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HOUSE OF REPRESENTATIVES—*Thursday, March 10, 1994*

The House met at 10 a.m.

The Reverend Dr. Lawrence R. Veatch, senior minister, First Christian Church, Jefferson City, MO, offered the following prayer:

Mighty God, Lord of History, Ruler of the Nations, we bow before You in the knowledge that we are not our own, for You are the source of our life and the end of our being. We ask Your special benediction for these whom we have elected to make decisions as our Nation confronts many serious and complex challenges. In the crucible of their debate, help them separate the wheat from the chaff, truth from falsehood, good from evil, righteousness from selfishness, and good policy from personal ambition. Give them the courage to choose what is right rather than what is merely popular or expedient. Grant them a strong faith that in pursuing Your will and love, the strength of our Nation is found. 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 Texas [Mr. SMITH] come forward and lead the House in the Pledge of Allegiance?

Mr. SMITH of Texas led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize seven Members on each side for 1-minute speeches.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1913. An Act to extend certain compliance dates for pesticide safety training and labeling requirements.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1284) "An Act to amend the Developmental Disabilities Assistance and Bill of Rights Act to expand or modify certain provisions relating to programs for individuals with developmental disabilities, Federal assistance for priority area activities for individuals with developmental disabilities, protection and advocacy of individual rights, university affiliated programs, and projects of national significance, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. HARKIN, Mr. METZENBAUM, Mrs. KASSEBAUM, and Mr. DURENBERGER, to be the conferees on the part of the Senate.

THE REVEREND DR. LAWRENCE R. VEATCH

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

Mr. SKELTON. Mr. Speaker, I take this opportunity to tell this body of the guest chaplain who is with us today, the Reverend Dr. Lawrence R. Veatch, who is the minister of the First Christian Church Disciples of Christ, located in the Missouri State Capital of Jefferson City.

A native of Dayton, WA, Reverend Veatch received his undergraduate degree in sociology from the University of Oregon. He then attended the Christian Theological Seminary in Indianapolis, IN, and was ordained in 1969 at the Oxford Christian Church in Oxford, IN.

His first service was in the First Christian Church in the hometown of another famous Missourian, Samuel Clemens, in Hannibal, MO. He faithfully served that congregation in that community as preacher, mentor, and friend. On May 11, 1991, he was given a doctor of humane letters citation from Culver-Stockton College in Canton, MO, in recognition of his outstanding contributions to Hannibal and the surrounding communities.

The Reverend Veatch gave his first sermon at the First Christian Church in Jefferson City on October 4, 1992. In the time that he has served there, Reverend Veatch has shown his dedication to his congregation and to the community.

Mr. Speaker, this incidentally is the same church that my grandfather, the late John T. Boone, served as pastor some 90 years ago.

Reverend Veatch is an active member of the Chamber of Commerce in Jefferson City and the Rotary Club, and highly respected as a leader in the Christian community.

I am truly proud to have such a distinguished leader of my church give the opening prayer to my colleagues here in the House. He has given joy to people from his hometown of Dayton, WA, to Missouri, the heartland, and now to the Nation's Capitol.

PUTTING FAMILIES FIRST BUDGET

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

Mr. THOMAS of Wyoming. Mr. Speaker, this week Congress will have the opportunity to vote on the Republican alternative to President Clinton's budget plan, entitled "Putting Families First." Putting Families First combines two traditional Republican principles—pro-family tax relief and deficit reduction. The 1990 budget deal with Congress brought on $158 billion in new taxes for Americans. President Clinton's 1993 budget deal with Congress imposed $240 billion in new taxes, including higher income taxes, higher Medicare payroll taxes, and the new 4.3 cent-per-gallon gasoline tax, among many other levies.

America needs not only deficit reduction but a different plan than the one that has led it to years of misguided

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

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tax increases. During the last four decades, the Federal income tax burden on a family of four has increased by over 250 percent as a share of family income. Senior citizens are penalized for supplementing their income by working and now face a punitive surtax on their savings and pensions. Finally, investors, entrepreneurs, and risk takers have had their incentive reduced by excessive taxation of capital and income.

