was elected in November 1990, as a body, has little, if any, interest in reducing any spending at all except for defense. Take a scalpel or a knife or a hatchet, beat up on defense and transfer the money to the social programs is the battle cry of the 102d Congress. I understand that.

The reason I make that observation is that this Member, along with some of my colleagues, last year offered opportunities to the House to just to restrain the growth in the 13 appropriation bills that fund the Government for the year, and we got anywhere from 75 to 125 votes to restrain the growth.

This budget alternative that I offer to the House this evening has the lowest total of any of the alternatives that will be offered. It has $58.3 billion lower than the CBO baseline. It is $54 billion, approximately, lower than the President's budget, and it is $59 billion lower than the Democrat alternative, plan B. And it achieves these reductions by the following changes in policy that otherwise exist.

Defense is reduced by 5 percent each year through 1997. Foreign aid is cut by 25 percent in 1993. That is likely to give some Members heartburn, not the taxpayers of the country. There is no constituency in America to continue foreign aid. The only constituency that exists is in this institution. And also the bureaucrats that are expending the spending in the State Department, in the State Department and the other agencies that handle the money that is being expended in foreign aid.

My alternative would cut foreign aid by 25 percent in 1993 from 1992 levels and would be frozen in the outyears. Domestic discretionary programs are frozen at 1992 levels for 1993 and allowed 2 percent annual growth thereafter.

Caps are placed on Medicare and Medicaid to curb escalating costs. This formula allows for projected beneficiary increase, plus inflation, plus an additional 2.5 percent.

If we do not do something about capping medical expenditures in Medicare and Medicaid, for example, in 1993, Medicaid spending is programmed to grow by 17 percent, 1993 over 1992. Under the cap that I am talking about here, the increase is limited to 11 percent.

Medicaid, if we do not do something, is scheduled to grow by 11 percent, 1993 over 1992. With these caps it would grow by 8 percent.

My colleagues may ask, how can we restrain these increases to Medicare and Medicaid? Well, one of the alternatives that needs to take place by the Policy Committee would be malpractice reform. We know that some estimates run as high as the total cost of medical spending in America includes about 20 percent for malpractice insurance. Certainly we cannot cut that total out, but there is a need across this land to recognize that there needs to be a cap on compensatory and punitive damages.

Our system today in the area of tort law is over-compensating any of us who are injured as a result of medical malpractice, and the world knows this and Congress up until now has been unwilling to even address this issue.

Another alternative that is in this plan is reducing the interests costs of maintaining our national debt. Bear in mind that the way we keep our books here in Congress, if people in the private sector did the same thing, the misrepresentation is so profound that if people in the private would use the same method of advising the stockholders and the public of what the status in the area of interest on the debt is concerned, they probably would be prosecuted and, if found guilty, and go to jail.

For example, we publish that the gross interest expense in this year that we are talking about in 1993 will be $241 billion, when in fact the interest that we are paying on the outstanding debt is about $100 billion higher than that. And what is the rationale?

Well, by some gimmick we say that the interest paid by the Treasury to the trust funds or the bonds held by the trust funds is reduced by the gross interest expense so as to establish what can be called the net interest expense. But at least when we increase the national debt, that is when we pick up that interest that the general fund pays on the bonds held by the trust funds. That is why the increase in the national debt, which to me is the true measure of the deficit, is always higher than what we claim the budget deficit to be.

For instance, there will be talk this evening that the budget deficit totals some, for 1993, under the President's program, 329 billion. Under the CBO baseline the same figure, and the Democrat alternative plan B, 327. When in fact, when we include the interest that is paid by the general fund to the bonds held by the trust funds, that figure grows by another $100 billion, approximately.

So it is very, very important that we find ways of reforming how we finance our debt.

Included in this plan that I am talking about will be given an alternative option to the Treasury to issue zero coupon bonds or gold-backed bonds that I have been urging the House to adopt for a number of years. Right now the average cost of selling our national debt is about 7.5 percent. I think that a gold-backed bond could be sold at 2-percent interest rate. And if sold at that interest rate, we can see that we would significantly reduce the interest cost expense.

In pursuing this alternative in fiscal year 1993, we estimate that we would save about $24 billion in interest expense and the savings in interest cost through 1997 would total $114 billion.

□ 1940

This issuing of gold-backed bonds or zero coupon bonds is just one of the alternatives that I believe the House and the Congress should consider if we are able to achieve a reduction in spending for fiscal year 1993. Anyone who has served here for any number of years realizes how important reducing spending for this year is, or for 1993, because the out years are markedly reduced when we are able to reduce spending in the current year.

Also, another item, this talks about revenue from Outer Continental Shelf royalties to the Federal Government has declined significantly from the early 1980's, and as a premise of this budget resolution we expect an increase in those royalties.

Let me also say what is not in this budget alternative. There is no increase in taxes in this alternative, no increase in fees.

I come to this issue with a firm conviction that we Americans are not undertaxed. Congress is spending too much money. We were taxing ourselves today at the rate of about 19.3 percent of GNP. That is an historic high in peacetime. The problem is we are spending at the rate of about 25.3 percent of GNP. That is also an historic high in peacetime.

So these are the alternatives that I have included within this budget process. I want to say also that it does not touch Social Security. No increase that has been contemplated for the recipients of Social Security would be adversely affected by this. It does not affect veterans' programs. They will go on as they are programmed to go on in the CBO base line. Nor does it alter anything to do with the retirement benefits, nor does it alter the entitlement programs that exist in our current spending stream.

I wish someday Congress would have the courage to attack the excesses that exist in some of these areas, but up until now I have not seen any sense of achieving that.

The Heritage Foundation recently produced a very astute analysis of total spending, and they have a list of recommendations of reductions in spending that could be achieved this year out of domestic discretionary totaling between $50 and $60 billion if Congress has the guts to do it. I have not included those alternatives in there, although I would like to have done so. One day perhaps Congress will be organized in such a way that such recommendations will see the light of day and be implemented.

I suggest to my colleagues in the House that, to quote a metaphor that is being used on the campaign trail today, "Someday we ought to wake up and smell the coffee." There is a lot of unrest around this Nation because of disgust by the American public of the stewardship of how we are handling the fiscal affairs of this Nation. It took us from 1789 to 1980 to get to the trillion dollar debt level, and between 1980 and today we have now breached the $3 trillion level, and by the end of this year we will pass the $4 trillion level. One wonders at what point will Members of Congress achieve a measure of discipline to rein in this spending.

Earlier in general debate I pointed out, which will be placed in the CONGRESSIONAL RECORD, we are in this fiscal mess not because we are spending too much on defense. Indeed, between 1981 and 1991, growth in defense spending in that 10-year period is up, is ninth in total programs by 73½ percent, and domestic spending is the engine that is driving this runaway spending here in the Congress of the United States, not defense spending.

I also compared the analysis of the President's budget request to the Congress for the years 1982 through 1990. In every year Congress appropriated more money than the President asked be spent. So Congress has a tendency, at least by some who argue around this place that the White House is at fault, we can change Presidents every year between now and the end of this century and we are not going to change spending habits until the Congress itself has the courage to restrain what today in my judgment is runaway spending.

So the buck stops here with my colleagues, and I ask for their support of this modest alternative and reduction of spending by some $58.3 billion.

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

Mr. PANETTA. Mr. Chairman, I rise in opposition to the gentleman's amendment, and I ask that I be granted the time in opposition.

The CHAIRMAN. Is the gentleman from California opposed to the amendment?

Mr. PANETTA. Mr. Chairman, this gentleman is.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California [Mr. PANETTA] for 15 minutes.

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

Each year when we do the budget debate I look forward to the debate on the Dannemeyer substitute, and we are at that point. I also appreciate the simple approach of the gentleman from California [Mr. DANNEMEYER]. I only wish that the world were that simple.

There are several areas of concern that I would just bring to the Members' attention. First is that the outlay freeze that is used by the gentleman is across the board, without any reference to whether programs work or do not work, whether they are needed or not needed, and the result, therefore, is an outlay freeze that strikes not just at programs like the WIC Program or low income housing, but at the FBI and at law enforcement and at drug enforcement and at all education programs, and in all programs that are important in terms of the health and welfare of citizens in our society.

I just think if the freeze is to be applied it ought to be applied to those programs that, frankly, do not produce. We have done that. Generally in the budget resolution of the committee we have frozen discretionary spending, except for those programs that we think are worthwhile and need to have an investment.

□ 1946

Unfortunately, the Dannemeyer approach does not take that approach. It freezes everything in outlays, including the most important law enforcement requirements that we have within our own society, as well as education, and job training and highways, et cetera.

Second, the gentleman mentioned that it does not cut Social Security. He is very kind to Social Security recipients, but I would also remind the elderly that what he does do on Medicare is to cut it three times as much as the President's budget. He would recommend for 1993 a cut in Medicare of $4.3 billion, and in Medicaid a cut of about $3.7 billion in 1993. I guess we could argue about the need to control costs in those areas, and I agree frankly with that effort. But I think it has to relate at least to doing something with regards to health care reform in this country as opposed to just slashing away at those programs and leaving the elderly and leaving the disabled without any kind of health care because of what is very much an arbitrary approach to those kinds of reductions.

An additional point is that it assumes large amounts of royalties that would result from the sale of new leases in the Outer Continental Shelf area. I know that the gentleman and I have some dispute over this issue over the years. But the problem I have with his proposal is that he would assume 30 times, for 1993, 30 times the President's number with regard to receipts from the Outer Continental Shelf. That is a lot of drilling that has to take place within a very short period of time to be able to get 30 times the royalties that the President has proposed in that area.

The last point I would make is he assumes about $24 billion in 1993 from the issuance of gold-backed or zero coupon bonds. The gentleman has always been associated with the principle that we ought to go back to the gold standard. The problem, obviously, with that approach is not only the fact that that is not likely to happen under any administration, but it is also the problem that when we do that it creates a tremendous amount of inflexibility. Far from stability, it produces tremendous fluctuations with our economy. And in addition to that, it makes us dependent on two countries for gold supply. One is South Africa and the other is the old Soviet Union, and those are two nations I would not call the most stable in the world at the present time.

So, in summary, while I appreciate the imagination that has gone into this proposal, unfortunately it is not the way the real world operates. I think for that reason I would recommend Members vote against it.

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

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

Mr. Chairman, I would point out to my colleague, the gentleman from California [Mr. PANETTA], chairman of the Budget Committee, that between 1982 and 1992 spending for Medicare went up 167 percent, for Medicaid about 212 percent. That is percentages. In dollar amount, in 1983 we spent $52.6 billion for Medicare, in 1991 $104 billion. In Medicaid we spent $19 billion in 1983 and $52 billion in 1991.

I just ask a simple question: How long is it going to take before Congress recognizes that runaway cost increases of this magnitude, if we do not control them at some time, are going to threaten the very stability of the Medicare trust fund? That is all I am saying.

We presented the growth caps in the Budget Committee. That went, unfortunately down, I guess on a straight party-line vote. The wisdom on the Democrat side was lacking for some reason to restrain growth. Maybe some day.

The time of the gentleman from California [Mr. DANNEMEYER] has expired.

Mr. PANETTA. Mr. Chairman, I yield 1 minute to the gentleman from California.

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

Mr. Chairman, things change in the world. The gentleman may be surprised to know that the United States is the second largest producer of gold beyond the Soviet Union today. I do not know whether the gentleman has gone to the State of Nevada, but they are developing a mine there that will give to the United States this status. Things are changing around the world in respect to that issue.

On the revenue from offshore leasing, back in 1983 we got $12 billion a year from that, in the current year about $3 billion. That is an increase of four times.

To be honest, I would rather expand domestic production within this country and off our shores than face a situation as we did a year ago when we had to send our men and women halfway around the world to fight on the sands of the Middle East to develop a resource that some of us are unwilling to develop right here in our own back yard.

So I think these are the reasons why this budget alternative makes sense, and I ask for an aye vote.

Mr. YOUNG of Florida. Mr. Chairman, the procedure under which we consider the 1993 budget resolution is a real reflection on the state of disorder in which we find our fiscal house.

Tonight we will consider a budget resolution which purports to frame the more than $1.5 trillion in spending decisions we will make over the next 8 months. It is a document that we have had available for review less than 24 hours and it is one on which the Budget Committee, which has the responsibility for bringing it before this House, couldn't even reach agreement. Instead, the document we consider today is really two 1993 budgets, each with different outlay estimates, different deficit figures, different estimates for spending on national defense, and different spending on domestic programs. If you vote yes on this bill, are you supporting the so called plan A or plan B?

Furthermore, Mr. Chairman, we are only being allowed to consider three amendments to this august budget document. One, the Dannemeyer substitute which I rise to support, will only be allowed to be debated tonight for 30 minutes. The second, the Gradison substitute which I will also support and is based upon the budget submitted by President Bush, will only be allowed to be debated tonight for 60 minutes. The third, the Congressional Black Caucus substitute which I will oppose, is given 8 hours of debate, more time than was given to the entire economic growth debate in the House last week.

The ground rules alone under which we consider this legislation tonight is a continuing reflection of the unfairness and inconsistencies under which this House operates and which has contributed to the fiscal chaos before us.

It is no wonder that later this year, the national debt will soon pass the $4 trillion mark. The American people should be concerned to know that in the 1993 budget we debate, $315 billion will be spent just to pay the interest on our national debt. This is the largest single item in the budget, exceeding the total amount paid to Social Security recipients and $34 billion more than the total amount we will spend on our national defense.

With these funds, the American people receive no health-care coverage, our schools receive no funds to hire new teachers, we are unable to build or improve our roads or bridges. These funds go only to pay the interest on a national debt that is the legacy of Congress' inability to balance Federal outlays and receipts.

Of the 12 budgets submitted to the Congress by Presidents Reagan and Bush, they had no choice but to request $2.6 trillion just to pay the interest on the national debt. This accounts for three-quarters of the increase in our national debt over that same period.

These are staggering statistics because the interest we pay on the national debt is really the only item in this budget which is beyond the control of the President and Congress. It is completely driven by market conditions, especially current interest rates.

Consider that during 1991, the interest rate paid on Treasury securities ranged from 4.1 to 6.3 percent. This is 3½ times less than the going rate for Treasury securities in 1981, the year President Reagan entered the White House. A return to these interest rates would drive our annual interest payment to more than $1 trillion per year.

Mr. Chairman, I rise in support of the alternative budget offered by my colleague from California, Mr. DANNEMEYER, because it is the only one of the four alternatives which offers a constructive solution to bringing under control this fastest growing sector of the Federal budget.

By authorizing the U.S. Treasury to refinance the national debt by issuing gold-backed or zero coupon bonds, we would save $23 billion in our 1993 interest payment and $114 billion over the next 5 years.

The Dannemeyer substitute saves an additional $3 billion in 1993 by reducing foreign aid payments by 25 percent and then freezing them at this reduced level over the following 4-year period. At a time when our Nation is having to make difficult budget choices and when American businesses are finding credit tight, we must reduce our support for foreign nations and multilateral development banks who make no interest or very low interest rate loans to foreign businesses that end up competing against American firms. These funds often go to nations which rarely if ever support the best interests of our Nation.

Although I do not agree with the minor reduction in Medicare outlays recommended in this budget and will oppose any legislation to implement such a Medicare reduction, I believe that overall, the Dannemeyer substitute is a far better product than the bill reported by the committee. It provides an innovative and responsible approach to reducing the Federal deficit and in fact would result in a budget surplus by fiscal year 1996.

Mr. Chairman, it is too bad that the rule under which we consider this budget resolution tonight did not give us more than 30 minutes in which to debate this alternative budget. It is one which I believe would set our Nation on the course to achieve fiscal responsibility and one day soon a balanced Federal budget.

Mr. PANETTA. Mr. Chairman, I yield back the balance of my time.

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

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 60, noes 344, not voting 30, as follows:

[Roll No. 38]

AYES—60

Archer	Emerson	Porter
Armey	Fields	Pursell
Baker	Gingrich	Quillen
Ballenger	Grandy	Ravenel
Barton	Hammerschmidt	Rohrabacher
Bennett	Hancock	Schulze
Bliley	Hansen	Sensenbrenner
Burton	Henry	Shays
Callahan	Holloway	Shuster
Combest	Hunter	Smith (TX)
Condit	Inhofe	Solomon
Cox (CA)	Johnson (TX)	Spence
Crane	Lewis (FL)	Stump
Dannemeyer	Livingston	Sundquist
DeLay	McCollum	Thomas (WY)
Dickinson	McEwen	Vucanovich
Doolittle	Miller (OH)	Walker
Dornan (CA)	Moorhead	Young (FL)
Dreier	Packard	Zeliff
Edwards (OK)	Penny	Zimmer

NOES—344

Abercrombie	Dingell	Jacobs
Ackerman	Dixon	James
Alexander	Donnelly	Jefferson
Allard	Dooley	Jenkins
Allen	Dorgan (ND)	Johnson (CT)
Anderson	Downey	Johnson (SD)
Andrews (ME)	Duncan	Johnston
Andrews (NJ)	Durbin	Jones (GA)
Andrews (TX)	Dwyer	Jones (NC)
Annunzio	Early	Jontz
Anthony	Eckart	Kanjorski
Applegate	Edwards (CA)	Kaptur
Aspin	Edwards (TX)	Kasich
Atkins	Engel	Kennedy
AuCoin	English	Kennelly
Bacchus	Erdreich	Kildee
Barnard	Espy	Kleczka
Barrett	Evans	Klug
Bateman	Ewing	Kolbe
Beilenson	Fascell	Kolter
Bentley	Fawell	Kopetski
Bereuter	Fazio	Kostmayer
Berman	Feighan	Kyl
Bevill	Fish	LaFalce
Bilbray	Foglietta	Lagomarsino
Bilirakis	Ford (MI)	Lancaster
Blackwell	Ford (TN)	Lantos
Boehlert	Frank (MA)	LaRocco
Boehner	Franks (CT)	Laughlin
Bonior	Frost	Leach
Borski	Gallegly	Lehman (FL)
Boucher	Gallo	Lent
Boxer	Gejdenson	Levin (MI)
Brewster	Gekas	Lewis (CA)
Brooks	Geren	Lewis (GA)
Broomfield	Gibbons	Lightfoot
Browder	Gilchrest	Lipinski
Bruce	Gillmor	Lloyd
Bryant	Gilman	Long
Bunning	Glickman	Lowery (CA)
Bustamante	Gonzalez	Lowey (NY)
Byron	Goodling	Luken
Camp	Goss	Machtley
Campbell (CA)	Gradison	Manton
Campbell (CO)	Green	Markey
Cardin	Guarini	Martin
Carper	Gunderson	Martinez
Chandler	Hall (OH)	Matsui
Chapman	Hall (TX)	Mavroules
Clay	Hamilton	Mazzoli
Clement	Harris	McCandless
Coble	Hastert	McCloskey
Coleman (MO)	Hatcher	McCrery
Coleman (TX)	Hayes (IL)	McCurdy
Collins (IL)	Hayes (LA)	McDermott
Collins (MI)	Hefley	McGrath
Conyers	Hefner	McHugh
Cooper	Herger	McMillan (NC)
Costello	Hertel	McMillen (MD)
Cox (IL)	Hoagland	McNulty
Coyne	Hobson	Meyers
Cramer	Hochbrueckner	Mfume
Cunningham	Horn	Michel
Darden	Horton	Miller (CA)
de la Garza	Houghton	Miller (WA)
DeFazio	Hoyer	Mineta
DeLauro	Hubbard	Mink
Dellums	Huckaby	Moakley
Derrick	Hughes	Molinari
Dicks	Hutto	Mollohan

Montgomery	Regula	Stallings
Moody	Rhodes	Stark
Moran	Richardson	Stearns
Morella	Ridge	Stenholm
Morrison	Riggs	Stokes
Murphy	Rinaldo	Studds
Murtha	Ritter	Swett
Myers	Roberts	Swift
Nagle	Roe	Synar
Natcher	Roemer	Tallon
Neal (MA)	Rogers	Tanner
Nichols	Rose	Tauzin
Nussle	Roth	Taylor (MS)
Oakar	Roukema	Taylor (NC)
Oberstar	Rowland	Thomas (CA)
Obey	Roybal	Thomas (GA)
Olin	Sabo	Thornton
Olver	Sanders	Torricelli
Ortiz	Sangmeister	Towns
Orton	Santorum	Traficant
Owens (NY)	Sarpalius	Traxler
Oxley	Sawyer	Unsoeld
Pallone	Saxton	Upton
Panetta	Schaefer	Valentine
Parker	Scheuer	Vander Jagt
Pastor	Schiff	Vento
Patterson	Schroeder	Visclosky
Paxon	Schumer	Volkmer
Payne (NJ)	Serrano	Walsh
Payne (VA)	Sharp	Washington
Pease	Shaw	Waters
Pelosi	Sikorski	Waxman
Perkins	Sisisky	Weiss
Peterson (FL)	Skaggs	Weldon
Peterson (MN)	Skeen	Wheat
Petri	Skelton	Williams
Pickett	Slattery	Wilson
Pickle	Slaughter	Wise
Poshard	Smith (IA)	Wolf
Price	Smith (NJ)	Wolpe
Rahall	Smith (OR)	Wyden
Ramstad	Snowe	Wylie
Rangel	Solarz	Yatron
Ray	Spratt	Young (AK)
Reed	Staggers	

NOT VOTING—30

Brown	Hopkins	Owens (UT)
Carr	Hyde	Ros-Lehtinen
Clinger	Ireland	Rostenkowski
Coughlin	Lehman (CA)	Russo
Davis	Levine (CA)	Savage
Dymally	Marlenee	Smith (FL)
Flake	McDade	Torres
Gaydos	Mrazek	Weber
Gephardt	Neal (NC)	Whitten
Gordon	Nowak	Yates

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Messrs. FEIGHAN, FAZIO, RHODES, and COYNE, and Ms. WATERS changed their vote from "aye" to "no".