The Kasich plan delivers what President Clinton could only promise; a middle-class tax cut. It does not simply shift spending from one program to another, it takes the necessary step of cutting spending.

THE ECONOMY

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

Mr. CLYBURN. Mr. Speaker, it was expected to be a fiscal failure. It was predicted to create a recipe for disaster. It was supposed to drive the economy in the gutter.

It had been compared to a deadly virus that would kill jobs, stifle economic growth, and suffocate the American people with higher taxes.

Where is this monster of economic mayhem of whom I speak? Mr. Speaker, I rise today to tell you that such a monster does not exist and is purely a myth created in the minds of those who did not believe in the efficacy of President Clinton's budget.

Instead of a monster bent on economic destruction, the President's budget—like a phoenix rising from the ashes of previous administrations—has brought about positive changes for the American people and the American economy.

Leading economic indicators are up. Consumer confidence is up. Job growth, household spending, retail sales, business investments, factory orders and housing starts also are on the rise.

Low interest rates have spurred business investments and made it possible for millions of Americans to refinance their homes.

And to those who seek to divert attention from the realities of this Nation's sound economy, the $255 million budget deficit, the lowest since 1979, should serve as a major indicator of a budget that has proven itself to be right on target.

THE REPUBLICAN BUDGET

Mr. WALKER. Mr. Speaker, later today and into tomorrow, the House will have a choice between two different budgets. One of those budgets, the Democrat budget, expands Government. It does so in their claim to do the country good.

We believe that there is another way of doing the country good, and that is to offer a plan for reform and a plan that helps the American family. If Members look at the two budgets they will find that the Democrat budget is a status quo budget. In fact, it is worse than the status quo. If we would allow the budget to simply grow automatically, we would end up with less spending and less deficit than what is included in the Democrat budget that will come to the floor in the next few hours.

In the Republican budget we offer health care reform, we offer welfare reform, we offer a crime package, and we offer the American people a $500 tax credit for every child in the family. We do so at the same time as reducing the deficit $150 billion below what the Democrats are offering on the floor.

If the American people want true reform and they want the families of this country empowered, they will support the Republicans in what we are attempting to do in this House, and that is to change the direction of America, to bring about real change in the budget process.

CONSTITUTIONAL FORUM

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

Mr. SKAGGS. Mr. Speaker, the one thing that each of us raises our hand and swears to at the beginning of each Congress is to uphold and defend the Constitution of the United States. Yet, I would speculate that it is a document that almost none of us fully understand in all its complexity, and subtlety and history.

In order to try to remedy our need for further understanding and education in constitutional issues, the gentleman from Iowa [Mr. LEACH] and I are beginning what we are calling the constitutional forum. The forum will sponsor a series of luncheon meetings for Members to discuss in depth, and we hope seriously, constitutional issues facing this body.

The first of these sessions will be this coming Tuesday, and we will feature a discussion of the war powers issue and the constitutional tension between executive and legislative authority over the use of U.S. military power.

□ 1010

We will feature the newly named counsel to the President, Lloyd Cutler, and Harold Koh, a constitutional scholar from Yale Law School, to discuss that issue. We invite all of our colleagues to join us for what we hope will be a very useful series of discussions of constitutional matters.

DON'T BYPASS LEGISLATIVE PROCESS ON HEALTH CARE

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

Mr. STEARNS. Mr. Speaker, amid all the speeches about the need to have Democrats and Republicans work together on a bipartisan and cooperative manner on health care, comes the pronouncement for the committee on Energy and Commerce that it intends to bypass subcommittee markup on this issue and go directly to full committee on the President's health care bill.

Mr. Speaker, this is yet another move to push the President's legislation through without full and open debate. Why is the normal legislative process being undermined in this instance?

We have been told that due to time constraints we will not adhere to the normal legislative process. However, the magnitude of this legislation demands that it go through the entire legislative process that is, subcommittees and then full committees prior to being considered on the House floor.

It is imperative that all members participate in the process as we move ahead. It is incumbent upon the leadership, including the chairmen of the various committees involved, that this occurs. I have advised the Energy and Commerce Committee about my desire to see a full legislative review of this issue. I reiterate here again today that the need still exists.

There is nothing to fear from full debate and participation on health care, only a better bill for all Americans can result.