Mr. SMITH of Texas and Mr. SHAYS changed their 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, printed in House Report No. 102-451.

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

Mr. GRADISON. Mr. Chairman, I offer an amendment in the nature of a substitute made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a Substitute offered by Mr. GRADISON: Strike out all after the resolving clause and insert in lieu thereof the following:

That the budget for fiscal year 1993 is established, and the appropriate budgetary levels for fiscal years 1994, 1995, 1996, and 1997 are hereby set forth.

RECOMMENDED LEVELS AND AMOUNTS

SEC. 2. (a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1992, October 1, 1993, October 1, 1994, October 1, 1995, and October 1, 1996:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1993: $839,600,000,000.

Fiscal year 1994: $914,400,000,000.

Fiscal year 1995: $972,500,000,000.

Fiscal year 1996: $1,032,500,000,000.

Fiscal year 1997: $1,078,300,000,000.

and the amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1993: −$3,655,000,000.

Fiscal year 1994: −$1,851,000,000.

Fiscal year 1995: −$4,326,000,000.

Fiscal year 1996: −$4,710,000,000.

Fiscal year 1997: −$7,112,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1993: $86,498,000,000.

Fiscal year 1994: $92,592,000,000.

Fiscal year 1995: $98,070,000,000.

Fiscal year 1996: $104,374,000,000.

Fiscal year 1997: $110,598,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1993: $1,232,500,000,000.

Fiscal year 1994: $1,253,900,000,000.

Fiscal year 1995: $1,315,200,000,000.

Fiscal year 1996: $1,359,500,000,000.

Fiscal year 1997: $1,436,200,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1993: $1,232,200,000,000.

Fiscal year 1994: $1,232,500,000,000.

Fiscal year 1995: $1,277,500,000,000.

Fiscal year 1996: $1,329,400,000,000.

Fiscal year 1997: $1,403,400,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1993: $392,600,000,000.

Fiscal year 1994: $318,100,000,000.

Fiscal year 1995: $305,000,000,000.

Fiscal year 1996: $296,900,000,000.

Fiscal year 1997: $325,100,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1993: $4,513,200,000,000.

Fiscal year 1994: $4,856,900,000,000.

Fiscal year 1995: $5,201,500,000,000.

Fiscal year 1996: $5,549,900,000,000.

Fiscal year 1997: $5,917,700,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1992, October 1, 1993, October 1, 1994, October 1, 1995, and October 1, 1996, are as follows:

Fiscal year 1993:

(A) New direct loan obligations, $17,700,000,000.

(B) New primary loan guarantee commitments, $129,700,000,000.

Fiscal year 1994:

(A) New direct loan obligations, $17,400,000,000.

(B) New primary loan guarantee commitments, $131,100,000,000.

Fiscal year 1995:

(A) New direct loan obligations, $17,300,000,000.

(B) New primary loan guarantee commitments, $134,500,000,000.

Fiscal year 1996:

(A) New direct loan obligations, $17,300,000,000.

(B) New primary loan guarantee commitments, $136,700,000,000.

Fiscal year 1997:

(A) New direct loan obligations, $17,200,000,000.

(B) New primary loan guarantee commitments, $139,700,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new primary loan guarantee commitments for fiscal years 1993 through 1997 for each major functional category are:

(1) National Defense (050):

Fiscal year 1993:

(A) New budget authority, $281,000,000,000.

(B) Outlays, $291,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $281,600,000,000.

(B) Outlays, $283,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $284,300,000,000.

(B) Outlays, $283,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $285,700,000,000.

(B) Outlays, $286,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $290,600,000,000.

(B) Outlays, $289,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1993:

(A) New budget authority, $20,600,000,000.

(B) Outlays, $18,000,000,000.

(C) New direct loan obligations, $3,000,000,000.

(D) New primary loan guarantee commitments, $10,000,000,000.

Fiscal year 1994:

(A) New budget authority, $19,900,000,000.

(B) Outlays, $18,600,000,000.

(C) New direct loan obligations, $3,000,000,000.

(D) New primary loan guarantee commitments, $9,900,000,000.

Fiscal year 1995:

(A) New budget authority, $22,000,000,000.

(B) Outlays, $18,900,000,000.

(C) New direct loan obligations, $3,000,000,000.

(D) New primary loan guarantee commitments, $9,900,000,000.

Fiscal year 1996:

(A) New budget authority, $21,500,000,000.

(B) Outlays, $18,800,000,000.

(C) New direct loan obligations, $3,000,000,000.

(D) New primary loan guarantee commitments, $9,900,000,000.

Fiscal year 1997:

(A) New budget authority, $21,100,000,000.

(B) Outlays, $18,700,000,000.

(C) New direct loan obligations, $3,000,000,000.

(D) New primary loan guarantee commitments, $9,900,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1993:

(A) New budget authority, $18,400,000,000.

(B) Outlays, $17,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $18,400,000,000.

(B) Outlays, $18,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $18,400,000,000.

(B) Outlays, $18,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $18,400,000,000.

(B) Outlays, $18,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $18,400,000,000.

(B) Outlays, $18,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1993:

(A) New budget authority, $5,000,000,000.

(B) Outlays, $4,600,000,000.

(C) New direct loan obligations, $1,900,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1994:

(A) New budget authority, $6,200,000,000.

(B) Outlays, $5,500,000,000.

(C) New direct loan obligations, $1,600,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1995:

(A) New budget authority, $5,700,000,000.

(B) Outlays, $4,800,000,000.

(C) New direct loan obligations, $1,800,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1996:

(A) New budget authority, $6,100,000,000.

(B) Outlays, $4,000,000,000.

(C) New direct loan obligations, $1,700,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1997:

(A) New budget authority, $6,000,000,000.

(B) Outlays, $3,700,000,000.

(C) New direct loan obligations, $1,700,000,000.

(D) New primary loan guarantee commitments, $200,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1993:

(A) New budget authority, $2,000,000,000.

(B) Outlays, $20,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $19,500,000,000.

(B) Outlays $19,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $20,000,000,000.

(B) Outlays, $21,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $18,500,000,000.
(B) Outlays, $19,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $18,700,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1993:
(A) New budget authority, $15,700,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $8,700,000,000.
(D) New primary loan guarantee commitments, $8,000,000,000.
Fiscal year 1994:
(A) New budget authority, $15,100,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $8,800,000,000.
(D) New primary loan guarantee commitments, $8,400,000,000.
Fiscal year 1995:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $8,500,000,000.
(D) New primary loan guarantee commitments, $8,500,000,000.
Fiscal year 1996:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $8,500,000,000.
(D) New primary loan guarantee commitments, $8,100,000,000.
Fiscal year 1997:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $8,400,000,000
(D) New primary loan guarantee commitments, $8,200,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1993:
(A) New budget authority, $56,000,000,000.
(B) Outlays, $62,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $71,700,000,000.
Fiscal year 1994:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $9,700,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $73,400,000,000.
Fiscal year 1995:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $400,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $75,100,000,000.
Fiscal year 1996:
(A) New budget authority, −$5,700,000,000.
(B) Outlays, −$6,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $76,300,000,000.
Fiscal year 1997:
(A) New budget authority, −$4,100,000,000.
(B) Outlays, −$9,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $77,700,000,000.
(8) Transportation (400):
Fiscal year 1993:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $35,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $39,800,000,000.
(B) Outlays, $36,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $39,600,000,000.
(B) Outlays, $37,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $39,600,000,000.
(B) Outlays, $37,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $41,600,000,000.
(B) Outlays, $37,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1993:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $1,500,000.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1994:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $7,100,000,000.
(C) New direct loan obligations, $1,600,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1995:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $1,600,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1996:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,000,000,000.
(C) New direct loan obligations, $1,600,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $5,800,000,000.
(C) New direct loan obligations, $1,600,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1993:
(A) New budget authority, $51,600,000,000.
(B) Outlays, $49,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $17,900,000,000.
Fiscal year 1994:
(A) New budget authority, $51,700,000,000.
(B) Outlays, $51,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $19,200,000,000.
Fiscal year 1995:
(A) New budget authority, $50,600,000,000.
(B) Outlays, $50,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $20,700,000,000.
Fiscal year 1996:
(A) New budget authority, $50,500,000,000.
(B) Outlays, $45,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $22,100,000,000.
Fiscal year 1997:
(A) New budget authority, $50,900,000,000.
(B) Outlays, $50,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $23,600,000,000.
(11) Health (550):
Fiscal year 1993:
(A) New budget authority, $109,500,000,000.
(B) Outlays, $108,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1994:
(A) New budget authority, $123,400,000,000.
(B) Outlays, $122,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1995:
(A) New budget authority, $139,200,000,000.
(B) Outlays, $138,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1996:
(A) New budget authority, $157,900,000,000.
(B) Outlays, $156,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $178,500,000,000.
(B) Outlays, $177,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1993:
(A) New budget authority, $129,000,000,000.
(B) Outlays, $129,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $143,100,000,000.
(B) Outlays, $142,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $162,500,000,000.
(B) Outlays, $158,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $184,300,000,000.
(B) Outlays, $178,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $206,000,000,000.
(B) Outlays, $200,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1993:
(A) New budget authority, $202,700,000,000.
(B) Outlays, $197,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:
(A) New budget authority, $214,100,000,000.
(B) Outlays, $206,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $225,600,000,000.
(B) Outlays, $216,700,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $231,700,000,000.
(B) Outlays, $221,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $241,100,000,000.
(B) Outlays, $231,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1993:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $7,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $7,900,000,000.
(B) Outlays, $7,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1993:
(A) New budget authority, $34,400,000,000.
(B) Outlays, $34,400,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $21,400,000,000.
Fiscal year 1994:
(A) New budget authority, $35,600,000,000.
(B) Outlays, $36,300,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,500,000,000.
Fiscal year 1995:
(A) New budget authority, $35,800,000,000.
(B) Outlays, $35,900,000,000.
(C) New direct loan obligations, $900,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
Fiscal year 1996:
(A) New budget authority, $36,300,000,000.
(B) Outlays, $35,000,000,000.
(C) New direct loan obligations, $900,000,000.
(D) New primary loan guarantee commitments, $19,800,000,000.
Fiscal year 1997:
(A) New budget authority, $36,800,000,000.
(B) Outlays, $36,800,000,000.
(C) New direct loan obligations, $900,000,000.
(D) New primary loan guarantee commitments, $19,900,000,000.
(16) Administration of Justice (750):
Fiscal year 1993:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $16,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1993:
(A) New budget authority, $13,900,000,000.
(B) Outlays, $14,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $13,800,000,000.
(B) Outlays, $15,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1993:
(A) New budget authority, $240,800,000,000.
(B) Outlays, $240,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, $261,900,000,000.
(B) Outlays, $262,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $277,900,000,000.
(B) Outlays, $277,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $294,100,000,000.
(B) Outlays, $294,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $310,900,000,000.
(B) Outlays, $310,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1993:
(A) New budget authority, −$500,000,000.
(B) Outlays, −$400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget authority, −$1,300,000,000.
(B) Outlays, −$7,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget authority, $0.
(B) Outlays, −$4,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $0.
(B) Outlays, $0.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1993:
(A) New budget Authority, −$35,100,000,000.
(B) Outlays, −$35,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1994:
(A) New budget Authority, −$33,400,000,000.
(B) Outlays, −$33,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1995:
(A) New budget Authority, −$34,500,000,000.
(B) Outlays, −$34,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget Authority, −$36,300,000,000.
(B) Outlays, −$36,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget Authority, −$36,200,000,000.
(B) Outlays, −$36,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

The CHAIRMAN. Pursuant to the rule, the gentleman from Ohio [Mr.

GRADISON] will be recognized for 30 minutes and a Member opposed will be recognized for 30 minutes.

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

Mr. GRADISON. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. Mr. Chairman, I rise again this evening to once again register my concern about the procedures under which we consider the 1993 budget resolution.

We were allowed to only debate the first of three amendments to this bill for 30 minutes and now, we have been given just 60 minutes to debate the substitute amendment offered by my colleague from Ohio, Mr. GRADISON. His amendment reflects the budget submitted to Congress by the President, a budget which was developed over a period of months and which we are given just 1 hour to debate.

Mr. Chairman, I would be the first to agree that there is probably no $1.5 trillion budget on which we can agree on every item, but the budget submitted to the Congress in January by President Bush is one which responsibly reflects the current needs of our Nation and the current changing world scene.

In the limited time we have tonight we should take a look at some of the very positive things that are included in this budget. It includes a 15-percent increase in Federal support for our Nation's elementary, secondary, and vocational education programs and it increases by 22 percent the amount available for Pell grants for college students from low- and middle-income families.

The amendment before us provides an additional $2.8 billion for the Head Start Program, a 22-percent increase over the current year level, to help ensure that our Nation's children are ready to learn when they begin school.

The President's budget also addresses the health needs of our Nation's children by increasing Federal funding for immunization programs by 18 percent, by increasing support for infant mortality reduction programs by 17 percent, by increasing funds available for the woman, infants, and children nutritional assistance programs by 9 percent, by increasing community health care programs by 21 percent, and by increasing breast and cervical cancer screening programs for women by 24 percent.

In addition to providing for the needs of our children and families, the President's budget also looks forward to the future needs of our Nation by increasing the ability of the United States to remain the leader in the development of new technologies. The proposed record $76 billion increase in Federal basic research, applied research, energy research, biomedical research, defense research and development, technology transfer, and space exploration will expand our Nation's technological base and will enable us to remain the world's leader in industrial development.

Finally, the President's budget continues to fund our Nation's infrastructure needs, providing a $10.2 billion, or 13-percent increase, for highway construction and rehabilitation, and a $2.7 billion, or 13 percent, increase for modernizing our Nation's air traffic control system.

The President would pay for these investments in our future by answering the demands by the American people for reduced spending on our national defense. In 1993 alone, the President would reduce defense outlays by $16 billion. By continuing the standing down of our Nation's military that was begun in 1987, we will, under this plan, eliminate 780,000 active duty and Reserve positions and another 230,000 civilian positions by 1997.

The two budgets recommended to us by the House Budget Committee would eliminate another 235,000 active duty and reserve personnel by 1997 and an untold number of civilian and private sector contractor positions. These are jobs, Mr. Speaker, that I do not believe our Nation can afford to lose right now, especially as we continue to closely monitor evolving events in the states of the former Soviet Union and the Middle East. As a member of the House Appropriations Subcommittee on National Defense, I am one Member that believes we may be proceeding a bit too fast in downsizing our Nation's defense. Those are the decisions that we have made however, and as a result of the decisions we made in our committee last year which are being implemented right now, the Department of Defense is losing 4,200 active duty, Reserve, and civilian personnel per week. The 1993 level of defense spending by the President will increase this to 4,800 per week next year.

To put this into perspective, my colleagues should consider the national concern that was raised last month when General Motors announced the closing of a number of its auto manufacturing plants and the resulting layoff of 16,000 employees this year. These reductions pale in comparison to the 16,000 jobs per month that will be lost each and every month this year throughout the Department of Defense.

The General Motors announcement last month included a 4-year plan that would eliminate some 75,000 jobs. Yesterday in a hearing before our Appropriations Subcommittee on Defense, the Secretary of the Army informed our colleagues that the Army will lose 75,000 personnel in this fiscal year alone.

Mr. Chairman, it is the constitutional responsibility of every Member of this House to provide for the defense of our Nation and that requires maintaining a ready, well trained, and well equipped national defense that is able to respond to any threat to peace that may develop throughout the world. Witness after witness that has come before our committee already this year, from the Secretary of Defense and Chairman of the Joint Chiefs of Staff down to the Secretary of every service and the head of every major command, have already testified that it will be increasingly difficult for our Nation to retain a well-trained national defense ready to respond to another mission to magnitude of Operation Desert Storm. Remember that the President's budget request assumes a decline in the outlay of real Federal dollars for national defense in each of the next 5 years.

For those who say that the savings from further reductions in defense spending will create more jobs, I say what about 600 jobs that will be lost every day in the Department of Defense. What about the untold thousands of jobs that will be lost every day in the private sector as we close down our nation's industrial base piece by piece. In every case, these are skilled workers who will have to be retrained and reeducated if they are to find employment. These thousands and thousands of Americans will be forced to reenter the job market we all readily acknowledge has far too many job seekers and far too few job openings.

Finally, Mr. Chairman, I want to reiterate that I do not agree with every item included in President Bush's 1993 budget request. Most notably, I do not agree with the emphasis that has been placed upon reductions in the Medicare Program and I would oppose any legislation that would implement any reduction in Medicare benefits for older Americans. I especially am concerned about the proposal to make Medicare a means tested program for the first time by establishing a monthly premium schedule based upon a family or individual's income.

My concerns about Medicare aside, the budget submitted to us by President Bush is a more responsible Federal budget than that recommended to us by the House Budget Committee. It is a budget that provides for the minimum acceptable requirements for our national security. Any further reductions threaten our ability to defend ourselves and preserve the peace.

Mr. Chairman, if President Bush had stood before this Congress and the American people on January 28 and presented in his State of the Union Address, and in his budget released the following day, a plan A and a plan B, he would have been ridiculed by the majority leadership and Members of this House. However, that is just what the majority party has presented us with this evening.

Given more time to debate the budget this week, and more importantly, given the opportunity to freely and openly offer amendments to the budgets under consideration, we might have had an ability to develop a single budget which could be confidently approved by a large majority of our colleagues from both sides of the aisle.

Unfortunately, as is increasingly the case in this the people's House, we are given an either/or choice tonight without having the benefit to modify either budget proposal. Under these ground rules, the budget submitted to the Congress by President Bush is clearly the best of the limited choices available to us this evening. It is in our best national interest and should be approved by our colleagues this evening.

Mr. GRADISON. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Nevada [Mrs. VUCANOVICH].

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

Mrs. VUCANOVICH. Mr. Chairman, today I rise in support of the President's budget for a number of reasons. Chief among these is its reliance on the 1990 Budget Enforcement Act that was passed in this House 1½ years ago. Additionally, the President proposes prudent cuts in the Department of Defense, thereby realizing a sound peace dividend, and wise choices in increasing funding for important programs for the welfare of our families.

Under the budget agreement caps, the President proposes to aid our families by increasing funding for housing programs under

HOPE grants; enterprise zones; education, including a 27-percent increase in Head Start and a 22-percent increase in Pell grants; WIC—women, infants, and children—HIV/AIDS research; breast and cervical cancer screening; investment in research and development; and transportation and infrastructure funding.

Mr. Chairman, though for these reasons I intend to vote for the President's budget as a whole, I wish to raise my objection to the proposal to establish a $100 holding fee for each mining claim of record with the Bureau of Land Management. As was the case last year, the authorizing subcommittee of jurisdiction, upon which I also serve, firmly opposes this new fee. The report of the Interior and Insular Affairs Committee to the Committee on the Budget recommends that this fee not be adopted.

The mining law of 1872, as amended, is working well in my State and throughout the West. The reports in the media that the law is the source of abuses of the land and the give-away of the public's resources are grossly misleading. But, whatever your views may be at this stage of the debate over the fate of the mining law itself, I urge my colleagues to resist the administration's siren song of $97 million in Federal revenues to be generated by this proposal. While the magnitude of this new revenue source is indeed tempting, the reality is that there is absolutely no evidence that anything like that amount of revenue would be forthcoming.

Neither BLM Director Jamison, nor Budget Director Darman has been able to provide me with an analysis of the elastic response that imposition of this tax would have upon miners. A State of Nevada official estimates that fully half of all mining claims in my State would be relinquished if the money that would have been spent upon developing the mineral deposit within a claim had to be sent to Washington instead. How will this further our need to develop the Nation's mineral resources in an environmentally sound manner?

Furthermore, the administration fails to recognize the argument that equity demands that if a new fee is to be collected from hardrock miners on the public lands that the States within which their claims are located should receive half the revenue, as is the case with other mineral commodities. In sum, the amount of moneys that could reasonably be expected to accrue to the General Fund of the Treasury under this proposal are likely to be only one-fourth that estimated, or perhaps $20 million.

Mr. Chairman, I trust my colleagues will agree that this amount of revenue is not worth upsetting the existing balance between individual prospectors, small mining companies, and multinational mining corporations in the business of finding and producing strategic and critical minerals. The effect of a $100 per claim holding fee would be felt inordinately by the small miners least able to afford the cash flow drain that a regressive tax such as this represents. Our country still needs its individual prospectors and miners. Big business, like big government, is often too bureaucratic to take the risks that individuals do to discover our Nation's mineral endowment. As such, I strongly oppose the administration's mining claim holding fee proposal.

Mr. GRADISON. Mr. Chairman, I yield 5 minutes to the Republican leader, the gentleman from Illinois [Mr. MICHEL].

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

Mr. Chairman, I rise today in support of the President's budget. It has one overriding virtue that sets it apart from the let's pretend budget that our friends on the Democratic side of the aisle are offering.

As a matter of fact, the President's budget is a real budget. It is a budget supported by a 2-inch thick document setting forth in line item detail what the President proposes for each Federal program. Mr. Chairman, it is substantial, it is detailed, it is specific, it is rooted in economic reality and geared toward economic possibilities.

Of course, the detailed budget opens up the President to criticism. You know, it is not all sweetness and light out there when you are trying to put together the difficult figures and have them add up and still attempt to make everybody happy. It is an impossibility. Everyone can find one thing or another in that document that he or she would like to change.

I found things in there that, quite frankly, I cannot, as an individual item, be very, very enthused about or supportive of. I would have a few suggestions of my own to make if it were up to me. But we are talking about putting together something that has to cover a wide range of subjects that touches each and every one of us, some on the plus side, some on the minus side.

But what we are debating and voting on today is a budget resolution that sets some binding limits on the Congress. It does not change any laws per se. We are simply deciding on the direction we would like to take as an administration and as a country.

The detailed President's budget is translated into overall limits, and that is what we are voting on today.

The Democrats, of course, are not required to offer all that many details. So they offer us a document that looks as if it were created by a collaboration among Goody Two Shoes, the Tooth Fairy, and Pollyanna. It is a virtual garden of budgetary delights. There are no hard choices being made. There is increased domestic spending for many.

This is yet another sign of a once-great party sliding inexorably into economic fantasyland. The President's budget on the other hand is rooted in realities.

Mr. Chairman, let us look at what it does offer, very briefly.

First, it maintains the budget discipline which we imposed upon ourselves just 1½ years ago and which I understand a number of the Members on the Democratic side, particularly, would just as soon abandon altogether this time around or within a few days when we get to discussing whether or not to break down the fire walls.

No. 2, it assumes the short-term economic stimulus package we voted on last week. We do not disavow our tax bill of last week as the Democrats do in their measure.

No. 3, it assumes additional defense reductions equal to $50 billion over the next 5 years, recognizing that we have won the cold war.

But any deeper cuts will jeopardize our national security interests and will require more drastic personnel cuts, conceivably 300,000 further reductions in active personnel if you go as low as the Democratic budget would.

Fourth, it assumes a domestic discretionary spending freeze at last year's level. Within this overall freeze there are 246 programs that would be terminated. Now, I suspect if you looked at all 246 and asked each one of the individual Members on my side or your side over there, someone would be against terminating anyone of those programs. But the President has to make some tough choices around here.

There have been those of us who have said we do not want to raise taxes. So, why do we not eliminate obsolete programs as an offset? That is what the President is proposing, 246 of them to accomplish that.

Surely everyone will agree there are those programs that have outlived their usefulness.

Furthermore, 84 programs are reduced and, yes, there are even some programs, such as certain education programs and Head Start, which merit an increase under this budget.

And finally, it assumes spending reforms and controls for certain entitlement programs which continue to grow uncontrolled on automatic pilot. These reforms do not, I would emphasize, touch the Social Security program.

The President's budget proposes that upper income individuals not receive the generous Federal subsidies in certain programs which they now receive.

I think all of us sometime or other, as we consider health care proposals and other proposals, we are going to have to give serious consideration to that proposition. Yes, with our pay raise we find ourselves personally as Members of the Congress in that particular category.

I have said in my own case, for example, here I am of age and eligible for Medicare, so why is it necessary for the Federal Government to be subsidizing my Medicare premium in my income level to the tune of 75 percent?

□ 2025

No wonder we are going broke. There ought to be some changes.

Mr. Chairman, it also proposes to cap certain entitlement programs at a level equal to inflation, case load growth, plus 2½ percent. Controls on the spiraling costs of many Government programs must be dealt with.

Now I ask my colleagues, Mr. Chairman, to not be seduced by the siren call of the Democrats' budget fantasy. I think it is time to vote for real choices in the real world of choice and responsibility. I am going to certainly support the President's budget and would ask my colleagues to join me in voting for the responsible budget that has been submitted by the President.

Mr. PANETTA. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. GRADISON].

The CHAIRMAN. The gentleman from California [Mr. PANETTA] is recognized for 30 minutes.

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

Mr. Chairman, I have not checked the wires lately, but I assume that the President still supports the budget that he offered the House of Representatives and has not apologized for it. The problem that we have had over the last few weeks is that the President, during the course of this campaign, has virtually apologized for every decision, economic decision, that he has made in the course of his administration. He has apologized for not being aware of the recession. He has apologized for the people that have been hurt by the recession. And yesterday he apologized for the very budget agreement that he has defended, and he apologized for it, not because it is wrong, but because it caused him political grief, political grief. So, I am not sure where the President stands anymore, whether this represents his budget or whether it does not, but the problem I have is that the budget he has presented represents a budget that reflects the kind of indirection that we have received from the President over the course of the last few months in particular.

Mr. Chairman, this budget walks backward instead of forward. If there is anything that we are reaping today, we are reaping high deficits, we are reaping people who are incurring pain within our own society. Why? Because we are reaping the whirlwind of the 1980's.

What this budget says is: "Let's go back and repeat those same policies," and so what does it do? First thing it does is it says we abide by the budget. Baloney. It is full of gimmicks, and, by the way, that is not my term. That is the term of the distinguished Secretary of the Department of Housing and Urban Development who said the budget is full of gimmicks, and it is.

Mr. Chairman, the worst gimmick of all is this idea of accrual accounting where he says what we are going to do is reach into the future, grab assets in the future, bring them to the present and then spend them. He reaches for $38 billion in phony assets, brings them to the present, and then spends them. Is that budget discipline? Is that adhering to the budget agreement? That is the kind of phony gimmickry that we saw in the 1980's, and it is repeated in this budget, and, if my colleagues vote for that, they are voting for that kind of gimmickry.

Second, Mr. Chairman, it is filled with the basic unfairness that has been repeated in budget after budget, unfairness that affects people who are the most vulnerable in our society, the elderly. There is a $14 billion Medicare cut that is part of this budget, and so I say to my colleagues, "If you're for that, vote for the President's budget."

Veterans: cut $3.5 billion over 5 years, and I say to my colleagues, "If you're for veterans cuts, if you're for cutting those who are returning from the Persian Gulf so they can get fewer benefits, vote for the President's budget."

Civil service: cut $5.5 billion. Increased contributions to retirement, a 3-month delay in pay. I say to my colleagues, "If you're for that kind of arbitrary punishment aimed at one group, those who try to serve the government and try to assist people with their benefits, then vote for the President's budget."

It cuts mass transit, it cuts higher education, it cuts programs that affect people, and so I say to my colleagues, "If you're for those cuts, vote for the President's budget."

Incidentally, my colleagues, do not forget that the President's budget assumes increased revenues. The only way he was able to balance the tax cuts is by putting in tax increases. So, if my colleagues vote for the President's budget, they are voting to tax credit unions, they are voting to tax security inventories, they are voting to tax public employees on Medicare, and they are voting to tax annuities.

This is not a read-my-lips budget, and I say to my colleagues, "If you're voting for the budget, you're voting for those tax increases."

Third, I think the President missed a fundamental opportunity to look at the changes in the world and to say that now is the time to try to reorder our priorities and focus on our economy, focus on growth, focus on jobs within our own society. That is what the debate that is going on in the campaign is all about. It is people saying that it is time to focus on the needs within our own society. The President missed that opportunity, and the budget reflects that.

We all know that the American dream is in danger today, the dream that says our children can have a better life. Ask any family whether they think their kids are going to be able to have a better life, and my colleagues know what the answer is. If we are going to restore that dream, we have got to walk to the future, not to the past.

Mr. Chairman, I say to my colleagues, "If you vote for the President's budget, you are walking to the past and to the failed policies of the past. If you're voting for the future, you will vote for the resolution that has been proposed by the committee."

Vote against the President's resolution.

Mr. GRADISON. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I rise in strong opposition to House Concurrent Resolution 287—the Budget Committee's calculated effort not to provide any useful guidance to the House. I'm reminded as I read through this budget resolution, of the old saying that, "if you don't know where you're going, any road will take you there." It appears that the Budget Committee does not know where it is going, so they've taken every road on the map.

I find it interesting that the defense cut is one of the few consistencies that does exist in both plan A and plan B of this schizophrenic resolution. Under both plans, the Budget Committee proposes a budget authority cut in fiscal year 1993 of $7.6 billion and an outlay cut of $5.2 billion from the President's fiscal year 1993 budget.

The first point I'd make is that once you sift through all the smoke and mirrors, the real fiscal year 1993 defense outlay cut will be on the order of at least $8 to $10 billion off the President's budget. For example, the Budget Committee calls for a $1 billion economic conversion package to be funded out of defense—but they haven't counted it against the totals. Likewise, the President's budget assumed $2 billion in outlay savings in fiscal year 1993 as a result of a forthcoming package of rescissions. If Congress rejects the rescissions, you can add another $2 billion to the Budget Committee's recommended outlay cut. There are many such hidden cuts to defense that the Budget Committee has failed to advertise.

The second point I'd like to make is that while this budget resolution pretends to be a 5-year plan, the Budget Committee has included baseline out year defense numbers that are meaningless—numbers that fail to take even the President's proposed $50 billion in defense cuts into account. What we all know, although the Budget Committee has tried unsuccessfully to cover it up, is that the fiscal year 1993 defense cuts being proposed represent a downpayment on a package of cuts that go from $48 to $165 billion deeper in the next 5 years than the President's reductions. Once again, smoke and mirrors have been substituted for hard choices.

The third point I'd make is a technical one—but one that has overwhelming human implications. All of my colleagues need to understand that the relationship between the proposed budget authority and outlay cuts determine where and how the defense committees can actually cut. The outlay cut being proposed by the Budget committee is so high relative to the proposed budget authority cut, there are only two places we can look—readiness and personnel.

I wonder how many of my colleagues realize that today, as we debate, the Department of Defense is laying off approximately 4,200 people a week. Or how many know that under the President's fiscal year 1993 Defense budget, before considering any additional congressional cuts, this number approaches almost 5,000 a week? How many know that the Army will lay-off 75,000 people in just 11 months this year—more than General Motors will lose in 4 years? These numbers don't include the tens of thousands of jobs being lost in the private sector as a result of the currently programmed defense cuts.

Despite the rapid down-sizing the Department of Defense is undertaking, and despite the massive upheaval already impacting the defense industry, the Budget Committee wants to more than double the President's fiscal year 1993 defense cuts—and by the technical nature of their numbers, they are directing the defense committees to lay off more people. It looks more like a cold slap in the face than a "peace dividend" to me.

Many of my colleagues on the other side of the aisle will assure us that the funding for so-called economic conversion will ease the dislocation caused by the massive defense cuts being proposed. It's ironic to note that the Budget Committee is proposing to double the President's defense cuts and lay off tens of thousands of additional people in order to pay for an economic conversion program that their cuts caused in the first place. Oh and don't forget—its all being done in the name of helping the economy.

The list of indicators of just how much pain the on-going build-down is causing is as long as my arm. The level of cuts to defense proposed by the Budget Committee, on top of the President's already ambitious cuts, threaten to unravel the finest military force this country has ever fielded. A force that has taken a generation to build could be destroyed almost overnight.

Like the overall resolution it has presented to the House, the Budget Committee's 5-year defense plan is no plan at all. Like the tax bill, it is nothing more than election year partisan politics. I have to ask myself: How are we supposed to legislate based on a road map that is this confused? How are we supposed to develop a consensus on a budget when the membership is given political posturing when it asks for clear direction?

I urge all my colleagues to vote "yes" on the Gradison substitute and "no" on final passage of House Concurrent Resolution 287.

□ 2035

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

Mr. SLATTERY. Mr. Chairman, I just want to call my colleagues' attention to one basic fact in the President's budget that I find absolutely unbelievable. I say to my friends they might be interested to know that the President of the United States, our Nation's chief executive officer, a man who holds himself out as being a fiscally conservative Republican manager of our Government, is asking this Congress to run up $751 billion in new debt in the next 2 years. That is more new debt, Mr. Chairman, than this country accumulated between George Washington and the last year of the Carter administration.

Let me say that again. We are going to accumulate more new debt if we follow the President's recommendations, in the next 2 years than this Government accumulated in the first 200 years of this Republic, that is, if we follow the President's recommendations.

As far as I am concerned, this is an absolutely ridiculous budget. It is an immoral budget. It is fiscally irresponsible, and I cannot believe that a Republican President of the United States, one who would like to consider himself to be fiscally conservative, would ask the Congress to approve a budget like this. It is unbelievable. We would be adding $751 billion in new debt in the next 2 years; that is more debt than this Nation accumulated in its first 200 years. It is unbelievable.

Mr. Chairman, I vote "no."

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

Mr. Chairman, I do not think it comes in very good grace after the action of the House last week and the action contemplated this week for these sanctimonious and partisan statements about who is incurring debt.

Last week this House, I think unadvisedly, approved a tax bill which would require incurring an additional $30 billion of debt during the current year and the fiscal year alone to pay for a temporary tax cut, and this week under plan A we are talking about going out and borrowing another $7 billion, or $8 or $9 billion on top of that.

Mr. Chairman, I am happy to yield 2 minutes to my colleague, the gentleman from Arizona [Mr. KOLBE], a member of the Committee on the Budget.

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

Mr. Chairman, tomorrow I will have some more general things to say about the topic of the budget we are considering, but this evening I rise in support of the Gradison substitute, and I want to focus just for a moment on the defense figures.

My colleague, the gentleman from Alabama [Mr. DICKINSON], talked about the problems that are in the budget resolution that has been offered by the Committee on the Budget. The problem we have here ironically is that under the Budget Act that we are required to follow, the Republican alternative, the President's alternative, will take more out of defense over the next 5 years. The reason for that is that the Budget Committee majority has come up with a $14 billion cut this year but then completely abdicates its responsibility in the 4 outlying years after that. That is in violation of the Budget Act, which requires that you submit a budget for 5 years, but they cannot decide whether we are going to Option A, B, C, and D. Remember, we cannot even decide whether we are going to take down the caps or not. So we have two permutations, and we have four permutations on top of that. So far we have a total of eight possible budget permutations we are talking about.

But under the plan of 5 years, under the budget we would be voting on, offered by the Budget Committee majority, a total of $14 billion would be reduced in defense spending, whereas the President's budget would reduce defense spending by $43.4 billion over 5 years, because it carefully assumes what we are going to reduce this year in a prudent fashion and then follows it through in the next 4 outlying years.

Furthermore, what are we going to get for that $14 billion cut that is being proposed by the majority in this first year? We do not know. Are we going to get option A, which takes down six divisions in the Army and heaven knows how many ships in the Navy and how many air wings? Are we going to get option B, option C, or are we going to get option D? We do not know because they cannot decide. They really do not know, so we are going to punt on this. They have a responsibility to tell us what will be scrapped, what kind of units we will have left, and what units they are going to take out. But we do not know that.

For every $2 billion we cut out of defense spending, we are going to lose about 60,000 personnel, and that is on top of what is already being cut now.

Mr. Chairman, I urge the Members to reject the budget resolution submitted by the majority.

Mr. PANETTA. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, my friend, the gentleman from Ohio, referred to my friend, the gentleman from Kansas, as sanctimonious when he described the deficits. I know he did not mean that in an unkind way, but let me, without appearing to be sanctimonious or intending to be, describe these deficits in some detail.

This is the 9- or 10-pound booklet sent to us by the President. It is the

President's fiscal plan for this country's future. It is not submitted by Millard Fillmore or by Jimmy Carter. It is submitted by this President, who is saying, "This is my plan."

I would like the Members to turn to page 25 when they want to look at fiscal policy and the results of spending and taxing. On page 25, for this year and the coming 5 years, if you do not include social security surpluses and improperly use them to reduce the budget deficit—and you should not—here is what you have: You have $473 billion in projected deficits this year, and then in the coming 5 years, deficits that total $2.21 trillion, an average of $366 billion a year in deficits, this year and each year for the coming 5 years.

This fiscal policy says, "Let's spend $1 billion a day, 7 days a week, 52 weeks a year, for 6 straight years, $1 billion a day that we don't have."

Now, that is a reckless, dangerous, and irresponsible fiscal policy, in my judgment, submitted by someone who says he is a conservative. This is not a budget from a conservative. These are the largest budget deficits in the history of this country. This will, in my judgment, impose a crushing burden on the shoulders of the people of this country. What this says is we should spend money we do not have and charge it to our kids and our grandkids, and that is something this country cannot afford.

□ 2045

Somehow, some way, someone must stand up to start putting a stop to it. Now is the time.

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

Mr. DORGAN of North Dakota. Mr. Chairman, I am happy to yield to the gentleman from Pennsylvania.

Mr. SANTORUM. Mr. Chairman, has the gentleman looked at the deficits that the gentleman is proposing?

Mr. DORGAN of North Dakota. Mr. Chairman, of course I have.

Mr. SANTORUM. Mr. Chairman, are they any different than the numbers of the President?

Mr. DORGAN of North Dakota. Mr. Chairman, as a matter of fact, they are lower. But I do not like that as well.

Mr. GRADISON. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. GINGRICH], the distinguished Republican whip.

Mr. GINGRICH. Mr. Chairman, I listened with great interest to my distinguished colleague from North Dakota [Mr. DORGAN], who talked about a reckless, dangerous, and irresponsible policy.

Now, I think it is fascinating if you notice what the Democratic leadership budget is like, to talk about reckless, dangerous, and irresponsible.

We have as I understand it in the very same document an opportunity to vote for both plan A and plan B. so that later on, if we cannot pass plan A when it finally comes to the floor next week, we will automatically go to plan B. But all the Members will be able to go home, and those who want to can claim they voted for plan A and they are sorry it did not get implemented, and those who want to can claim they voted for plan B, apparently because the Democrats could not figure out how to get a majority for either plan A or B.

So let us start with how one gets to a reckless, dangerous, and irresponsible environment.