BANKERS GET BIG PAY RAISES

(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, the Citicorp boss, John Reed, got a 92-percent pay raise to $4.2 million. Folks, Charles Rice, he busted the bank at Barnett by doubling his pay to $7.3 million.

Now, let me ask you something: What did these fat-cat bankers do to warrant this type of a pay raise, folks? First, they laid off or fired most of their workers. And second, they cheered on Alan Greenspan, who helped them get their fat pay raises.

What bothers me here, Congress, is you need $2 in the bank to make a $1 loan anymore in this country. If you are a small businessman, you have to kiss the banker's ring just to get a meeting. Guess what the bankers tell us: The problem with America is American workers make too much money.

Beam me up, Congress. With bankers like this, we will be lucky if we have any jobs left.

CLINTON'S NEW THREE-STRIKES-AND-YOU'RE-OUT POLICY

(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, there are three issues before the American people today.

Health care is on their minds, Whitewater is on the front page of their papers, and the Federal budget deficit is in their wallets.

The three are not unrelated.

A White House that proposes a deficit-increasing health care plan and opposes a budget-balancing amendment is not being forthright about the budget.

Nothing could more clearly illustrate where the administration is coming from or where they would like to take the Nation.

A White House staffed by people that could not handle the transactions of a small-time Arkansas Savings & Loan—and now cannot handle the investigation of it—cannot be trusted to take over operation of the Nation's entire health care system.

With deficit-increasing health care reform, Whitewater, and opposition to the balanced budget amendment, it appears that the administration is devising a novel innovation of the three-strikes-and-you're-out policy.

Regretfully for the American people, the Clinton administration just keeps on swinging, and missing.

ECONOMY'S IMPROVEMENT SHOWS COUNTRY IS BACK ON THE RIGHT TRACK

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

Mr. VISCLOSKY. Mr. Speaker, as we begin this year's budget debate it would be instructive to look back at the Republican rhetoric of last year's debate verses today's economic reality.

Last year, Mr. KASICH said, "The Democrats have the job killer program."

Mr. ARMEY added, "This plan is not a recipe for new jobs * * *. It is a recipe for disaster."

Luckily, for the American people, Mr. KASICH, Mr. ARMEY, and their Republican colleagues were dead wrong.

More than 2 million jobs have been created during the first 13 months of the Clinton administration. Already, the United States has seen 500,000 more jobs created under Bill Clinton and the Democrats than during the entire 4 years under George Bush.

The job creation has resulted in the largest drop in unemployment in 6 years and a 20-percent increase in help wanted advertising.

Mr. Speaker, the economic facts are real. In the face of unanimous Republican opposition and super-heated rhetoric, jobs are being created, the deficit is being reduced, interest rates are down, and the country is starting back on the right track.

BUREAUCRATS SHOULD NOT DECIDE WHAT IS MEDICALLY NECESSARY

(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, in defining his health care plan, President Clinton declares that every American that gets sick must get really sick.

They will have to get really sick because under the Clinton plan it will be up to seven high-level bureaucrats in Washington to decide if they really need medical help.

Under the President's plan, the National Health Board will decide what the guidelines will be in judging what they call medically necessary and appropriate treatment.

Mr. Speaker, I can not speak for all my colleagues, but I know I would not want a panel of bureaucrats deciding what is medically necessary and appropriate for me.

If I am sick, I do not plan to call the National Health Board—I do not plan to call a politician—I plan to call my doctor—that is what people outside the beltway normally do when they are sick. It works—let us not foul it up.

PERSONAL MEDICAL DECISIONS SHOULD BE LEFT UP TO PATIENTS AND DOCTORS

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

Ms. FURSE. Mr. Speaker, I rise today to discuss a part of health care reform that is critical to the American family.

As we debate health care reform, let us not forget who is the doctor and who is the patient. Doctors are qualified to prescribe what is best for a patient, and patients can follow that advice to get healthy. But I am concerned that politicians want to decide what is the right prescription for women.

Right now, 90 percent of all women have coverage for abortion services in their private insurance plans. Whether or not a person agrees with women's right to choose, it is the law, a law which allows women to make this decision with the help of their doctors and families. Politicians have no business in people's private lives. Let us make decisions about how to develop the best health care plan we can, and leave the personal decisions up to patients and their doctors.