I would say, by the way, that I believe the current situation is a mess. I think the deficit is a mass, I think the welfare state we are trying to pay for is a mass, I think Pentagon procurement is a mess. I think there is more than enough blame to go around.

But it was sort of fascinating. I understand some of our friends, including the distinguished chairman of the Committee on the Budget, were concerned about the evolution in the President's thinking.

Now, quoting from today's Washington Post, the President said, "I thought that one compromise would result in no more tax increases. I thought it would result in total control of domestic spending. And now we see Congress talking about raising taxes again. Given that," he said, "the agreement was a mistake."

Now, let me say that I voted against the 1990 budget agreement. I sat through the budget sessions. I thought at the time it would be destructive. I was confident and said publicly I was confident the Democratic leadership could not possibly keep their word for more than a year, and they have not.

What have we got? Last week, having been asked by the President to cut taxes, the Democrats pass a tax increase.

This week, having been asked by the President as part of a solemn deal, break your word to the American people and we will keep firewalls for years to come, Mr. President. Give us this money for our welfare state and our pork barrel and our discretionary spending, and we will protect defense and we will keep our word to you. You can trust us, Mr. President.

And what does the Democratic leadership bring to the floor? It cannot even break its word in dignity. It is bringing to the floor a dual budget. Budget A will break our word if we can find the votes on the floor. Budget B will keep our word if we do not have the votes on the floor.

Notice, not a decision, but an abdication to see what the vote will be. Notice also, the Democratic leadership could have scheduled the bill of the gentleman from Michigan [Mr. CONYERS] first. We could have found an up or down vote on the floor. We could have found out whether or not you can in fact deliver on plan A.

But instead, we have this neat little minuet. First we pass the multiple choice Democratic budget, a profile in courage. Then later we will see whether or not one of the two multiple choices will work. All this, of course, in the name of a bigger welfare state, more spending by Government, a larger bureaucracy, and higher taxes.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I yield to my good friend from North Dakota.

Mr. DORGAN of North Dakota. Mr. Chairman, I would just ask, I assume the gentleman from Georgia [Mr. GINGRICH] has read the budget?

Mr. GINGRICH. Mr. Chairman, I have looked at it. The gentleman from North Dakota [Mr. DORGAN] has not read the budget and I have not read the budget. There is not a Member here who has read every word of that book, and the gentleman knows it.

Mr. DORGAN of North Dakota. Mr. Chairman, but the important page that describes what the budget deficits are, the important page that describes what kind of deficits we are projecting, does the gentleman from Georgia [Mr. GINGRICH] dispute that we are talking about $2.21 trillion in additional debt projected between now and 1997?

Mr. GINGRICH. Mr. Chairman, reclaiming my time, the deficit projections have been so consistently wrong on both sides by CBO and OMB, I will be glad to stipulate that.

Mr. DORGAN of North Dakota. If the gentleman will yield further, that was the only point I was trying to make to this Chamber. This is a book which says we propose to add $2.21 trillion to the Federal deficit. In my judgment that is an outrageous fiscal policy.

Mr. GINGRICH. Mr. Chairman, reclaiming my time, I agree with the gentleman. I think it is outrageous. I think this budget is not at all what I would like to see us get to.

Mr. DORGAN of North Dakota. Mr. Chairman, I would ask the gentleman from Georgia [Mr. GINGRICH], we are both going to vote against this, is that correct?

Mr. GINGRICH. Mr. Chairman, no. I think it is better than the multiple choice game you are going to play tomorrow.

Mr. DORGAN of North Dakota. So the gentleman from Georgia [Mr. GINGRICH] is going to vote for something outrageous?

Mr. GINGRICH. Mr. Chairman, reclaiming my time, it is the least bad offer we have right now. I say that in all honesty. Again, in the tradition of Massachusetts, I think it is useful to have people who are willing to be candid.

This is not what I would like to do, but I think it is the least bad realistic single budget, not multiple choice, not lollipops and Santa Claus. You take your choice, which do you want? Plan

A I guess is lollipop, and plan B is Santa Claus.

It is the only single budget realistic that is on the floor in the next 2 days.

Mr. DORGAN of North Dakota. Mr. Chairman, if the gentleman will yield further, let me say I will ask the same questions on the Democratic budget as well, because the deficits are too high, but they are lower than this. These deficits in my judgment are crippling this country's future.

Mr. PANETTA. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I had simply wanted to point out that the previous speaker had gotten most of the way through his speech in behalf of the President's budget without saying one good word about the President's budget. I thought they would note that, until the subject came up.

The gentleman then proceeded to say many bad words about the President's budget.

I suppose that kind of defense, when you are in the shape that the President is now in, is as good as you can get. It may have been that the gentleman from Georgia [Mr. GINGRICH], having refused to have any conversations with the Secretary of the Treasury, did not have any information on which he could defend the President's budget.

Apparently there is a new Tenure of Office Act which prevents the President from picking his own Secretary of Treasury, so when people do not like what is going on, they can beat up the Secretary of the Treasury without noting that he is, of course, serving every minute under the pleasure of the President.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield briefly to the gentleman from Georgia.

Mr. GINGRICH. Mr. Chairman, all I want to ask the gentleman from Massachusetts [Mr. FRANK] before he is done is whether he secretly prefers the plan A half of your budget or the plan B half?

Mr. FRANK of Massachusetts. Mr. Chairman, reclaiming my time, it will be no secret. The gentleman's grasp of parliamentary procedures seems to be a little weak this week, because every Member of this House will tell you if this budget passes whether he or she is for plan A or B when the bill to take the walls down comes up.

The gentleman has discovered a secret which is about to be a matter of public record, with his usual perspicacity. The fact is that no one is going to be able to dissemble as to where he or she stands.

What the Committee on the Budget has done quite sensibly is to say to the American people, "Here is what happens if you keep the wall up, and here is what happens if you keep it down." And when the bill sponsored by the chairman of the Committee on Government Operations comes to the floor, every Member will be able to decide publicly do you want to really do something about education, or do you not? Do you want to adequately fund National Institutes of Health research, or do you not?

People should in fact compare plan A to plan B, because that will tell people where the differences are.

Let us look at the subject that my friend, the gentleman from Georgia [Mr. GINGRICH], wanted to avoid, the President's budget.

The President's budget cuts Medicare. It cuts out, for those of us who live in the Northeast corridor, money to provide high-speed rail service between Boston and New York. I am sure all my colleagues from the Northeast corridor, from New York and Connecticut, are delighted to do that.

It cuts the postal subsidy for nonprofit mail. It cuts all of higher education except for Pell grants. It cuts low income energy assistance.

The fact is this: The President's budget cuts a number of programs that many Members on both sides of the aisle have pledged to support. In fact, that is the importance of the bill to take down the wall.

There are people on both sides who have been telling the voters for years, "Gee, I am with you, but I can't do it because I don't have the money."

Now, within the overall limits of the budget agreement, we are going to bring forward a bill that would provide the money. And people are going to have to work very hard between now and next week for a new excuse.

I have talked before about the reverse Houdini, Mr. Chairman. Houdini became really famous because he would have other people tie him in knots and his act was to get out of the knots.

We have here the reverse Houdini about to be revealed, in which you tie yourself in knots and then you go to people and say, "Gee, I would love to help you, but I am all tied up in knots." Because when people vote to keep that wall up, they will be voting not to allow themselves to spend the money for education that they promised they would have spent if they could.

□ 2055

And they will be tying their own hands so that they cannot reach out to help people with health research, with public transportation, with more money for law enforcement.

The vote to keep up the wall is a vote to physically prevent ourselves from keeping our own promises. It is an extraordinarily useful device, but it is essentially fraudulent.

What we have today, budgets A and B, are the essential elements that will reveal that. And that is why it is a cause of such distress to so many of my friends on the other side of the aisle. It is truth in budgeting. It says, here is what it looks like with the wall up. Here is what it looks like with the wall down. And now we get to vote on the wall.

And when we vote on the wall, we are voting if we prefer budget A or B. We will leave out the President's budget, because none of them support it. They only brought it up because they would have been embarrassed if we had brought it up if they did not. It has had fewer good words said about it than the poor Secretary of the Treasury or other unpopular people in that administration.

So what we have here is the best effort responsibly to meet the needs of this country. There is a great deal of talk about the needs of the future: The economy, health care, education. Plan A does not meet all of those needs. But it does begin to in a very responsible way. I hope that the President's budget is rejected as soundly in the vote as it has been in the debate and that the budget we have put forward is accepted.

Mr. GRADISON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SANTORUM], a member of the Committee on the Budget.

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

I would like to address a couple of the issues brought up on the other side. First to the gentleman from North Dakota, I would be happy to share with him the numbers, and maybe he just has not reviewed the Democratic plans A and B budget for the first 2 years, but the combined deficit for plan A is $742 billion on the Democratic plan. For plan B, it is $734 billion. And for the President's budget, it is $710 billion. So of the 3 budgets, over the next 2 years, the President's deficit is lower than the deficits that the gentleman is proposing on that side. Those are the facts.

Now, the gentleman from Massachusetts, I know, is not being insincere when he talks about all the cuts that are going to be made in the President's budget.

As the gentleman from Massachusetts well knows, serving on the Committee on the Budget, the President's budget, and the substitute is this document right here, which is a series of numbers that includes none of the cuts that the gentleman from Massachusetts even said.

What we are voting on is this budget resolution, which sets numbers and targets for the budget resolution.

The President's budget, as far as this large document, is very different from what we are voting on today. What we are voting on today is the budget resolution which once passed the Committee on Appropriations and the authorization committees. The authorization committees can deal with this in a manner that we in the Congress see fit as to what to cut to meet these expenditure targets. I know the gentleman from Massachusetts knows that.

Getting back to the point of what I really got up to talk about, the gentleman from Washington, Congressman JOHN MILLER, and the gentleman from Ohio, JOHN KASICH, and I and the gentleman from Texas, TOM DELAY, worked very diligently for the past 9 months to try to influence the President's budget on a lot of areas. We think we have sort of sat back and taken a very happy approach to what the President has been able to do and come in our direction. He has adopted a lot of the reforms that we have put forward.

In particular, in the area of defense and a lot of the structural changes in defense that we are very happy to see, we proposed back in September in meetings with Secretary Darman a $54 billion cut in defense. And the President came forward with a $50 billion cut in defense. We proposed performance-based budgeting pilot projects be implemented to really reform the way Government operates, and we are really trying to get at the heart and soul of the bureaucracy and the problems that Government bureaucracies deal with in handling Federal programs. And the President has adopted that.

We have allowed for more flexibility with States and welfare and being able to implement workfare, and the President has gone along with that and supported us on those sorts of things. He has adopted a lot of the reforms and the entitlement programs, and I know, as the gentleman who talked previously know, that the biggest area of concern right now and the fastest growing area of the budget is in the area of entitlements. And the President has done something substantive in trying to control entitlement growth. And a lot of the things that we did in controlling entitlement growth were suggested by the alternative budget crew and we are very pleased. And I am enthusiastically supporting the President for his willingness to listen to our group—that took a lot of time and reached out to a lot of communities all across this country to come up with proposals we think are going to fundamentally reform government.

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

Mr. Chairman, let me correct the gentleman's statement with regard to the deficit. The numbers he was using were an OMB estimate. It was not the CBO's estimate as to where the deficit is over the next 2 years.

The reason OMB's number is less is why? Because of accrual accounting, a beautiful gimmick that was developed by OMB. If the gentleman supports that gimmick, please vote for the President's budget.

Mr. Chairman, I yield 6 minutes and 30 seconds to the distinguished gentleman from Maryland [Mr. HOYER].

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

Mr. Chairman, I rise today in opposition to the President's budget. It is a budget that proposes to cut Medicare benefits for senior citizens; slash veterans' pensions and home loan programs; and once again target the people who day in and day out make our Government work, our Federal workers, for over $5 billion in cuts to their pay and benefits.

Let me be clear. I strongly support the spending caps put in place by the budget agreement of 1990. We ought not back away from that plan to reduce our deficit. The deficit is stealing from our grandchildren their ability to pay for the services that they will require in future years by saddling them with the debt we are piling up today. It must stop.

But the Democratic budget does not exceed the budget target set by the 1990 agreement—or the President's budget—by one dollar. What it does do is set our spending to accomplish what Americans want from their Government: a strong defense, increased investment in our infrastructure and our people, and the security of knowing that the Government will stand by its promises. And it does it without tax increases or the so-called "revenue enhancers" of the President's budget. And either Democratic plan A or B results in greater deficit reduction than the President's budget. In short, it does what the country wants and it does it for less.

This budget preserves a strong America. It rejects the President's approach to our changed world defense environment, which is to merely subtract from our existing forces and spend the savings. Rather than be caught in this free-fall approach, which could leave us with a hollowed out defense force, the Democratic alternative seeks to develop a plan that sculpts a defense force to meet the threats of today's world.

I was concerned that the cut proposed by the Budget Committee on defense may have been too much too fast. We continue to live in a very dangerous world, and we must not let down our guard. Further, deeper cuts could wreak havoc on communities that must already absorb displaced defense workers. I have discussed this matter with Chairman ASPIN and have been assured by the chairman of the Armed Services Committee that the amount requested, first, will not result in any additional personnel cuts beyond what the President has proposed and, second, will not result in any reduction in the readiness of our forces.

I agree with the chairman that significant savings can be achieved by bringing our troops home from Europe, reducing our supply stockpiles, and making foreign governments pay a fairer share of their defense that we provide—savings that will not weaken our defense or hurt communities.

The bottom line is that the cold war was fought by shaping our defense forces to meet the Soviet threat. We did a good job, and we won that war. Now we need to retool our defense to meet the threats of today's world: another Iraq-like situation, terrorism, drug warfare, to name a few. We need to strengthen our reliance on the National Guard and Reserve—rather than weaken the Guard as the President and the Pentagon have proposed.

And we need to strengthen our ability to project force without relying on foreign bases—which means greater investments in naval air than the President has been willing to make.

On the domestic front, the President's budget falls far short of where Americans want this country to be. Americans want children to be immunized against diseases—the President's budget fails this test while the Democratic budget provides immunizations for all preschool children here at home.

The Democratic budget seeks to create jobs with higher investment in our infrastructure—spending nearly $2 billion more on highways and creating 50,000 more jobs. The Democratic budget provides more money for job training—putting people to work rather than adding them to the unemployment roles.

The President, who calls himself the "environmental President" and who ran on the sad state of Boston Harbor, seeks to cut funding for the environment, sewage treatment, and conservation programs. The Democratic budget doesn't run from our country's commitment to its environment and fully funds these programs.

Finally, Americans believe that Government, just like its citizens, should keep its word and honor its commitments. The President proposes to cut veteran entitlements by nearly $1 billion next year. The Democratic budget rejects this cut and fully honors the Government's end of the deal for those veterans who so valiantly honored theirs when they were called on to serve this country.

Similarly, the President would change the rules on Government workers, who were hired and have continued to work for the Government—fighting crime, researching new drugs, protecting our environment—under the assumption that their retirement plan would be secure and their benefits would not be reduced. The President would renege on the Pay Reform Act he just signed 2 years ago, restructure a retirement plan that people have planned on for their golden years, and eliminate the right of retirees to choose their own doctor. The Democratic plan rejects all of these ill-conceived proposals and continues the commitment already made to these dedicated workers and retirees.

Mr. Chairman, I could go on and on. But I believe that the decision is already clear. The President's budget falls far short of where we need to be today—even though it spends more money than that proposed by the Democratic alternative.

I urge my colleagues to reject the President's budget and adopt the Democratic alternative.

□ 2105

Either A or B, depending upon our subsequent decision, is a preferable alternative for America, for its children, for its workers, and for its families.

Mr. GRADISON. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. MILLER], a member of the Committee on the Budget.

Mr. MILLER of Washington. Mr. Chairman, I thank the gentleman from Ohio, my distinguished colleague, for yielding time to me.

This House faces a choice, and really, the choice is between the committee's budget, the Democratic majority's budget, and the Gradison-President's Republican budget, but it is not really a choice because the committee, the Democratic proposal, is not a proposal. It is plan A or B. In the out years it has infinite possibilities on defense spending. It does not set out what the defense spending is going to be.

Actually, the committee, which should have the courage to make the choice, the majority should have the courage, but they punted, so there is only one choice. It is the President's budget.

I want to contrast the President's budget with the work of many House Republicans who have been working on a budget alternative. The President's budget does not go as far as we would like when it comes to spending reduction, but it does adopt many of the proposals that House Republicans wanted. I speak to my colleagues.

We asked for $54 billion in defense reductions and the President came in with $50 billion. We asked for reductions and reforms in the foreign aid program and AID and in the food program and in the World Bank program. The President did not give us those, but he went along with our recommendations for reductions in military sales.

We asked for a freeze on outlays. The President came in with a freeze, and I am talking about a freeze on domestic spending outlays. The President came in with a freeze on domestic spending authority.

We asked to set up performance-based budgeting. The President came in with recommendations for pilot projects throughout the Government on performance-based budgeting. We asked for means-testing in Medicare so that individuals with incomes over $100,000 would pay part of the subsidy now. The President adopted that proposal. We asked for waivers for States that wanted to pursue welfare reform to put able-bodied people to work, and the President adopted that suggestion.

So no, it does not go as far as we would like, but let me tell the Members, given the choice, there is only one choice, and that is to support the President and Mr. GRADISON's budget proposal.

Mr. PANETTA. Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman.

The gentleman from Pennsylvania who discussed me and refused to yield to me said that I was misstating the facts by saying this was the President's budget and talking about cuts in the President's budget. He said this was not the President's budget, the President's budget was just some numbers.

Now the gentleman from Washington [Mr. MILLER], was just defending what I thought he said was the President's budget, so I am confused, because the gentleman from Pennsylvania specifically denied that this was the President's budget.

I just would yield to my friend, the gentleman from Washington [Mr. MILLER], is this the President's budget or is it not, that is in the resolution of the gentleman from Ohio [Mr. GRADISON]?

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Washington.

Mr. MILLER of Washington. I think it is the President's proposal, but I do not know what is involved in your debate with the gentleman from Pennsylvania.

Mr. GRADISON. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

□ 2106

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of the President's budget as the most rational and constructive choice we have. I am proud to represent a State that has provided thousands of men and women to our Armed Forces and provided military equipment of unparalleled quality to this Nation for decades. Submarines, fighters, helicopters, guidance systems, bearings, and numerous other military supplies that have made this Nation so strong that we have won the cold war and seen the U.S.S.R. collapse. It is on behalf of those men and women that I rise to speak now, for as a great Nation we have a responsibility to reduce defense spending in a way that enables the men and women who have made us strong, both in the armed services and in manufacturing, to have a period to adjust.

Of course we cannot keep buying military equipment at the rate of the cold war years. But we have an obligation to slow down that purchasing in a way that enables us to have a strong defense and surge capability, and for people to be able to salvage their lives and reposition themselves for their future.

Already in the last 18 months 300,000 jobs have been lost. Twenty-five percent of the private sector jobs that have been lost in the recent recession were due to defense cuts, even though defense is only 5 percent of the work force. Under the Democrat budget alternative, 233,000 additional active duty and reserve jobs will be lost. That is people and their lives, and an untold number of manufacturing jobs. It will mean fewer contracts and planes for Pratt & Whitney. It will be steeper cutbacks at Electric Boat.

I say to Members, people have a right to a Government policy that not only addresses our defense needs more responsibly than the Democrat budget does, but recognizes the contribution that workers throughout America have made to make us strong and able and to bring peace to the world. We owe them something better than doubling the President's defense cuts when his cuts go well below the summit agreement.

Mr. GRADISON. Mr. Chairman, I yield myself my remaining 4½ minutes.

Mr. Chairman, the President's budget has one feature which certainly sets it apart from that of the majority: He has a plan, one plan, not two conflicting plans brought before us tonight by the majority. He does not have two plans for education, two plans for Head Start, two plans for veterans, two plans for each of the other major areas. His priorities reflect tough choices, choices which we have been sent here to make, choices which in his case stay within the strict guidelines of the spending caps. And the President's plan shows that it is possible to meet the needs of America without removing the firewalls for the fiscal year 1993.