WTOP CELEBRATES 25TH ALL-NEWS ANNIVERSARY IN MARCH

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

Mr. WOLF. Mr. Speaker, today I would like to pay special tribute to Washington's only all-news radio station—WTOP 1500-AM. For 25 years, WTOP's dedicated news professionals have been bringing us up-to-the-minute news of important events in the Nation's Capital, the metropolitan region, and from throughout the world.

The station's alumni include such distinguished names as Walter Cronkite and Connie Chung. But it is the familiar and friendly voices of Capitol Hill reporter Dave McConnell, business editor Larry Matthews, and their many noteworthy colleagues that help to keep us up to date.

Congratulations, WTOP, for a quarter-century as Washington's top all-news radio station.

THE CLINTON PLAN IS WORKING

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

Mr. GENE GREEN of Texas. Mr. Speaker, as we prepare to debate the budget resolution for fiscal year 1995 we should remember the debate that took place 1 year ago, when our Republican colleagues predicted that the sky would fall if President Clinton's budget passed. The plan passed, the sky did not fall, and our sky is clear and our economy is growing.

Since the Clinton economic plan was implemented, the growth rate for our economy has risen to 3.5 percent and inflation has remained in check. Over 2 million jobs have been created in the first 13 months of the Clinton administration. At that same time we have cut our deficit projections by 40 percent and enacted the largest budget deficit reduction plan in history.

We need to recognize that the Clinton plan is working and the Republicans refuse to recognize this. By slinging mud at the President and the First Lady over their investment history, the Republicans have shown that they are willing to do anything to sidetrack this Congress and our administration. If we allow that to happen we will be doing our Nation a great disservice.

Despite their efforts we will move ahead and pass health care reform, welfare reform, and a comprehensive crime control measure. They can either choose to be part of the solution to these problems or spend their time chasing shadows. The Whitewater case is being investigated but it should not delay health care, education, or other substantial issues. We need to get back to our jobs and off our soapboxes. We should not let the supporters of stalemate, the proponents of gridlock, and forces of darkness win by diversion.

□ 1020

A TRUE BALANCED BUDGET

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

Mr. SOLOMON. Mr. Speaker, the previous speaker was a Democrat, and he was bragging about how small these deficits are in the next 5 years under the Clinton program. Let me read them to you, ladies and gentlemen.

In 1995, $171 billion; that is small? In 1996, $166 billion; that is small? In 1977, $183 billion; that is small? It goes on and on.

In 5 years it increases the national debt by another $1 trillion, ladies and gentlemen. You are going to have a Republican alternative offered today that is going to cut those deficits substantially. you are also going to have a bipartisan balanced budget presented to this body around 4 or 5 this afternoon which actually balances the budget and begins to show surpluses at the end of that 5 years. I hope you will pay a lot of attention to this because this is a chance to turn around this sea of red ink which is ruining this country.

THE BUDGET DEFICIT REDUCTION PLAN IS WORKING

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

Mr. TUCKER. Mr. Speaker, this is correct, the prior speaker was a Democrat and he talked about the fact that 1 year ago we had a deficit reduction plan and that deficit reduction plan has already begun to work.

Contrary to the banterings of the prior speaker, who is a Republican and said that we can have much more deficit reduction, he was the same party and the same voice that said the deficit reduction plan of 1993 would not work. Let us see what has happened just 1 year later:

Growth in good-paying jobs is accelerating at 4.3 percent, industrial production is up 4.7 percent, real gross domestic product jumped up 7.5 percent; the index of leading economic indicators is up for the sixth consecutive month.

Mr. Speaker, Mr. Clinton's plan has already begun to work, and we need to support it, Republican, Democrat, Americans alike. We must continue to trust in the proven leadership of this administration and the party which has already proven to you that it gives good economic guidance.

PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 218, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1995

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 384 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 384

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the concurrent resolution (H. Con. Res. 218) setting forth the congressional budget for the United States Government for the fiscal years 1995, 1996, 1997, 1998, and 1999. The first reading of the concurrent resolution shall be dispensed with. All points of order against the concurrent resolution and against its consideration are waived. Initial general debate shall be confined to the congressional budget and shall not exceed two hours (including one hour on the subject of economic goals and policies) equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. After initial general debate, an additional period of general debate shall be confined to the subject of the amendment numbered 4 in the report of the Committee on Rules accompanying this resolution and shall not exceed one hour equally divided and controlled by Representative Kasich of Ohio and an opponent. After general debate on the subject of the amendment numbered 4, an additional period of general debate shall be confined to the subject of the amendment numbered 3 of the report of the Committee on Rules and shall not exceed one hour equally divided and controlled by Representative Mfume of Maryland and an opponent. After general debate on the subject of the amendment numbered 3, the concurrent resolution shall be considered for amendment under the five-minute rule and shall be considered as read. No amendment shall be in order except those printed in the report of the Committee on Rules. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against the amendments printed in the report are waived. If more than one amendment in the nature of a substitute is adopted, only the last to be adopted shall be considered as finally adopted and reported to the House. After the conclusion of consideration of the concurrent resolution for amendment, and a final period of general debate, which shall not exceed ten minutes equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, the Committee shall rise and report the concurrent resolution to the House with such amendment as may have been finally adopted. The previous question shall be considered as ordered on the concurrent resolution and amendments thereto to final adoption without intervening motion except amendments offered by the chairman of the Committee on the Budget pursuant to section 305(a)(5) of the Congressional Budget Act of 1974 to achieve mathematical consistency. The concurrent resolution shall not be subject to a demand for division of the question of its adoption.

The SPEAKER pro tempore (Mr. CLYBURN). 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 Florida [Mr. GOSS] pending which I yield myself such time as I may consume.

Mr. Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 384 provides for the consideration of House Concurrent Resolution 218, setting forth the congressional budget for fiscal year 1995. The rule provides for 2 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 further provides for additional periods of general debate of 1 hour each on the Kasich substitute and Mfume substitute after conclusion of the initial period of general debate. Debate time is equally divided and controlled by the proponent and an opponent.

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

The substitutes will be considered in the following order and will be debatable for 1 hour each: first, the substitute to be offered by Representative FRANK; second, the substitute to be offered by Representative SOLOMON; third, the substitute by Representative MFUME; fourth, the substitute to be offered by Representative KASICH and; fifth, the concurrent resolution as reported by the Budget Committee. The rule waives all points of order against the substitutes and the substitutes are not amendable and shall be considered as read.

After the disposition of the last substitute, the rule further provides for a period of 10 minutes of concluding debate, equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

Finally, the rule also makes in order mathematical consistency amendments as needed and as provided in section 305(a)(5) of the Budget Act and provides that the concurrent resolution is not divisible.

Mr. Speaker, this year's budget resolution incorporates President Clinton's budget request for fiscal year 1995, and implements the spending cuts mandated by last year's deficit reduction package. Under that package, the defi-

cit is projected to drop from $225 billion in fiscal year 1993 to $175 billion by fiscal year 1995—or $80 billion in a 2-year period. The resolution calls for no new taxes and does not require reconciliation.

The budget resolution sets total discretionary spending for fiscal year 1995 within the caps established by last year's deficit reduction package. Specifically, the resolution sets discretionary spending at $511.2 billion in budget authority, $6.8 billion less than the cap, and $541.1 billion in outlays, also within the cap.

For domestic discretionary spending, the resolution sets a fiscal year 1995 level of $226.6 billion in budget authority and $249.2 billion in outlays. These levels generally assume both the investments and the extensive spending cuts proposed by the President.

The President requested increases of $14.1 billion in budget authority for a number of investment programs, such as Head Start, compensatory education, crime control, WIC, health research, job training, and transportation. The budget resolution includes $13.5 billion for these programs. The budget resolution also adopts the President's reordering of spending priorities, which call for the termination of over 100 domestic discretionary programs and spending reductions in more than 300 others.

For defense, the budget resolution calls for $263.8 billion in budget authority and $270.9 billion in outlays next year. These figures are consistent with the President's request and reflect savings resulting from the administration's proposed procurement reform and reduced rent payments from Federal agencies.