Each time we have a budget summit we find that domestic spending is increased, not restrained. I am getting tired of hearing about how restrained our budgets are around here. The fact of the matter is that domestic discretionary spending since 1986 has advanced by 34 percent, after adjusting for inflation. Maybe it should go up more; maybe it should go up less. But that is hardly what I would call a starvation diet.

The President's plan would cut a number of programs, and we have been hearing about those all day. We have not been hearing from the other side about all of the increases that the President's budget would include, and at the proper time I will include in the

RECORD a detailed listing of what those increases are. But let me share a few of them with my colleagues.

This is the President's budget: education up $2.3 billion. Head Start up $6 billion; housing vouchers up $1 billion; highways up $2.2 billion; veterans' medical care up almost $1 billion; Environmental Protection Agency up $529 million, and so forth. That is the President's budget, and it is done within these guidelines.

We have been hearing a lot about the peace dividend, and we have been told that the world has changed. It has changed, but it has not just changed in Eastern Europe. The budget deficit has exploded. That is also a change.

When the 1990 budget agreement was reached we were told that we would reduce the Federal deficit to $229 billion in fiscal year 1993 and put us on the course to a surplus in 1994. Now we see a deficit approaching $400 billion for 1993. By golly, that is a change which we should address ourselves to, not just talking about the changes which have taken place around the world. Let us talk about some of the changes which have happened right here at home.

The notion that every time we find a nickel on the floor we ought to spend a dime is one that ought to be rejected. We can do more to help this economy by leaving money in the pockets of taxpayers and reducing the amount we have to borrow than going out and spending it here.

Let me say a word about accounting. We have been told that accrual accounting is a gimmick. Let me tell Members, I wish we had accrual accounting around here during the years that the savings and loan crisis was developing. If we had, we would have had an early warning system in place which would have permitted us to take timely action to prevent this enormous cost which has been visited upon the American taxpayers because we used cash rather than accrual accounting. The irony of the present situation is that if we take remedial actions and have reforms, for example, with the Pension Benefit Guaranty Corporation, under cash accounting it shows there is an increase in the deficit, whereas under accrual accounting, which is the proper method, it would be just the reverse.

One final point. We talked a lot about tax cuts around here last week. This Democratic budget does not include the tax cut which they said last week was so important for the country. It is not in here. But the President's budget does include the wherewithal to finance an increase in the personal exemption for families with children. So if Members vote "no", they are voting against increasing the personal exemption. An "aye" vote is a vote to increase the personal exemption. When this vote is taken we are going to find out who is really in favor of tax relief for American families.

Mr. Chairman, I urge my colleagues to vote for the President's budget. It has a means of financing an increased personal exemption. It is sensible and is at a prudent defense level. It controls the growth of mandatory programs. It lives within the budget of the Nation. And while this may not be very important to some of my friends on the other side of the aisle, it is also consistent with the Budget Enforcement Act of 1990.

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

In summary, Mr. Chairman, as always when we vote on budgets we vote for the priorities that are laid out in those budgets. We cannot separate the budget we are voting for from the priorities that are defined in that budget. So when Members vote, if they choose to vote for the President's budget, they vote for the priorities established in the President's budget.

We think those priorities are wrong, and that is why we have basically said we need to reorder those priorities and to invest in areas that affect our society. That is what is presented in the budget presented by the committee.

If Members vote for the President's budget, make no mistake about it, they are not voting for budget discipline.

□ 2120

I hear a lot about the budget agreement from those who voted against the budget agreement. It is a little disconcerting, very frankly, and now I hear the President himself saying it is the worst mistake he ever made, and now suddenly we are being lectured about budget discipline from those who have basically thrown it away, and if it was not for the President's words, look at the budget.

Is it budget discipline when you basically use a gimmick, and it is a gimmick. I mean, accrual accounting is fine in the academic world, but when you spend money, then you reach into the future and grab those assets and then spend it, that is wrong.

If Democrats had done that, if we had reached into the future, grabbed assets and then spent them today, you would be the first to criticize. So it is wrong, and it is gimmickry, and it cannot be defended.

But if you vote for the President's budget, you are defending that kind of gimmickry.

Second, make no mistake about it, if you vote for the President's budget, you are voting for clearly defined cuts that are part of it. We have cuts in our budget. I am asking Members to support those cuts in exchange for the priorities that we have defined.

But you are doing the same thing. If you want to vote for the President's budget, you are voting for those Medicare cuts, you are voting for those cuts on veterans, you are voting for those cuts on civil servants, you are voting for those cuts in education, you are voting to eliminate 400,000 students from the chance to get a Pell grant. That is what you are voting for.

Make no mistake about it, you are voting for tax increases. Do not think that simply voting for this budget you are going to run and hide from the tax increases that are part of the President's budget, tax increases on annuities, tax increases on credit unions, tax increases on public employees. There are tax increases in here. If you support it, please vote for the President's budget.

And, finally, finally, if you think that the President's budget is the right set of priorities at this time in history, then again vote for it. I do not think it is. I think what the President's budget does is it repeats some of the same mistakes we saw in the 1980's, and the result is going to be increased deficits in the future.

It is for that reason that I ask the Members to vote against the President's budget.

Mr. MILLER of Ohio. Mr. Chairman, last week the Democrats in the House delivered the first punch to the American public—a tax increase in the guise of an economic growth package. Today they follow through with a low blow—a budget resolution that contains two budget plans, one which would do away with budget discipline and neither of which does anything to address the budget deficit.

The "plan A" budget proposed by the Democrats is based on eliminating the firewalls established by the 1990 Budget Enforcement Act. By capping discretionary spending for defense, international affairs, and domestic programs, the firewalls ensure that savings in any of these categories would be used to reduce the budget deficit. I believe it is dishonest to the American people to break the agreement contained in the Budget Enforcement Act which promised to reduce the deficit and allowed domestic programs to increase at rates greater than inflation.

I also feel it is unwise to accept the cuts in defense spending assumed by the two Democrat budget plans. President Bush and our military leadership have proposed a defense spending plan that steadily decreases military expenditures. By 1997, under this plan, we will have a military that is 25 percent smaller than the forces that existed just 2 years ago. This is a dramatic change and one which is justified by the change in the threat we face today.

Both Democrat plans are based on making deeper reductions than those being implemented under the Pentagon's based force. The Army would be required to eliminate 3 more divisions, leaving a force of 9 active divisions instead of 12. Almost certainly, much of those reductions would have to be made by reducing forces stationed in Europe. Yet today, Gen. John Galvin, commander in chief of U.S. Forces in Europe, testified to the House Defense Appropriations Subcommittee that it is physically impractical to accelerate the pace of troop withdrawals. It is also apparent that further troop reductions could not be made without forcing the Army to make involuntary separations.

The President's budget is a realistic and prudent response to the end of the cold war. It preserves the budget discipline of the Budget Enforcement Act and addresses the problem of growth in entitlement spending. For these programs, I support the President's budget.

Mr. MAZZOLI. Mr. Chairman, I rise in strong support of House Concurrent Resolution 287, the congressional budget resolution for fiscal year 1993.

As a Member of Congress whose district is both urban and suburban, I am pleased that this budget resolution proposes increased funding for many of the programs that will aid America's larger cities and smaller towns.

I had the pleasure of testifying before the distinguished gentleman from California's [Mr. PANETTA] Budget Committee a few weeks ago, and I am happy to see that many of the programs I cited of importance to the Third District of Kentucky have been included in this resolution. Whether or not the so-called firewalls established in the 1990 budget agreement come down, programs important to Louisville and Jefferson County will receive added funding from the budget my friend, LEON PANETTA, has shepherded to the floor today.

In particular, I note that House Concurrent Resolution 287 proposes to increase funding for general housing assistance and aid to the homeless under the McKinney Act, and does not reduce levels of funding for Community Development Block Grants [CDBG's]. In contrast, the administration's budget proposal, which I voted against, reduces funding for affordable housing programs. Providing for affordable housing needs in my community is a priority for me and for local officials in Louisville and Jefferson County, and House Concurrent Resolution 287 will greatly help my community attain our goals.

House Concurrent Resolution 287 proposes to increase funding for two important human service programs which I mentioned in my testimony before the Budget Committee: Head Start and the Women, Infants, and Children Program [WIC]. The funding increases proposed for Head Start will allow 98,000 to 135,000 more children to participate in preschool programs which we know are crucial to their educational development. The increases targeted for WIC will provide 415,000 to 600,000 more women, infants, and children with nutritional assistance.

House Concurrent Resolution 287 also proposes to increase funding for child immunization programs. The Budget Committee estimates this funding will enable all preschool children in the United States to be immunized. As I have said before, the choices we make about the health, welfare, and education of our children are summed up nicely in the television ad: "Pay me now or pay me later"—paying now for protecting our children's health rather than paying a lot more—later—to make them well.

Mr. Chairman, House Concurrent Resolution 287 also proposes to increase funding for mass transmit and surface transportation where the late, not lamented, administration budget proposal would have reduced funds for mass transit. More efficient highway and mass transit systems serve the dual purpose of providing citizens with affordable and reliable transportation—vitally important to my hometown and home county—and of creating jobs. The Budget Committee estimates that between 150,000 to 200,000 jobs can be created by improving the Nation's transportation system. Furthermore, it is an investment in our national competitiveness which will pay dividends in years to come.

Mr. Chairman, I am proud to support House Concurrent Resolution 287 for all of these reasons, and I urge its passage by the House.

Mr. ARMEY. Mr. Chairman, I submit for the CONGRESSIONAL RECORD as part of the debate on House Concurrent Resolution 287, the concurrent budget resolution for fiscal year 1993, various articles from the Washington Times and Investor's Business Daily:

[From the Washington Times, Mar. 4, 1992]

A FREE PASS FOR CBO?

(By L. Brent Bozell III)

Why are the media covering the debate over the capital gains tax by relying on estimates that have been proven to be more than 100 percent wrong? I've narrowed it down to three possibilities: (1) The media are too lazy/dumb to figure it out; (2) they think the American people are too dumb/lazy to figure it out; or (3) the media would rather witness a class war fought over fake statistics than referee an honest debate.

Back in April 1991, Rep. Dick Armey, the ranking Republican on the Joint Economic Committee, and Chris Frenze, one of Mr. Armey's staff economists, revealed that the Democrat-appointed Congressional Budget Office had erred in its prediction of 1989 capital gains income by $75 billion, a margin of error of roughly 50 percent. The study also maintained that this error would be built into the CBO's annual baseline figures, amounting to $375 billion in error over five years, a possible deficit disaster.

Two weeks ago, Mr. Armey and Mr. Frenze revealed that the CBO admitted its forecast for capital gains income of $254 billion for 1990 missed the mark by $134 billion, an error of more than 105 percent. The media's response: nothing.

Why the silence? because the major media covering the capital gains debate routinely rely on estimates of the Joint Committee on Taxation, which relies on the faulty CBO numbers for its calculations. When, for example, Time cites that "families that earn more than $200,000 a year would save an average of $18,000 as a result of lower capital gains rates," it's citing the completely bogus calculations of the Joint Committee on Taxation. Everybody's using these estimates without any concern for their accuracy.

Maybe the media believe that statistical reality is too technical for the American people to understand. When Mr. Armey and Mr. Frenze released their first CBO critique, the media reaction was a resounding silence, with one exception, New York Times reporter Jason DeParle, who came to the Times from the neoliberal Washington Monthly, snottily dismissed the critique on May 26, 1991: "Among the congressman's complaints is that Table 19 on Page 1,306 should at the very least have included an asterisk."

Mr. DeParle failed to explain the CBO's errors, simply declaring them too difficult for the average American to understand. "Sorting through Mr. Armey's technical critique requires an understanding of the computer models used by the CBO and a grip on such terms as 'nominal realized capital gains.'" You would think turning complex arguments into simple language is the media's job, but even the reporters who understand these issues have refused to explain it.

The media have also ignored Mr. Armey's attempts to make the CBO accountable to Republicans as well as Democrats. Currently, the CBO's personnel are appointed by the Democratic leadership with no Republican consultation or confirmation process. This is especially galling since the media regularly tag the CBO as "non-partisan."

There's nothing non-partisan in the way CBO Director Robert Reischauer has treated his shop's accounting fraud. He covered it up. The CBO never disclosed its mistakes to members of Congress or the media, even though its tainted capital-gains and family income data had been widely used by both and even though the CBO's numbers were used as a club by the Democrats and their class-war supporters like "conservative" Kevin Phillips.

Even since Republicans (and some Democrats) introduced capital gains tax cuts in 1989, the media have trumpeted the cause of "tax fairness," labeling tax cuts a sop to the rich while ignoring the rotten statistics underlying the hate-the-rich Democrats' case.

The media's know-nothingness has not only given a free pass to the CBO, but also to Richard Darman's oafs at the Office of Management and Budget. When Mr. Darman appeared before Congress last July 15 to announce that the OMB's old deficit estimates were horrendously off-target, the network newscasts did nothing. It took the late great Warren Brookes to point out that in January 1990, Mr. Darman forecast that the total deficit from fiscal 1991 to 1995 would be $62.3 billion.

Eighteen months later, that estimate soared to $1,081.9 billion. Thanks to the media's silence, most Americans have heard nothing about Mr. Darman's errors. After listening to a decade of media preaching about Republican neglect of the budget, it's time to ask about the media's neglect of the budget debate. Oh, the political wrangling gets top billing, but the debate's most important points are almost always ignored. The Washington press corps can't preen about its role as watchdog of the government while both budget boosting sides—OMB and CBO—get away with statistical murder. Call the media co-conspirators.

[From the Investor's Business Daily, Mar. 2, 1992.]

WILL TAX ON RICH BOOMERANG?—IT ALWAYS HAS, BUT THEN THIS IS AN ELECTION YEAR

(By John Merline)

Making the rich pay their fair share in taxes has become the clarion call for Democrats seeking to win over middle-class voters this political season.

Increasing the progressively of the tax code may be good politics, but many analysts say it is bad policy.

The House Democratic tax package, which passed last week in a highly partisan vote, includes a small tax credit for the middle class, coupled with substantial tax increases on the wealthy.

Sen. Lloyd Bentsen, D-Texas, has proposed a tax plan similar to the House bill. Both the House and Senate bills propose raising the top tax bracket on income to 35% from the current 31%, and both would impose a 10% surtax on millionaires.

In addition, each of the leading Democratic presidential candidates purposes some form of tax increase on the wealthy, either to fund tax relief for the middle class or to pay for new programs.

Behind these proposals is the issue of fairness. But, as with most issues in Washington, the definition of fairness depends heavily on whom you ask.

For Robert McIntyre, director of Citizens for Tax Justice, fairness is when "the rich pay more taxes and the rest of us pay less." According to McIntyre and other supporters of higher taxes on the wealthy, tax cuts during the 1980s primarily benefited the rich.

According to a House Ways and Means Committee report, the richest "one-fifth of the population will pay a smaller percentage of their income in taxes in 1992 than in 1977 while the bottom 80% will pay more."

Therefore, the argument goes, raising tax rates on the wealthy would improve the fairness of the tax code by making the rich pay a greater share of taxes than they do currently.

But historically, high tax levies on the rich have failed to achieve their stated goal—to force the rich to pay a greater share of the total tax burden.

Highly progressive tax codes have tended to push the tax burden downward, making the middle and lower classes pick up a greater share of the total income tax burden.

A study by economists James Gwartney and Richard Stroup found that a peacetime tax increase in the early 1930s to reduce the budget deficit resulted in "a rapid decline in the reported net income in upper brackets as the marginal rates increased sharply."

In upper-income brackets, tax rates were doubled, but tax revenues expanded by only 15.7%, according to the study.

And the share paid by the wealthiest earners dropped precipitously, from 23.5% of the total tax burden before the increase to 18.4% after the increase.

Data from the IRS clearly show that tax shares of the top 0.2% of wage earners fell each time their tax rate increased. In the early 1940s, for example, marginal rates on the rich shot up, but the share of taxes paid by these earners dropped from some 90% of total taxes to 50%.

Conversely, lower tax rates on the rich typically have shifted the income-tax burden upward. In 1926, the top marginal rate was reduced to 25% from 73% in 1921. The amount of taxes paid by millionaires increased 155% in those years, while the share of taxes paid by this group increased 75%, according to IRS data.

Again in the 1960s, the top marginal income-tax rate was cut, with the same basic effect. Tax revenues from the top 5% of wage earners increased 7.7%, while the share of taxes paid by this group increased by 8%.

Tax cuts in the 1980s produced similar results. Despite cuts in the top rate of some 23%, income taxes paid by those earning $1 million or more increased 244% between 1979 and 1986, from $8.5 billion in 1979 to $29.2 billion in 1986.

MILLIONAIRES' SHARE

Between 1986 and 1989, taxes paid by millionaires increased another 35%, despite a cut in the rate from 50% to 28%. The share of taxes paid by millionaires went from around 2% of total taxes in 1979 to almost 9% 10 years later, despite a cut in the top tax rate of 60%.

According to the House Ways and Means Committee report, this is due to the fact that the incomes of the high wage earners "rose faster than average family income."

To supporters of increased taxes, this means fairness declined. But to opponents of new taxes, this growth at the top mean something different.

OMB PROJECTION

"What's happening here is that the entire economy is enjoying a larger degree of opportunity, and more people are taking advantage of it," says Gary Robbins, president of Alexandria Va.-based Fisca: Associates and a former Treasury economist.

For example, IRS data show that while the average income of millionaires did not change much between 1979 and 1986, the number of people declaring earnings of $1 million or more climbed drastically.

In 1979, just under 8,000 reported earnings of more than $1 million. By 1986, that number had jumped to more than 31,000, even after inflation is subtracted, doubled again by 1989.

Moreover, high rates on the rich have in the past served less as a way to raise money than as political camouflage for tax increases on the middle class.

In part, this is due to the fact that little money can be raised from the nation's richest citizens. According to the Tax Foundation, if you doubled the taxes paid by millionaires, you could run the government for an additional 13 days in a given year.

To raise significant revenues, according to tax specialists, middle-class wages have to be tapped.

For example, according to the Office of Management and Budget, if the $400 tax credit in the House tax bill were made permanent, and if the government paid for it by raising income taxes, the top 35% tax rate would have to begin at income levels of around $36,000 for single filers.

"If true, that suggests that there's not a lot of money to be had by just raising rates at the top," said Fed Governor Lawrence Lindsey.

"Politicians, when they set very high millionaire rates, are able to say to the middle class, 'Well, look, it's not so bad for you,'" said Michael Schuyler, senior economist at the Institute for Research on the Economics of Taxation.

The 1990 budget agreement raised the top tax rate to 31% while also imposing higher excise taxes on gasoline, tobacco and alcohol—taxes that hit the middle class harder than the rich.

While observers doubt whether income tax rates will be raised on the middle class, the new tax rate proposed by the House bill applies to income that some might classify as middle-class. Single taxpayers earning $85,000 and up would face a 35% tax rate. Single taxpayers earning $51,9000 already face the 31% bracket.

Although all brackets would be indexed for inflation, real wage growth would push more and more people into these higher brackets. "Today's rich are tomorrow's middle class," said Robbins.

High rates can have other economic effects that primarily harm the middle class. Foremost is the incentive high tax rates give the rich to seek tax shelters.

"The wealthy have enormous discretion over how, when and whether to realize income. At high tax rates, they can convert taxable income into fringe benefits or other business expenses," said economist Gerald Scully, a senior fellow at the National Center for Policy Analysis.

Even supporters of tax increases recognize this effect. "High tax rates cause pressure to bring back loopholes," said McIntyre of Citizens for Tax Justice. Still, McIntyre would like to see top rates at 40%.

DAMPER ON GROWTH

Because the rich derive three-quarters of their income from investments, high marginal taxes on this income can dampen economic growth, according to economists.

If the rich shift money into less productive investments to avoid taxes, less money is available for capital formation.

"Because capital formation is one of the primary means by which we increase productivity over time, raising top marginal rates would basically sacrifice future prosperity to soak the rich today," said Schuyler.

"There is certainly some productivity cost that comes with most ways of redistributing income," said Isabel Sawhill, senior fellow at the Urban Institute. "There is a lot of debate about how large those costs are.

"You could certainly argue that when you get up into the 70% to 90% range of top marginal rates, you really are putting a wet blanket on incentives to work, save and invest," she said. "But I think when you are arguing about vs. 35% or something in that range, the argument is mostly ideological and not really economic."