The budget resolution also contains a number of modifications to the President's budget and rejects proposed cuts in the Low Income Home Energy Assistance Program, mass transit operating funds, veteran's medical research as well as the Emergency Food Assistance Program.

Finally, the budget resolution does not prejudge the debate on health care reform and does not include any specific figures for health care reform. Rather it assumes budget neutrality of any such legislation over a 5-year period.

Mr. Speaker, after 4 years of economic stagnation, the economy is once again starting to pick up. Industrial productivity is on the rise as well as business investment. The rate of unemployment is down as is the deficit and inflation. The rate of new housing starts are on the rise while mortgage rates remain low. Although we are still not out of the woods, this budget will keep us on the course to recovery.

Mr. Speaker, House Resolution 384 is a fair rule that will expedite consideration of this important resolution. I urge my colleagues to support the rule and the resolution. I reserve the balance of my time.

□ 1030

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

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

Mr. Speaker, I thank my friend, the gentleman from South Carolina [Mr. DERRICK] for yielding, and I wish to tell him that he will be missed sincerely by all of us. We wish him well in the years ahead.

Members may not realize that, under the Budget Act, budget resolutions are privileged and may be brought directly to the floor without passing through the Rules Committee. Under the normal rules of this House, any Member is supposed to have the opportunity to amend the budget resolution on the floor.

In this case today, though, the normal procedures were set aside and the Rules Committee was asked to structure debate on the budget resolution—placing limits on the involvement of Members in outlining our budget priorities for the next 5 years. Managing the public's budget and bringing down our staggering national debt is arguably one of the most important parts of every Member's job. Yet Members will only have a limited set of preselected options from which to choose as we proceed today. That is not the way it is supposed to work.

The majority seemed to have an especially strong interest in expediting this important step in our budget process today getting to the budget resolution. One might even call it rushing it through even though we are already a full 2½ weeks ahead of schedule. In its haste to move the budget resolution, the majority leadership disregarded another crucial standing procedure in this House—ignoring the normal requirement that budget resolutions be available to Members for 5 legislative days prior to voting.

Why is this important? I am holding the committee's budget resolution—it is a sizable document that contains crucial information about how we intend to parcel out the Nation's resources over the next 5 years. It is heavy reading—and it takes time to digest.

Members should have a chance to read what they are being asked to vote on before they are asked to vote. But this year, the final report on the budget resolution was not widely available to Members until Wednesday, yesterday. Since we are so far ahead of schedule, I am troubled that Members are not afforded time for reflection and study. It does not make much sense and it did not have to be this way.

Today's rule reflects the wishes of our distinguished chairman [Mr. MOAKLEY] who asked that changes to the budget resolution come in the form of complete substitutes. While I understand the reasoning behind this request and the interest in having orderly debate, significant proposals to improve our budget outline will not be heard today because of that limitation.

For instance, under this process I was not encouraged to proceed with an amendment making an additional 76 specific spending cuts for a 5-year savings of $285 billion, the socalled Spirit of '76 proposal.

Still, I could accept this limitation—had it been fairly and consistently applied to all substitutes presented. But this was not the case—in fact there were two very thoughtful, credible, and responsible substitutes that were inexplicably shutout of the process.

One, a proposal by Mr. BURTON of Indiana that I strongly support, is known as the 2-percent solution, and seeks to freeze our budget at this year's levels plus 2 percent. The gentlewoman from Maryland [Mrs. BENTLEY] offered a similar amendment and was also denied.

A second substitute not made in order, offered by the gentleman from Colorado [Mr. SCHAEFER] listed an additional $550 billion in budget cut savings over the next 5 years. Even though I agree with the chairman of the Budget Committee, the gentleman from Minnesota [Mr. SABO] that we have made some progress in reducing the deficit, I am convinced much more can and must be done to cut Federal spending on wasteful, redundant, and low-priority programs.

That is what Mr. SCHAEFER was attempting to do—and that is what my own Spirit of '76 intends to do.

Mr. Speaker, this rule does make in order 4 complete substitutes—including a comprehensive Republican budget offered by the gentleman from Ohio [Mr. KASICH] and the balanced budget approach I am proud to have worked on with my friend the gentleman from New York [Mr. SOLOMON]. In addition, we will consider proposals by the gentleman from Massachusetts [Mr. FRANK] and the gentleman from Maryland [Mr. MFUME] all of which we will hear about in detail in the hours ahead. For that, we are grateful.

I am disappointed, though, that the majority felt the need to add yet another shackle to this process—the arcane procedure known as king-of-the-hill, whereby four or five proposals are considered in a row and the last one to pass wins. Many of us would prefer to let the chips fall where they may—and let the House truly work its will—by voting on each and accepting the one with the highest vote total.

King-of-the-hill tends to reduce Members' accountability by giving them free votes, while allowing the majority a last chance to undo anything that is done and still get their budget passed.

I think I can predict exactly what budget is going to pass, and I can pre-

dict safely that after 9 hours of debate here, which is very orderly, exactly where we are going to come out, and it is going to be called the Budget Deficit Reduction Act budget for this year.

I have got to point something out at this time, as I did yesterday at the Committee on Rules meeting. On the budget deficit for this year much crowing is going on because it is only going to be a $175.3 billion deficit this year. Now we have made it not as bad as it could have been, but a $175.3 billion deficit this year alone is nothing to brag about. But the problem is that is not the true number. The true number is a much bigger deficit than that because we have not included the Social Security savings. We have simply said that those $65 or so billion dollars we are crediting against the deficit, those moneys are already predestined to go to the people who have paid into the Social Security System. They are not available to reduce the deficit, and we all know it, so that gets the deficit up to about $250, $240, $250 billion, and then, then the real problem. We have been told we are going to have health care reform this year.

Mr. Speaker, the President has stood in this very body, in this Chamber, and said that he will veto anything except certain proposals. CBO has given us a cost estimate on the one proposal so far that we know he is not going to veto, the Clinton plan. It is $130 billion. Mr. Speaker, we have two long days of thoughtful discussion ahead of us. There are strong feelings on all sides—and legitimate and deep-seated philosophical differences exist that do not necessarily run along partisan lines. While I am glad that we will have an opportunity to hear five very different visions of where our budget priorities should lie—I wish we could have opened the process up completely. For that reason, I oppose this rule.

□ 1040

Mr. Speaker, I include the following material at the end of my remarks:

ROLLCALL VOTES IN THE RULES COMMITTEE ON AMENDMENTS TO THE PROPOSED RULE ON HOUSE CONCURRENT RESOLUTION 218, BUDGET RESOLUTION FOR FISCAL YEARS 1995–1999

1. Burton (IN)—Substitute. Making each aggregate and functional total equal to fiscal year 1994 level plus 2 percent. Intended to reduce federal spending by $795.6 billion over 5 years. Directs 16 committees to report reconciliation.

Vote (defeated 4–5): Yeas—Solomon, Quillen, Dreier, Goss. Nays—Derrick, Beilenson, Frost, Hall, Slaughter. Not voting: Moakley, Bonior, Wheat, Gordon.

2. Schaefer (CO)—Substitute. Provides $550 billion in spending cuts over the next 5 years.

Vote (defeated 4–5): Yeas—Solomon, Quillen, Dreier, Goss. Nays—Derrick, Beilenson, Frost, Hall, Slaughter. Not voting: Moakley, Bonior, Wheat, Gordon.

3. Talent (MO)—Amendment to increase defense (function 050) by over $19 billion over 5 years, with offsetting cuts in general government (function 800).

Vote (defeated 4–6): Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Derrick, Beilenson, Frost, Hall, Slaughter. Not voting: Bonior, Wheat, Gordon.

4. Bentley (MD)—Amendment that directs each aggregate and functional total be changed to the fiscal year 1994 level plus 2 percent. Intended to reduce Federal spending below baseline spending levels by $795.6 billion over 5 years. Also directs the Committee of the Whole to report to the House a reconciliation bill reducing expenditures by $34.019 billion.

Vote (defeated 4–6): Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Derrick, Beilenson, Frost, Hall, Slaughter. Not voting: Bonior, Wheat, Gordon.

5. Eliminate King-of-the-Hill procedure and provide substitute adopted with most favorable votes reported back to the House.