Still, if changes in investment decisions at these new tax levels have even a small effect on productivity growth, the middle class will be hurt badly.

According to Sawhill, a rise in productivity growth of 0.5% a year would mean an increase in income of some $2,000 each year for a family of four by the year 2000.

"The rich are going to get their money in one way or another. Better they get it in a way that helps the rest of us," said Robbins of Fiscal Associates.

DIFFICULT PROPOSITION

Targeting taxes that hit only the rich and don't inadvertently hit the middle class in some way has also been found to be difficult in the past.

The House bill, for example, repeals the so-called luxury tax on jewelry, furs, boats and other high-priced consumer goods.

According to the technical explanation accompanying the bill, the luxury tax of 10% on these items may have contributed to job losses in the affected industries.

"In the context of the current general economic hardship," the report states, "it is appropriate to remove even this small burden in the interests of fostering economic recovery."

The capital gains tax, according to supporters of a cut in the tax, may be less of a tax on the rich than a tax on those who want to be rich.

"A capital gains tax does not necessarily mean a tax on the rich, it's a tax on anyone accumulating capital, and most of the capital in this country is added by the middle class, not by the rich," said David Goldman, senior fellow at Polyconomics in New Jersey.

"Most of the growth in employment in the early 1980s, for example, came from small businesses," Goldman said, "and small businesses are overwhelmingly middle-class activity."

DECLINE IN NEW BUSINESSES

The 1986 increase in capital gains taxes may have, in this sense, hit the middle class. Goldman says that between 1986 and the present, fewer businesses have been incorporated each year.

"That's never happened before," he said.

"Capital gains tax cuts help people to become rich," said Goldman. "It's a tax on capital formation, not on capital."

Capital gains taxes also reflect how difficult it is to get money from those who have discretion about how and when they declare such gains on their taxes.

According to Gerald Scully, following the 1981 cut in the maximum capital gains tax, revenues from that tax almost doubled in four years.

On the other hand, the tax increase on capital gains generated 50% less revenue than was predicted by the Congressional Budget

Office in 1989 and 1990. In fact, for three years following the tax increase, capital gains income was lower than it was in 1985, before the tax increase.

Mr. GRADISON. Mr. Chairman, I submit for the CONGRESSIONAL RECORD as part of the debate on House Concurrent Resolution 287, the concurrent budget resolution for fiscal year 1993, President Bush's fiscal year 1993 budget priorities:

PRESIDENT BUSH'S FISCAL YEAR 1993 BUDGET PRIORITIES, INVESTING IN THE FUTURE: SELECTED HIGHLIGHTS WITHIN AN OVERALL FREEZE

[Budget authority and obligations: dollar amounts in millions]

Summary of major initiative	Fiscal year—			Dollar change: Fiscal year 1992 to fiscal year 1993	Percent change	
	1989 actual	1992 enacted	1993 proposed		Fiscal year 1992 to fiscal year 1993	Fiscal year 1989 to fiscal year 1993
Overall domestic discretionary freeze (billions)		$203	$203	+0	Freeze	NA
Education:						
Department of Education (discretionary)	$17,059	22,628	24,257	+$1,629	+7	+42
Head Start	1,235	2,202	2,802	+600	+27	+127
Mathematics and science education [1]	1,236	1,955	2,092	+137	+7	+69
Pell grants	4,484	5,463	6,641	+1,178	+22	+48
Children:						
WIC	1,929	2,600	2,840	+240	+9	+47
Child nutrition (outlays)	4,556	6,068	6,480	+412	+7	+42
Child care and development block grants		825	850	+25	+3	NA
CDC childhood immunization [2]	141	297	349	+52	+18	+148
Prevention:						
Infant mortality reduction (Healthy start)	5,681	7,950	9,365	+1,415	+18	+65
		64	143	+79	+123	NA
Access to primary health care servies	4,184	6,334	7,643	+1,309	+21	+83
(Community/migrant health centers)	482	594	684	+90	+15	+42
(National Health Service Corps)	48	100	120	+20	+19	+150
Nutrition education	138	152	178	+26	+17	+23
Breast and cervical cancer mortality prevention		416	515	+99	+24	NA
Injury prevention	1,482	1,862	2,026	+164	+9	+37
Family planning	333	461	498	+37	+8	+50
Total HIV/AIDS funding	2,265	4,371	4,936	+565	+13	+118
Research and development:						
Applied research:						
High performance computing and communications	N/A	655	803	+148	+23	NA
Advanced materials and processing	N/A	1,659	1,821	+162	+10	NA
Energy R&D	397	774	914	+140	+18	+130
National Institute of Standards and Technology	159	247	311	+64	+26	+96
Basic research:						
Doubling the NSF budget by 1994	1,923	2,572	3,026	+454	+18	+57
Support for individual investigators (HHS, NSF, DOE)	5,884	7,273	7,939	+666	+9	+35
U.S. Global Change Research Program	N/A	1,110	1,372	+262	+24	NA
Expanding the human frontier:						
Improving access to space	4,411	5,312	5,412	+100	+2	+23
Space exploration	1,433	2,646	2,836	+190	+7	+98
Transportation						
Federal-aid highways (obligations)	13,507	16,986	19,198	+2,212	+13	+42
Aviation modernization program	1,384	2,394	2,700	+306	+13	+95
Maglev/high-speed rail		20	28	+8	+40	NA
Housing:						
HOPE/homeownership grants		351	1,000	+649	+185	NA
Homeless funding in HUD	172	450	537	+87	+19	+212
Vouchers in HUD and FmHA	1,840	1,693	2,821	+1,128	+67	+53
Ending the scourge of drugs and crime:						
War on drugs total funding [3]	6,592	11,953	12,729	+776	+7	+93
Justice funding to fight crime and drug [4]	6,732	9,809	10,795	+986	+10	+60
Environment:						
Acquisition of parks, forests, and refuges	190	294	306	+12	+4	+61
Border pollution: Pollution control along the United States-Mexico border in support of NAFTA	34	103	201	+98	+95	+491
Total EPA operating budget	1,752	2,578	2,698	+120	+5	+54
Protecting America's wetlands	295	600	812	+212	+35	+175
Implementing Clean Air Act changes		187	229	+42	+22	NA
Superfund	1,410	1,616	1,750	+134	+8	+24
Cleanup of DOE Federal facilities	1,762	4,407	5,534	+1,127	+26	+214

[1] Government-wide crosscutting initiative; 1989 data is an estimate.
[2] Obligations are in missions of dollars.
[3] Excludes transfer of appropriations from other agencies for drug trafficking.
[4] Excludes $49 million in receipts from proposed fee.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio [Mr. GRADISON].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 42, noes 370, not voting 22, as follows:

[Roll No. 39]

AYES—42

Baker
Ballenger
Barton
Callahan
Chandler
Clinger
Coble
Coughlin
Dickinson
Gilchrest
Gingrich
Goodling
Gradison
Hansen
Hopkins
Houghton
Hunter
Inhofe
Johnson (CT)
Kasich
Kolbe
Kyl
Lewis (CA)
McCrery
McEwen
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Oxley
Porter
Quillen
Rhodes
Santorum
Schulze
Smith (TX)
Solomon
Sundquist
Thomas (CA)
Vucanovich
Wylie
Young (FL)

NOES—370

Abercrombie
Ackerman
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Barnard
Barrett
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Goss
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland

Hobson	Molinari	Scheuer
Hochbrueckner	Mollohan	Schiff
Holloway	Montgomery	Schroeder
Horn	Moody	Schumer
Horton	Moorhead	Sensenbrenner
Hoyer	Moran	Serrano
Hubbard	Morella	Sharp
Huckaby	Morrison	Shaw
Hughes	Murphy	Shays
Hutto	Murtha	Shuster
Jacobs	Myers	Sikorski
James	Nagle	Sisisky
Jefferson	Natcher	Skaggs
Jenkins	Neal (MA)	Skeen
Johnson (SD)	Nichols	Skelton
Johnson (TX)	Nussle	Slattery
Johnston	Oberstar	Slaughter
Jones (GA)	Obey	Smith (FL)
Jones (NC)	Olin	Smith (IA)
Jontz	Olver	Smith (NJ)
Kanjorski	Ortiz	Smith (OR)
Kaptur	Orton	Snowe
Kennedy	Owens (NY)	Solarz
Kennelly	Packard	Spence
Kildee	Pallone	Spratt
Kleczka	Panetta	Staggers
Klug	Parker	Stallings
Kolter	Pastor	Stark
Kopetski	Patterson	Stearns
Kostmayer	Paxon	Stenholm
LaFalce	Payne (NJ)	Stokes
Lagomarsino	Payne (VA)	Studds
Lancaster	Pease	Stump
Lantos	Pelosi	Swett
LaRocco	Penny	Swift
Laughlin	Perkins	Synar
Leach	Peterson (FL)	Tallon
Lehman (CA)	Peterson (MN)	Tanner
Lehman (FL)	Petri	Tauzin
Lent	Pickett	Taylor (MS)
Levin (MI)	Pickle	Taylor (NC)
Lewis (FL)	Poshard	Thomas (GA)
Lewis (GA)	Price	Thomas (WY)
Lightfoot	Pursell	Thornton
Lipinski	Rahall	Torricelli
Livingston	Ramstad	Towns
Lloyd	Rangel	Traficant
Long	Ravenel	Traxler
Lowery (CA)	Ray	Unsoeld
Lowey (NY)	Reed	Upton
Luken	Regula	Valentine
Machtley	Richardson	Vander Jagt
Manton	Ridge	Vento
Markey	Riggs	Visclosky
Marlenee	Rinaldo	Volkmer
Martin	Ritter	Walker
Martinez	Roberts	Walsh
Matsui	Roe	Washington
Mavroules	Roemer	Waters
Mazzoli	Rogers	Waxman
McCandless	Rohrabacher	Weiss
McCollum	Rose	Weldon
McCurdy	Roth	Wheat
McDermott	Roukema	Williams
McGrath	Rowland	Wise
McHugh	Roybal	Wolf
McMillen (MD)	Russo	Wolpe
McNulty	Sabo	Wyden
Meyers	Sanders	Yatron
Mfume	Sangmeister	Young (AK)
Miller (CA)	Sarpalius	Zeliff
Mineta	Sawyer	Zimmer
Mink	Saxton	
Moakley	Schaefer	

NOT VOTING—22

Dymally	McDade	Savage
Flake	Mrazek	Torres
Gaydos	Neal (NC)	Weber
Gordon	Nowak	Whitten
Hyde	Oakar	Wilson
Ireland	Owens (UT)	Yates
Levine (CA)	Ros-Lehtinen	
McCloskey	Rostenkowski	

□ 2147

Mr. McCOLLUM changed his 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.

Mr. PANETTA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Ms. HORN) having assumed the chair, Mr. SERRANO, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 287) setting forth the congressional budget for the U.S. Government for the fiscal years 1993, 1994, 1995, 1996, and 1997, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. NOWAK. Mr. Speaker, because of a death in my family I missed four rollcall votes. Had I been present and voting, I would have voted as follows: rollcall No. 36, "yea"; rollcall No. 37, "yea"; rollcall No. 38, "no"; rollcall No. 39, "no."

HOUR OF MEETING ON TOMORROW

Mr. BONIOR. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 a.m. on tomorrow.

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

Mr. GINGRICH. Madam Speaker, reserving the right to object, I do not intend to object, but I would inquire of the distinguished majority whip, the gentleman from Michigan [Mr. BONIOR].

Madam Speaker, there are a number of Members on both sides, particularly those from the west coast and the mountain States, who would like to leave by a reasonable hour tomorrow, and, if they could not, they would have to stay over, and it was our thought on our side that we would be very willing to come in at 8 o'clock, if that would allow the debate to begin, and I think we can work with the membership on both sides to avoid a vote on the Journal, and go ahead and begin the debate at 8 o'clock, and go straight into a dialog, which, it would seem to me, would be to the benefit of all Members and would allow us to have as extended a debate as necessary without requiring the Members from the West to lose their opportunity to catch an airplane to go home.

So, Madam Speaker, I would ask if the distinguished majority whip might consider withdrawing this unanimous consent request and instead ask us to come in at 8 o'clock on behalf of our western Members.

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

Mr. GINGRICH. I yield to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Madam Speaker, that is a very attractive offer, and my general inclination would be to accept it. The problem I have with it is that an 8 o'clock hour of meeting of the session, as the minority whip knows, is a highly unusual hour for this body, and, although we meet for other meetings at that hour, we do not usually meet on the floor at 8 o'clock, and I have seen it happen before that, when we do not announce an earlier schedule prior to the leaving of Members, that Members could in fact miss votes. Now I take the point that the gentleman from Georgia [Mr. GINGRICH] raised about that side would assure that there would be no journal votes called, but we have had that situation before, and we have actually had votes, and it has proven embarrassing to Members who were not here.

So, Madam Speaker, I would hope that 10 o'clock would be a time that we could meet at and that we could get our business done at a reasonable hour so that Members could make their planes, wherever they were going.

Mr. GINGRICH. Madam Speaker, further reserving the right to object, I would say to the gentleman from Michigan [Mr. BONIOR], my good friend, first that he would have my word that we would, that the gentleman from Pennsylvania [Mr. WALKER] and I would, actively insure on our side that no one would ask for a vote on the Journal, and, should that fail, we would support the Speaker's right to roll that vote until the end of business or until such time as it would be appropriate during the day.

My only point, Madam Speaker, to be very direct about it for a second, is that on our side there are a number of Members who might be willing, frankly, to simply not have our side debate. That is they would rather accommodate the westerners and leave, thereby reducing the debate on a very important topic, the budget which is being offered by the Black Caucus, to only 4 hours. I would much rather come in at 8, have the debate begin and be sure there would be full debate on both sides without the pressure of Members who are eager to get out of here.

So, I would repeat. Since we would be very willing to insure that there be no vote, and we would certainly use our whip system this evening to announce in the morning. There are more than enough Members here who can call the first 2 hours worth of the debaters. I think we could easily accommodate the first 2 hours of debate, and I just wonder if it might be possible to accommodate that.

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

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

Mr. BONIOR. Madam Speaker, it would have been nice to accommodate those 2 hours today when we offered to meet at noon rather than 2 o'clock. It is unfortunate that the gentlemen on that side of the aisle did not accept our offer of meeting earlier today. We could have accommodated those 2 hours.

I am also concerned about the fact that Members may in fact miss this. They do not know; they have left. The debate would start at 8 o'clock. We would have a number of people who would be unfairly treated with respect to the debate itself because they would not have known that we had started.

Mr. GINGRICH. Might I ask the majority whip? It is my understanding quite explicitly that, when we asked about the possibility of having at least 2 to 3 hours of that debate today, we were told unequivocally that his side did not want to start that debate until tomorrow morning, that coming in earlier today would not help us get into that particular debate?

Is that not correct?

Mr. BONIOR. Madam Speaker, we asked to go in earlier today and early tomorrow, and we were told there would be no accommodation to that fact because of the 8 hours that was given to the progressive caucus' proposal.

Mr. GINGRICH. But we were told, as I understand it, that they would not be prepared to begin that debate today, even if we went in earlier today; is that not true?

Mr. BONIOR. No; we were prepared to start the debate at an earlier time.

Mr. GINGRICH. We were still going to start the 8 hours tomorrow no matter what time we went in today. We would not have started the 8 hours.

Mr. BONIOR. The gentleman from Georgia [Mr. GINGRICH] is correct. We could have begun the process at an earlier time.

□ 2155

Mr. GINGRICH. The other option would be to come in at 9 o'clock.

Mr. BONIOR. Well, we have organizational meetings in the morning. In addition to that, I think it is still unfair to Members who are expecting to be here at 11 o'clock actually but who will be here at 10 for other business to start the process earlier. It would be unfair to ask them to come in and begin the process of debate at 8 or 9 o'clock.

Mr. GINGRICH. Madam Speaker, I say to the Chair that I will withdraw my reservation of objection, but it does seem, on behalf of the western Members and the mountain State Members and the Members from small towns, that it is unfortunate that the leadership on the other side would not accommodate them.

Madam Speaker, I certainly do withdraw my reservation of objection.

The SPEAKER pro tempore (Ms. HORN). Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERSONAL EXPLANATION

Ms. OAKAR. Madam Speaker, unfortunately, I missed the last veto because I was detained in my office with an emergency phone call. Had I been present, I would have voted against the President's budget.

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

There was no objection.

CONGRATULATIONS TO THE WEBERS AS THEY AWAIT ARRIVAL OF THEIR SECOND CHILD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. RAMSTAD] is recognized for 5 minutes.

Mr. RAMSTAD. Madam Speaker, I want to take this opportunity to inform the Members of the House that my colleague from Minnesota, VIN WEBER, is currently awaiting the arrival of his second child. His wife Cheryl was admitted to the Alexandria Hospital today and is reportedly doing well. As a result, the gentleman from Minnesota has missed a few rollcall votes this afternoon. He felt that it was important for him to be at his wife's side during the birth of their child. I hope that the Members will join with me in congratulating Congressman WEBER and his wife, Cheryl.

THE RE-REGULATION OF AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Madam Speaker, I know the hour is late. It is 10 o'clock on the east coast, and I know this staff that works for the House has worked long and hard all day. I apologize to them for bringing this special order, but today is an important day of a project we are working on, and I do need to take a little time to start the project off.

□ 2205

Today began the first leg of a race against the clock. The Republican regulatory relay team is out of the blocks and bringing this urgent message. American business, and therefore, the American economy will continue gasping for breath until they are either finally released from the grip of our dangerous undertow or until they finally succumb, cease to struggle and economic rigor mortis sets in.

We are near the mid-point of the President's 90-day moratorium on Federal regulations, today is the 37th day. For the remainder of the moratorium, every day that this House is in regular legislative session, a different member of our regulatory relay team will lead his colleagues in discussion, debate, and the generation of information about a specific regulation or set of regulations which is doing more harm than good to our country.

You know, it's easy for me to stand here and criticize the Democrat side of the aisle for foisting these burdensome, costly, and counterproductive regulations on American businesses, workers, and consumers. And believe me, I blame them but it's important to acknowledge that many of the regulations which shovel blizzards of paperwork across the desks of American employers were never voted on here in the House. No, not even by the most big brotherly Democrats in this Chamber. Those regulations are the products of an unaccountable, unelected bureaucracy. Pencil pushers and paper shufflers who thrive on monitoring, assessing, comparing, and collating the numbers and reports they require from American business where they couldn't get a job to save their life; they're not qualified to do real work.

Since today is the first day of this project, I'd like to take a moment to highlight certain regulations which serve as particularly egregious examples of what happens when you give the overzealous pencil pushers too much freedom.

The EPA will soon require the recycling of CFC refrigerants to prevent them from being vented into the atmosphere where they may ultimately damage the ozone. Your average refrigerator repairman, while not enthusiastic about the requirement is certainly capable of doing this. But wait, by the act of reclaiming these refrigerants, our repairman has transformed them into solid wastes under RCRA. The bad part of this is that our refrigerator repairman has thus transformed himself into a waste generator for purposes of RCRA, with all of the duties and privileges that accompany that auspicious title.

And we're not done yet. Because the trace levels of certain chemicals in these CFC refrigerants exceed the EPA's "toxicity characteristic rule thresholds," these reclaimed CFC's are further reclassified as hazardous waste to the unending despair of our repairman. I could stop here but I have to add one more note to the regulatory symphony which our repairman has been drafted to conduct. These same CFCs which are used as refrigerants have been approved by the FDA as pharmaceutical propellants because they are safe and effective. In other words, millions of asthmatic Americans including refrigerator repairmen, breathe through their bronchodialators everyday the exact same chemicals over which the EPA is driving refrigerator repairmen crazy.

Here's another example: The U.S. Department of Agriculture has made itself as adept as anyone at scribbling nonsensical rules. Any product containing meat or poultry must have a label which meets certain standards. OK, I'll buy that; it even makes sense. The problem is, unlike any other labeling program, USDA doesn't trust its producers to meet those standards so they require prior approval.

Boy, that's tough but I guess if I were a producer, I could deal with it. The problem becomes aggravated because while USDA doesn't trust its producers to label their packages correctly, the producers can't trust USDA to process their labels at all.

The eight highly paid, nonelected, unaccountable label reviewers who's job it is to process 180,000 labels a year, work in a system which is so inefficient that a private industry of label expediters is booming in Washington. The label expediters are hired by the producers to help usher label applications through the USDA process. As though this chaos were not bad enough, whenever the department changes its rules, all existing labels must be resubmitted and re-approved.

Now I ask you, should we expect your average poultry farmer to go through the hassles and the expenses and the delays involved with putting a label on its product for no reason except that inefficient bureaucrats don't trust them to follow the rules?

Earlier, I mentioned bureaucrats who could never get a job working in the businesses they regulate. Let me give you an example. In drafting regulations for the Fair Housing Act, a bureaucrat at the Department of Housing and Urban Development developed a brainstorm. He proposed requiring all multi-unit housing with balconies to build these balconies flush with the inside door level so that wheelchairs could go in and out.

Well, his superiors at HUD loved the idea and incorporated such a rule in their initial regulations. The problem, of course, as any architect or homebuilder could tell you, is that the reason you have a step from any door going in or out of your house is so that your home doesn't flood every time it rains.

I know, it's too much to expect paper pushing regulators to know about such things as basic construction even if they are drafting the requirements to which every American commercial builder must adhere. In any case, the builders were lucky. It seems that this was the sort of mistake the regulators could comprehend once it was pointed out to them and they modified the requirement.

Which brings me to another point and the only positive thing about the pencil pushers who dream up nightmares like this; their regulations are not written in stone. Their pencil scratching can be changed or erased. That's what happened to OSHA's clean hard hat rule. A brilliant piece of pencil pushing which required that all hard hats be disinfected before changing hands. The only measurable effect of this rule was its cost, some $60 million a year. Some persuasive arm twisting combined with OSHA's failure to document a single case of someone catching something from an "infected" hard hat led the agency to erase this requirement from its regulations.

Laugh if you will, I find tremendous hope and encouragement from victories like this. Hopefully, the President's moratorium will embolden us to do what our economy needs and our taxpayers want: Grab some of these out-of-control, overzealous, bureaucratic regulators and break their pencils.

Madam Speaker, this country has grown in regulations beyond one's imagination.

In the early Reagan years the movement to curtail industry regulation was successful in various areas of economic regulation. Toward the mid-1980's, however, there was a definite return to business as usual evident in the rapid growth in Federal regulatory agency spending and staffing. Regulatory expenditures rose by 21 percent between the 1981 and 1990 budgets.

What we have now is a Congress intent on passing more and more regulations. Only recently has the administration reinvigorated the institutional structure of restraint that was at the forefront of the early 1980's. The Federal Government uses regulations as a way of advancing various policy agendas without spending Federal money. Compliance costs show up in the budgets of companies in the private sector and not in Government's budget. Regulations pay off twice for Members of Congress. They can tell their constituents that they voted for clean air and for the civil rights of the disabled. At the same time they can attack the private sector for raising prices to pass the cost of complying with regulations onto the consumer.

The new Clean Air Act and the Americans With Disabilities Act are just two examples of the reregulation trend of the 1990's. They are also two examples of Congress ignoring any sort of cost-benefit analysis and mandating the use of the most expensive methods to achieve the goals of legislation.

The argument for regulation is flawed. It quite often does not accomplish its intended goals, it causes a wasteful reallocation of resources and most often results in costly side effects. If something is not done to control and turn back this dangerous trend, the consumer will continue to pay the cost of these regulations every time they buy a product whose price includes the rising expense of complying with more and more regulations. New estimates show that the combined effect of all regulations amounts to $400 to $500 billion per year or a staggering $4,000 to $5,000 per family each year. Meanwhile, the U.S. is suffering tremendously in productivity growth and losses in competitiveness.

Without including the new wave of regulations from the Clean Air Act and ADA, Government agencies are churning out 17 percent more rules than in the 1980's;

Federal governmental spending on regulation is at its highest level in history and rising rapidly. It will cost an estimated $13 billion for the regulatory machine to run in 1992—an increase of almost 6%; and

In constant 1982 dollars, this translates to about a 2 percent rise to more than $9 billion—a record high to administer the myriad of Federal regulations affecting the U.S. economy.

SOME AREAS OF REGULATION GROWTH AND DIRECT COSTS

Environment:

Environmental regulation has grown at an astounding rate in the last few years, now comprising 38 percent of the entire regulatory budget;

Spending by EPA has been rising steadily since 1983, up a total of 177 percent to $3.7 billion in the 1990 budget;

EPA estimates that in 1990, direct regulatory compliance expenditures amounted to some $99 billion, sharp increases lie ahead with the Clean Air Act;

The Clean Air Act will cost an added $25–$35 billion a year over and above the more than $100 million spent annually on all pollution controls;

Environmental regulations cost consumers more than $1,000 per family each year; and

Pollution abatement and control expenditures in 1986 amounted to $300 per person in the United States; pre-1990 pollution-control costs amounted to about $16.8 billion annually, new 1990 legislative standards will add an estimated $3.5 billion to annual pollution control costs—costs are imposed on all car producers and consumers but its benefits are limited to a few high-density, high-pollution areas like Los Angeles and New York.

Judicial—the courts have become an added layer of regulatory review and the most costly form of indirect regulation:

Liability law, a surrogate social insurance mechanism for injury victims, has increased public control of business and expanded the vulnerability of firms, government, and nonprofit agencies;

The tort tax directly costs the American consumer, business, and the Government at least $80 billion a year;

Many of the taxes are indirect, ex. doctors spend $3.50 on average in efforts to avoid this tax for every $1 of direct tort tax they pay, tort tax amounts to an estimated $300 billion annually on the U.S. economy;

Tort tax gives a direct cost advantage to foreign firms over U.S. firms—foreign firms often escape the full force of American liability laws because of antiquated jurisdictional rules while foreign consumers often resort to American courts to sue U.S. based firms under more generous rules; and

These laws make the United States far less innovative than it would be as new products and designs are far more likely to be viewed as risky.

INDIRECT COSTS: PRODUCTIVITY COSTS AND EFFECTS ON INNOVATION

A broad assessment of the cost of regulations, however, is much greater in indirect costs. Regulation has imposed huge costs in the form of reduced rates of productivity growth and technological innovation. While it is difficult to measure, there is now strong evidence that the reductions in productivity growth which started in the early 1970's are due in part to Federal regulations. Regulations reduce the rate at which new technologies are developed and new products are introduced. This directly reduces the ability of U.S. firms to compete in the domestic and international marketplace.

As society shifts more and more resources to regulatory compliance, less capital and labor are available for the production of goods and services. At the same time distortions in the production process that may cause delays or more expensive ways of doing things tend to diminish productivity;

Some estimate that about 30 percent of the decline in productivity growth in manufacturing in the 1970's could be attributed to OSHA and EPA regulation alone. Given the size of the U.S. economy, a reduction in productivity growth of this magnitude translates into about $10 billion per year of lost output;

Regulation has caused a tremendous reduction in the rate of the introduction of new drugs in the United States between 1950–62 an average of 46 new drugs were approved by the FDA each year—from 1963–75, an average of 16 were approved annually, a 43 percent drop—with this there is a significant reduction in welfare as the costs of developing new drugs is increased, the U.S. drug industry is less competitive which leads to higher consumer prices and reduced choice;

The increasing number, size and unpredictability of product liability damage awards cause a rise in the cost of liability insurance and the withdrawal of products from the marketplace; and

Regulation greatly affects the rate and timing of technological innovation and the regulatory lag results in delays in the introduction of new products—this is especially important in the pharmaceutical industry and threatens the United States lead in biotechnology.

EFFECTIVENESS OF REGULATIONS AND UNINTENDED SIDE EFFECTS

Even well-intentioned regulations can have unintended side effects that may be more damaging than the problems regulators were trying to solve. Many regulations entail losers with no winners and create great losses in consumer welfare.

Fuel economy standards such as CAFE have led to lighter cars that are inherently less safe than the cars would have been developed without these standards—the cost of additional losses of life and injury will more than offset the benefit of conserving gas—downsizing has led to thousands of additional highway fatalities per year;

The Consumer Product Safety Commission promulgated regulations requiring that children's sleepwear be fire retardant—this led to an increase in cancer risk when it was discovered that the leading fire retardant chemical for fabrics possessed carcinogenic properties;

The requirement that some drug products be sold in containers with intentionally inconvenient safety caps has induced so many consumers to leave caps off containers or put medication in other containers that one study concluded that accidental poisonings are higher than they would have been had the safety regulation not been imposed;

Unnecessary delays by the FDA in the approval of life-saving drugs have led to the deaths of thousands of patients denied access to the drugs;

United States-Japanese negotiated voluntary export restraints created a deadweight efficiency loss of $5 billion dollars reflecting $14 billion in costs to the American consumer only partially offset by $9 billion in higher U.S. automaker profits;

Milk regulation in the form of artificially higher prices redistributes about $500 million annually from consumers to producers; and

Davis-Bacon Act and minimum wage laws transfer income to targeted workers from the rest of society.

Not all regulations are well-intended. Much regulation has been implemented in the name of social costs but the proponents of the regulations often have other motives.

In general small business must bear a greater burden relative to larger business in complying with regulations, this is evident with environmental regulations, consumer safety has not been significantly improved but standards have raised prices by as much as 4 percent which puts small producers at a disadvantage;

Regulations are often promoted by certain regions of the country or industries to reduce the competitiveness of other regions or industries; and

Some industries promote the implementation of certain standards in order to keep out foreign imports rather than enhance the safety of a product.

PROCESS VERSUS OBJECTIVES

Congress often specifies more expensive and less effective technology to meet goals.

It is uncertain that the Clean Air Act will be effective in improving air quality, however, the costs are much greater than necessary for the improvement that would be achieved—more efficient and effective pollution control policies could produce savings of 40–90 percent of current compliance costs;

In the case of sulphur dioxide emissions from powerplants, utilities were required to install costly and unreliable scrubbers. For many powerplants an equally effective but less costly approach would have been to shift to low sulfur coal. The use of scrubbers added at least 20 percent to the real construction costs;

Powerplants are required to construct smoke stacks 1,000 feet or more in height in order to disperse pollutants. Current research suggests that these high smoke stacks may be a contributor to acid rain, and

OSHA in efforts to control factory noise often require costly changes in machinery and workplace organization when ear plugs would be just as effective. Studies have estimated that allowing for greater flexibility in the method of compliance could reduce the cost of meeting the health and safety objectives by an estimated 20 to 80 percent.

TRENDS IN REGULATORY STAFFING

[Millions in constant 1982 dollars]

	Regulatory personnel	Regulatory administration costs
1970	71,233	$3,335
1980	121,670	7,355
1990	114,591	8,542
1991	122,406	9,125
Percent change per year:		
1970–80	5.5	8.3
1980–90	−0.6	1.5
1990–92	3.3	3.4

There will be a record number of people required to run the regulatory activities of the Federal Government. In 1992, regulatory staffing is projected to total 122,400. This tops the previous 1980 high of 121,700 people. After a dramatic reduction in force in the early Reagan years, followed by a gradual, but relentless staffing buildup, staffing figures are now higher than they were at the end of the Carter administration;

The EPA budget has increased by 31 percent in the last 3 years and staffing at this agency has expanded by 23 percent. Staffing in the environmental area, which accounted for only 6 percent of staffing in 1970 will reach an 18 percent share in 1992; and

EPA accounts for more than 33 percent of the entire regulatory budget. Staffing at the EPA is 15% of the total regulatory headcounts.

Madam Speaker, there are so many issues when one starts talking about regulations and the cost to the economy, and more particularly the cost to the consumer. But I cannot stop this special order without mentioning an article which appeared in the February 4 edition of the Wall Street Journal which was sent around as a "Dear Colleague" by the distinguished gentleman from Illinois [Mr. EWING]. He included this article written by Richard Rosenow entitled, "So You Want To Get Your Roof Fixed." I will just read this and conclude with a few summary remarks.

Suppose you own a roofing business, and one morning you get a call from your neighbor, whose garage roof is leaking. He tells you that the roof is asphalt-based, and you agree to send a repair crew to try to fix it. In order to fully comply with federal regulations that are in effect today, you would have to:

First examine the roof to determine whether asbestos is present. There is a good chance that an asphalt roof will at least include asbestos-containing base flashings and cements; if they do. Environmental Protection Agency regulations will apply, and Occupational Safety and Health Agency regulations may apply.

It is very likely that you won't know from a visual examination whether asbestos is present. In that case, you will have to cut a sample from the roof, and patch it to avoid leaks at the point of the sample cut. You will then send the sample, after you have bagged it properly, to an accredited laboratory, and delay your repair work until the sample is analyzed. (In some states, only a certified abatement contractor is allowed to make this test cut.)

If you discover that asbestos is contained in the roof, you must:

Notify the owner (your neighbor) in writing:

Notify the EPA Regional Office (10 days prior to beginning work, which will mean your neighbor's roof will continue to leak):

Be sure that at least one person on your repair crew is trained to satisfy EPA requirements:

Conduct air monitoring on the job, once you are able to start work, to determine whether emissions of asbestos will exceed OSHA's action level. You can't do this, of course, until the 10-day EPA notification period has passed.

Once you begin any repair work, you will have to "adequately wet" the materials. EPA defines this as "thoroughly penetrating" the asbestos-containing material, which is an interesting concept for a waterproof material like asphalt. EPA also stipulates that there be no "visible emissions" on the job, even if you can demonstrate that the emissions contain no asbestos fibers.

You will then have to vacuum the dust generated by any "cutting" that you do, put it in double bags, and take it to an approved landfill.

You will also be responsible for prohibiting smoking on the job site, and are subject to fine if one of your employees lights up.

You will probably wonder why your neighbor will be asked to absorb all of the costs associated with these steps, since hundreds of test samples have shown no asbestos exposures above acceptable limits in roofing operations.

You must ensure that your crew is trained about any hazardous materials that they may encounter. (These will include the gasoline you use to power the pump on your roofing kettle.) You will also have to be sure that copies of the appropriate Material Safety Data Sheets are present at the work site, and that all containers are properly labeled.

Your crew must also be thoroughly trained in handling these materials. This will be determined not by what steps you have taken to train them, but by what your employees tell the OSHA inspector who asks them what they have been taught.

Because you are transporting asphalt at a temperature above 212 degrees, so that your crew won't have to wait two or three hours at your neighbor's home for the asphalt to heat, you must:

Mark the side of your roofing kettle with a sticker that says "HOT" in capital letters:

Complete shipping papers before the truck leaves your yard:

Have emergency response procedures developed in the event the kettle should turn over en route to your neighbor's home:

Be sure that your driver has been drug-tested, and has a commercial driver's license:

Be sure that the driver completes his log sheets for the day, and stops 25 miles after he leaves your yard to see if the load has shifted:

Be sure that your kettle has a hazardous material placard, in addition to the "HOT" sticker mentioned above.

Because your vehicle is being driven for work-related matters, you must be sure that the driver wears his seat belt, and has received driver training. If he does not wear his seat belt, you, of course, will be fined.

Assuming you have met other OSHA safety standards, and are satisfied you will be in compliance with local and state regulations. It is now safe for you to begin. Your most dangerous act, however, is yet to come: presenting your neighbor with his bill, and explaining why your costs have increased so dramatically in the three years since these regulations have been promulgated.

□ 2215

This is one story of a thousand of them out there. This is what is happening to America. This is why families are having a hard time making it.

If we take the taxes that all governments levy on the American family and we add the cost of regulation to the American family and we add some other incidental government costs, over 50 percent of the American family's income goes to some sort of cost either directly or indirectly.

No wonder the American people are fed up with the size of their Government. No wonder the American people are being shown in poll after poll done recently that they are totally discouraged with their Government and the lack of the ability for their Government to understand what is happening to the American family.

Madam Speaker, we could go on and on all night long, and we will go on every day from now until the end of the 90-day moratorium on regulations. And we hope that we raise the visibility to the American people of what is happening to them in increased consumer costs, in the lack of competitiveness, the loss of jobs that is due to overregulation of our economy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WEBER (at the request of Mr. MICHEL), for today, on account of the birth of his new baby girl, Jacqueline Victoria.

Mr. YATES (at the request of Mr. GEPHARDT), for today, on account of illness.

SPECIAL ORDERS GRANTED

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

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

Mr. RIGGS, for 5 minutes each day, on March 4 and 5.

Mr. MILLER of Washington, for 60 minutes each day, on March 4, 5, and 11.

Mr. RAMSTAD, for 5 minutes, today.

Mr. THOMAS of Wyoming, for 5 minutes, on March 5.

Mr. HASTERT, for 60 minutes each day, on March 9, 10, and 11.

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

Mr. ANNUNZIO, for 5 minutes, today.

Mr. RICHARDSON, for 5 minutes each day, on March 10 and 12.

Mr. RICHARDSON, for 60 minutes each day, on March 9, 11, and 13.

Mr. HOYER, for 5 minutes, on March 5.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. YOUNG of Florida in committee today prior to the vote on the Dannemeyer amendment in the nature of a substitute, on House Concurrent Resolution 287.

(The following Members (at the request of Mr. HASTERT) and to include extraneous matter:)

Ms. ROS-LEHTINEN in four instances.
Mr. BROOMFIELD.
Mr. WELDON.
Mr. MCGRATH.
Mr. SCHULZE.
Mr. STEARNS in two instances.
Mr. BURTON of Indiana.
Mr. SHUSTER.
Mr. VUCANOVICH.
Mr. RITTER.
Mr. MICHEL.
Mr. BALLENGER.

(The following Members (at the request of Mr. DURBIN) and to include extraneous matter:)

Mr. ORTON.
Mr. EDWARDS of California.
Mr. ANTHONY.
Mr. TALLON.
Mr. HAMILTON in two instances.
Ms. OAKAR.
Mr. ACKERMAN.
Mr. STALLINGS.
Mr. LEVINE of California.
Mr. MATSUI.
Mr. JACOBS.
Mr. RANGEL.
Mr. SCHUMER.
Mr. BERMAN.
Mr. TRAFICANT.
Mr. LIPINSKI in two instances.
Mr. MONTGOMERY.
Mr. MARKEY in three instances.
Mr. WEISS.

Mr. HUBBARD.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ROSE from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2092. An act to carry out obligations of the United States under the United Nations Charter and other international agreements pertaining to the protection of human rights by establishing a civil action for recovery of damages from an individual who engages in torture or extrajudicial killing;

H.R. 4113. An act to permit the transfer before the expiration of the otherwise applicable 60-day congressional review period of the obsolete training aircraft carrier U.S.S. *Lexington* to the Corpus Christi Area Convention and Visitors Bureau, Corpus Christi, Texas, for use as a naval museum and memorials;

H.J. Res. 343. Joint resolution to designate March 12, 1992, as "Girl Scouts of the United States of America 80th Anniversary Day";

H.J. Res. 350. Joint resolution designating March 1992 as "Irish-American Heritage Month"; and

H.J. Res. 395. Joint resolution designating February 6, 1992, as "National Women and Girls in Sports Day."

ADJOURNMENT

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

The motion was agreed to; accordingly (at 10 o'clock and 21 minutes p.m.) under its previous order, the House adjourned until Thursday, March 5, 1992, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3001. A letter from the Comptroller of the Department of Defense, transmitting one report of violation that occurred in the Department of the Navy, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

3002. A letter from the Secretary of the Navy, transmitting notification that a major defense acquisition program has breached the unit cost by more than 15 percent, pursuant to 10 U.S.C. 2433; to the Committee on Armed Services.

3003. A letter from the Secretary of Energy, transmitting the annual report of actions under the Powerplant and Industrial Fuel Use Act of 1978 during calendar year 1991, pursuant to 42 U.S.C. 8482; to the Committee on Energy and Commerce.

3004. A letter from the Secretary of Energy, transmitting the 1991 report to the Congress on energy targets, pursuant to 42 U.S.C. 7361(c); to the Committee on Energy and Commerce.

3005. A letter from the Director, U.S. Arms Control and Disarmament Agency, transmitting the fiscal year 1993 arms control impact statement, pursuant to 22 U.S.C. 2576; to the Committee on Foreign Affairs.

3006. A letter from the Deputy Secretary of Defense, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

3007. A letter from the Office of Administration, Executive Office of the President, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3008. A letter from the Secretary, Federal Trade Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

3009. A letter from the Chairman, National Endowment for the Arts, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3010. A letter from the Railroad Retirement Board, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1991, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3011. A letter from the Executive Director, U.S. Holocaust Memorial Council, transmitting the Council's annual report in compliance with the Inspector General Act Amendments of 1988; to the Committee on Government Operations.

3012. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3013. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3014. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3015. A letter from the Administrator of National Banks, Comptroller of the Currency, transmitting the annual report of consumer complaints filed against national banks and the disposition of those complaints; jointly, to the Committees on Energy and Commerce and Banking, Finance and Urban Affairs.

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. MOAKLEY: Committee on Rules. H.R. 3732. A bill to amend the Congressional Budget Act of 1974 to eliminate the division of discretionary appropriations into three categories for purposes of a discretionary spending limit for fiscal year 1993, and for other purposes; with an amendment (Rept. 102–446, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

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. ANDREWS of New Jersey:

H.R. 4376. A bill to terminate the authorities of the Overseas Private Investment Corporation, to require the Secretary of Labor to propose a plan for the organization of domestic employment and training investment corporation, and for other purposes; jointly, to the Committee on Foreign Affairs, Banking, Finance and Urban Affairs, and Education and Labor.

By Mr. BAKER:

H.R. 4377. A bill to require the Administrator of the Environmental Protection Agency to establish standards for the inclusion of radioactive materials in toxic and hazardous waste sites subject to regulation by the Administrator; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. LEVINE of California (for himself, Mr. ZIMMER, Mr. BERMAN, Mr. GEJDENSON, Mr. KYL, Mr. WAXMAN, and Mr. KASICH):

H.R. 4378. A bill to prohibit exports of dual use items to terrorist countries, and for other purposes; to the Committee on Foreign Affairs.

By Mr. OWENS of Utah:

H.R. 4379. A bill to amend the Internal Revenue Code of 1986 to permit the rapid amortization of property which is part of new domestic manufacturing facilities; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 4380. A bill to authorize the establishment of United States-Taiwan and United States-Republic of Korea free-trade areas; to the Committee on Ways and Means.

By Mr. RAHALL:

H.R. 4381. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to facilitate the reclamation and restoration of abandoned coal mine lands; to the Committee on Interior and Insular Affairs.

H.R. 4382. A bill to modify the boundaries of the New River Gorge National River, the Gauley River National Recreation Area, and the Bluestone National Scenic River in West Virginia; to the Committee on Interior and Insular Affairs.

By Mr. SERRANO:

H.R. 4383. A bill to amend the Internal Revenue Code of 1986 to permit the issuance of mortgage revenue bonds to finance the sale of certain newly constructed two family residences; to the Committee on Ways and Means.

By Mr. SIKORSKI:

H.R. 4384. A bill to amend title 5, United States Code, to provide that employees of the Veterans Health Administration excluded from subchapter II of chapter 75 of such title as a result of the enactment of Public Law 101–376 be restored to coverage under such subchapter, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 4385. A bill to amend the Railroad Retirement Act of 1974, the Internal Revenue Code of 1986, and the Railroad Unemployment Insurance Act to resolve questions of coverage under those acts, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. SMITH of Texas:

H.R. 4386. A bill to amend title 10, United States Code, to authorize the donation of excess military clothing, medical supplies, and

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sundry articles to State and local governments to assist homeless individuals; to the Committee on Armed Services.

By Mr. SUNDQUIST:

H.R. 4387. A bill to ensure that single family properties leased from the Department of Housing and Urban Development for use by the homeless have been marketed for sale for at least 60 days; to the Committee on Banking, Finance and Urban Affairs.

By Mr. TRAFICANT:

H.R. 4388. A bill to reauthorize the emergency homeownership counseling program under section 106(c) of the Housing and Urban Development Act of 1968 for fiscal years 1993 and 1994; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WILSON:

H.R. 4389. A bill to remove restrictions on Export-Import Bank financing of exports to the former Soviet republics, including restrictions on exports of goods or services involving research, exploration, or production of fossil fuel energy resources; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. ENGEL:

H.R. 4390. A bill to amend the Internal Revenue Code of 1986 to provide that the treatment of tenant-stockholders in cooperative housing corporations also shall apply to stockholders of corporations that only own the land on which the residences are located; to the Committee on Ways and Means.

By Mr. HERTEL:

H.J. Res. 432. Joint resolution designating April 26, 1992, through May 2, 1992, as "National Adult and Continuing Education Week"; to the Committee on Post Office and Civil Service.

By Mr. McGRATH:

H. Res. 388. Resolution expressing the sense of the House of Representatives that the United States should seek a final conclusive account of the whereabouts and definitive fate of Raoul Wallenberg; to the Committee on Foreign Affairs.

By Mr. RUSSO (for himself, Mr. MANTON, and Mr. ROSTENKOWSKI):

H. Res. 389. Resolution concerning peace with justice in Ireland; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

336. By the SPEAKER: Memorial of the House of Representatives of the State of Florida, relative to military retirement; to the Committee on Armed Services.

337. Also, Memorial of the House of Representatives of the State of Illinois, relative to revenue sharing programs of the U.S. Government; to the Committee on Government Operations.

338. Also, Memorial of the General Assembly of the State of Indiana, relative to the assassination of President John F. Kennedy; to the Committee on House Administration.

339. Also, Memorial of the House of Representatives of the State of Florida, relative to buy American; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GINGRICH introduced a bill (H.R. 4391) for the relief of Larry Errol Pieterse; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 78: Mr. GILLMOR and Mr. ROHRABACHER.

H.R. 301: Mr. PACKARD.

H.R. 327: Mr. PACKARD.

H.R. 467: Mr. BROWN and Mr. MINETA.

H.R. 640: Mr. GEREN of Texas.

H.R. 643: Mr. RAY and Mr. SCHAEFER.

H.R. 747: Mr. BLACKWELL, Mr. ZELIFF, Mr. GEREN of Texas, Mr. ALLEN, and Mr. SMITH of Texas.

H.R. 856: Mr. HAYES of Illinois and Mr. MCNULTY.

H.R. 860: Mr. ANTHONY, Mr. DE LA GARZA, Mr. HAYES of Illinois, Mr. KLECZKA, Mr. STARK, Mr. OBERSTAR, Mr. HARRIS, Mr. OXLEY, Mr. JONES of North Carolina, Mr. SHAYS, Mr. MCGRATH, Mr. KOPETSKI, and Mr. SCHUMER.

H.R. 886: Mr. BACCHUS.

H.R. 888: Mr. BRYANT and Mr. DEFAZIO.

H.R. 917: Mr. LEHMAN of California, Mr. OBEY, and Mr. LOWERY of California.

H.R. 951: Mr. ALLEN.

H.R. 1077: Mr. MCGRATH, Mr. RIGGS, Mr. ENGLISH, Mr. GOSS, Mrs. LLOYD, Mr. AUCOIN, Mr. RAMSTAD, Mr. LIGHTFOOT, and Mr. PALLONE.

H.R. 1188: Mr. BILBRAY, Ms. NORTON, and Mr. EVANS.

H.R. 1330: Mr. HOPKINS and Mr. NATCHER.

H.R. 1335: Mr. JEFFERSON, Mr. RINALDO, and Mr. LIVINGSTON.

H.R. 1406: Mr. FLAKE and Mr. PASTOR.

H.R. 1414: Mr. BROOMFIELD.

H.R. 1456: Mr. WALSH and Mr. ALLEN.

H.R. 1536: Mr. LIVINGSTON, Mr. GOSS, Ms. HORN, and Mr. SOLOMON.

H.R. 1543: Mr. LIVINGSTON.

H.R. 1681: Mr. TOWNS and Mr. STARK.

H.R. 1882: Mr. PETERSON of Minnesota, Mr. SANDERS, Mr. KLUG, Mr. WISE, Mr. DAVIS, Mr. MACHTLEY, and Mr. FIELDS.

H.R. 2075: Mr. FRANK of Massachusetts, Mr. STAGGERS, Mr. JEFFERSON, Mrs. MINK, Mr. HUGHES, Mr. YATES, and Mr. LEVINE of California.

H.R. 2149: Mr. MCGRATH, Mr. CLINGER, and Mr. ALLEN.

H.R. 2299: Mr. HAYES of Illinois.

H.R. 2415: Mr. GORDON.

H.R. 2437: Mr. ROSE, Mr. TRAXLER, Mr. MAZZOLI, and Mr. MCMILLEN of Maryland.

H.R. 2540: Mr. SAXTON and Mr. HAYES of Illinois.

H.R. 2569: Mr. LAGOMARSINO.

H.R. 2650: Ms. PELOSI, Mr. TOWNS, Mr. KOLTER, Mr. AUCOIN, Mr. BLAZ, Mr. TAYLOR of Mississippi, Mr. JEFFERSON, Mr. RANGEL, Mr. PASTOR, Mr. PORTER, Mr. FROST, and Mr. WALSH.

H.R. 2726: Mr. FROST.

H.R. 2743: Mr. ENGEL.

H.R. 2744: Mr. ENGEL.

H.R. 2782: Mr. LUKEN, Mr. MOODY, Mrs. LOWEY of New York, Mr. MCCLOSKEY, Mr. WILSON, Mr. TOWNS, Mr. ABERCROMBIE, Mr. ALEXANDER, Mr. SABO, and Mr. BUSTAMANTE.

H.R. 2797: Mr. DE LUGO, Mr. FRANKS of Connecticut, Mr. GORDON, Mr. GREEN of New York, Mr. GUARINI, Mrs. JOHNSON of Connecticut, Mr. KENNEDY, Mrs. KENNELLY, Mr. MCDERMOTT, Mr. MCEWEN, Mr. MORRISON, Mr. PASTOR, Mr. PANETTA, Mr. PENNY, Mr. RAMSTAD, Mr. SIKORSKI, and Mr. SISISKY.

H.R. 2798: Mr. SKELTON and Mr. MCEWEN.

H.R. 2808: Mr. HUCKABY.

H.R. 2880: Ms. OAKAR.

H.R. 3035: Mr. PETRI.

H.R. 3051: Mr. KOSTMAYER and Mr. HOCHBRUECKNER.

H.R. 3063: Mr. DEFAZIO.

H.R. 3101: Mr. TRAXLER.

H.R. 3222: Mrs. BOXER and Mr. GRANDY.

H.R. 3385: Mr. DORGAN of North Dakota.

H.R. 3386: Mr. RAVENEL.

H.R. 3393: Mr. LEWIS of Georgia, Mr. SAVAGE, and Mr. DWYER of New Jersey.

H.R. 3439: Mr. ALLEN.

H.R. 3599: Mr. JEFFERSON and Mr. DAVIS.

H.R. 3605: Mr. YOUNG of Alaska.

H.R. 3613: Mr. CONDIT, Mr. MILLER of Washington, Mr. MCMILLEN of Maryland, Mr. WAXMAN, Mr. KOPETSKI, Mr. CAMPBELL of Colorado, Mr. DEFAZIO, Mr. SCHUMER, Mr. ATKINS, Mr. BONIOR, and Mr. JOHNSON of South Dakota.

H.R. 3627: Mr. FAZIO, Mr. SKAGGS, Mr. FAWELL, Mr. SKEEN, Mr. JONES of North Carolina, Mr. BEREUTER, Mr. BACCHUS, Mr. LEWIS of Florida, Mr. BURTON of Indiana, Mr. BILIRAKIS, Mr. HOAGLAND, and Mr. INHOFE.

H.R. 3763: Mr. TOWNS, Mr. JEFFERSON, Mr. EVANS, Mr. LEHMAN of California, Mr. COX of California, and Mr. EDWARDS of California.

H.R. 3780: Mr. PACKARD.

H.R. 3782: Mr. OLVER.

H.R. 3803: Mr. FROST and Mr. FOGLIETTA.

H.R. 3887: Mr. LIGHTFOOT.

H.R. 3908: Mr. OWENS of New York and Mr. FROST.

H.R. 3939: Mr. ROYBAL, Mr. LEHMAN of Florida, Mr. JONES of North Carolina, Mr. EVANS, Mr. DOWNEY, Mr. MORAN, Mr. DIXON, Mr. JEFFERSON, Mr. JOHNSON of South Dakota, and Mr. KOSTMAYER.

H.R. 3967: Mr. NEAL of Massachusetts and Mr. PACKARD.

H.R. 3975: Mr. SWIFT, Mr. WEISS, Mr. BENNETT, Ms. SLAUGHTER, and Mr. SIKORSKI.

H.R. 3978: Mr. GAYDOS.

H.R. 3994: Mr. LIVINGSTON and Mr. RINALDO.

H.R. 3998: Mr. LAFALCE, Mr. NEAL of North Carolina, Mr. FROST, Mrs. LLOYD, and Mr. HUGHES.

H.R. 4045: Mr. CONYERS, Mr. FALEOMAVAEGA, Ms. HORN, Mr. SCHEUER, Mr. BRYANT, Mr. FASCELL, Mr. ABERCROMBIE, Mr. WAXMAN, Mr. YATES, Mr. KOLTER, Mr. EVANS, Mr. ROSE, Mr. TRAXLER, and Mr. SKAGGS.

H.R. 4051: Mr. TRAXLER and Mr. DWYER of New Jersey.

H.R. 4073: Mr. FALEOMAVAEGA and Mr. STOKES.

H.R. 4083: Mr. DAVIS, Mr. PICKETT, Mr. EVANS, Mr. PENNY, Mr. GOODLING, Mr. WELDON, Mr. RAVENEL, Mr. JEFFERSON, and Mr. GEREN of Texas.

H.R. 4092: Mr. APPLEGATE, Mr. FORD of Tennessee, and Mr. BUSTAMANTE.

H.R. 4093: Mr. HOPKINS.

H.R. 4104: Mr. MILLER of California, Mr. OWENS of Utah, Mr. COBLE, Mr. HASTERT, and Mr. OXLEY.

H.R. 4161: Mr. PORTER, Mr. COSTELLO, Mr. TOWNS, Mr. SCHEUER, Mr. BLILEY, Mr. LEHMAN of Florida, Mr. MORAN, Mr. DYMALLY, Mr. DURBIN, and Mr. FEIGHAN.

H.R. 4175: Mr. SMITH of Florida, Mr. EVANS, Mrs. KENNELLY, Mr. DIXON, Mr. ABERCROMBIE, Ms. DELAURO, Mr. ATKINS, Mr. VENTO, Mr. FROST, Mr. MARTINEZ, Mr. FORD of Tennessee, Ms. OAKAR, Mr. LEHMAN of California, Mrs. LLOYD, Mr. MILLER of California, and Mr. MOAKLEY.

H.R. 4204: Mr. WALSH, Mr. TOWNS, and Mr. FROST.

H.R. 4206: Mr. JOHNSON of South Dakota, Mr. HOCHBRUECKNER, and Mr. CAMP.

H.R. 4212: Mr. WALSH and Mr. SPRATT.

H.R. 4234: Mr. FISH, Mr. BACCHUS and Mr. SCHIFF.

H.R. 4272: Mr. SANTORUM, Mr. PAXON, Mr. ZELIFF, Mr. SKAGGS, Ms. SNOWE, Mr. GOSS, Mr. ZIMMER, Mrs. ROUKEMA, and Mr. SHARP.

H.R. 4275: Mr. CAMPBELL of California, Mr. SANTORUM, Mr. HERTEL, Mr. HYDE, Mr. MARTIN, and Mr. GALLEGLY.

H.R. 4282: Mr. WILSON, Mr. MCNULTY, Mr. ROE, Mr. BONIOR, and Mr. BRYANT.

H.R. 4319: Mr. FROST and Mr. FIELDS.

H.R. 4351: Mr. WAXMAN, Mr. MCCANDLESS, Ms. PELOSI, and Mr. ROE.

H.R. 4353: Mr. DEFAZIO.

H.J. Res. 357: Mr. YOUNG of Alaska.

H.J. Res. 371: Mr. LENT, Mr. PARKER, Mr. PRICE, Mr. RHODES, Mr. RIGGS, Mr. ROE, Mr. ROYBAL, and Mr. THOMAS of Georgia.

H.J. Res. 380: Ms. NORTON, Mr. KASICH, Mr. VENTO, and Mr. GRANDY.

H.J. Res. 385: Mr. GUARINI, Mr. GALLO, Mr. BERMAN, Mr. DWYER of New Jersey, Mr. SMITH of New Jersey, Mr. FASCELL, Mr. DIXON, Mr. SHAYS, Mr. KOSTMAYER, and Mr. JENKINS.

H.J. Res. 388: Mr. SWETT, Mr. LAFALCE, Mr. SHIFF, Mr. PANETTA, Mr. ORTIZ, Mrs. MORELLA, Mr. GRANDY, and Mr. CARPER.

H.J. Res. 390: Mrs. KENNELLY, Mr. CRANE, Mr. MILLER of California, Mr. GRANDY, Mr. YOUNG of Florida, Mr. DELLUMS, Mr. DURBIN, Mr. GINGRICH, Mr. ABERCROMBIE, Mr. LUKEN, Mr. TAUZIN, Mr. GEJDENSON, Mr. ORTIZ, Mr. DWYER of New Jersey, Mr. NAGLE, Mr. OWENS of New York, Mr. MCDADE, Mr. BUSTAMANTE, Mr. FISH, Mr. HOBSON, Mr. SAVAGE, Mr. MOAKLEY, Mr. POSHARD, Ms. KAPTUR, and Mr. ROEMER.

H.J. Res. 406: Mr. MCMILLEN of Maryland, Mr. HUGHES, Mr. WALSH, Mr. JACOBS, Mr. GREEN of New York, Mr. LAGOMARSINO, Mr. MOORHEAD, Mr. BROWDER, Mr. COUGHLIN, Mr. STARK, Mr. SMITH of New Jersey, Mr. JOHNSON of South Dakota, Mr. GRANDY, Mr. SLATTERY, Mr. BERMAN, Mr. HERGER, Mr. BARNARD, Mr. DWYER of New Jersey, Mr. MILLER of Washington, Mr. MURPHY, Mr. JENKINS, Mr. ROWLAND, Mr. HARRIS, Mr. SMITH of Texas, Mr. EMERSON, and Ms. OAKAR.

H.J. Res. 407: Mr. MCMILLEN of Maryland, Mr. FROST, and Mr. POSHARD.

H.J. Res. 412: Mr. HORTON, Mrs. BENTLEY, Mr. TRAFICANT, Mr. JONTZ, Mr. QUILLEN, Mr. ORTON, Mr. GUARINI, Mr. EMERSON, Mr. GINGRICH, Mr. COBLE, Mr. ROE, Mr. MCNULTY, Mr. DOOLITTLE, Mr. HARRIS, Mr. LAGOMARSINO, Mr. POSHARD, Mr. MARTINEZ, Mr. WOLF, Mr. RANGEL, Mr. HAMMERSCHMIDT, Mr. FROST, Mrs. LLOYD, Mr. CRAMER, Mr. MCMILLEN of Maryland, Mr. TAYLOR of North Carolina, Mr. FALEOMAVAEGA, Mr. CLEMENT, Mr. DOWNEY, Mr. STUMP, Mr. LENT, Mr. TOWNS, Mr. SCHEUER, Mr. ERDREICH, Mr. HASTERT, Ms. PELOSI, Mr. OBERSTAR, Mr. MCDADE, Mr. PAXON, and Mr. MURPHY.

H. Con. Res. 156: Mr. SOLOMON, Mr. UPTON, and Mr. DWYER of New Jersey.

H. Con. Res. 224: Mr. KLUG and Mr. LAGOMARSINO.

H. Con. Res. 250: Mr. WEISS, Mr. HARRIS, Mr. WALSH, Mr. EVANS, Mr. FROST, Mr. NAGLE, Mr. LIPINSKI, and Mr. WILSON.

H. Res. 311: Mr. IRELAND and Mr. GUARINI.

H. Res. 359: Mr. RANGEL.

H. Res. 377: Mr. LEACH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 650: Mr. JONTZ.

H. Con. Res. 210: Mr. CRANE.

H. Res. 153: Mr. BALLINGER.