Vote (defeated 4–6): Yeas—Solomon, Quillen, Dreier, Goss. Nays—Moakley, Derrick, Beilenson, Frost, Hall, Slaughter. Not voting: Bonior, Wheat, Gordon.

6. Adoption of Rule—

Vote (adopted 6–4): Yeas—Moakley, Derrick, Beilenson, Frost, Hall, Slaughter. Nays—Solomon, Quillen, Dreier, Goss. Not voting: Bonior, Wheat, Gordon.

OPEN VERSUS RESTRICTIVE RULES 95TH–103D CONG.

Congress (years)	Total rules granted [1]	Open rules		Restrictive rules	
		Number	Percent [2]	Number	Percent [3]
95th (1977–78)	211	179	85	32	15
96th (1979–80)	214	161	75	53	25
97th (1981–82)	120	90	75	30	25
98th (1983–84)	155	105	68	50	32
99th (1985–86)	115	65	57	50	43
100th (1987–88)	123	66	54	57	46
101st (1989–90)	104	47	45	57	55
102d (1991–92)	109	37	34	72	66
103d (1993–94)	58	12	21	46	79

[1] Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bills which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

[2] Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.

[3] Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rule, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.

Sources: "Rules Committee Calendars & Surveys of Activities," 95th–102d Cong.; "Notices of Action Taken," Committee on Rules, 103d Cong., through Mar. 10, 1994.

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.

Rule number date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 58, Feb. 2, 1993	MC	H.R. 1: Family and medical leave	30 (D–5; R–25)	3 (D–0; R–3)	PQ: 246–176. A: 259–164. (Feb. 3, 1993).
H. Res. 59, Feb. 3, 1993	MC	H.R. 2: National Voter Registration Act	19 (D–1; R–18)	1 (D–0; R–1)	PQ: 248–171. A: 249–170. (Feb. 4, 1993).
H. Res. 103, Feb. 23, 1993	C	H.R. 920: Unemployment compensation	7 (D–2; R–5)	0 (D–0; R–0)	PQ: 243–172. A: 237–178. (Feb. 24, 1993).
H. Res. 106, Mar. 2, 1993	MC	H.R. 20: Hatch Act amendments	9 (D–1; R–8)	3 (D–0; R–3)	PQ: 248–166. A: 249–163. (Mar. 3, 1993).
H. Res. 119, Mar. 9, 1993	MC	H.R. 4: NIH Revitalization Act of 1993	13 (d–4; R–9)	8 (D–3; R–5)	PQ: 247–170. A: 248–170. (Mar. 10, 1993).
H. Res. 132, Mar. 17, 1993	MC	H.R. 1335: Emergency supplemental Appropriations	37 (D–8; R–29)	1(not submitted) (D–1; R–0)	A: 240–185. (Mar. 18, 1993).
H. Res. 133, Mar. 17, 1993	MC	H. Con. Res. 64: Budget resolution	14 (D–2; R–12)	4 (1-D not submitted) (D–2; R–2)	PQ: 250–172. A: 251–172. (Mar. 18, 1993).
H. Res. 138, Mar. 23, 1993	MC	H.R. 670: Family planning amendments	20 (D–8; R–12)	9 (D–4; R–5)	PQ: 252–164. A: 247–169. (Mar. 24, 1993).
H. Res. 147, Mar. 31, 1993	C	H.R. 1430: Increase Public debt limit	6 (D–1; R–5)	0 (D–0; R–0)	PQ: 244–168. A: 242–170. (Apr. 1, 1993).
H. Res. 149 Apr. 1, 1993	MC	H.R. 1578: Expedited Rescission Act of 1993	8 (D–1; R–7)	3 (D–1; R–2)	A: 212–208. (Apr. 28, 1993).
H. Res. 164, May 4, 1993	O	H.R. 820: Nate Competitiveness Act	NA	NA	A: Voice Vote. (May 5, 1993).
H. Res. 171, May 18, 1993	O	H.R. 873: Gallatin Range Act of 1993	NA	NA	A: Voice Vote. (May 20, 1993).
H. Res. 172, May 18, 1993	O	H.R. 1159: Passenger Vessel Safety Act	NA	NA	A: 308–0 (May 24, 1993).
H. Res. 173 May 18, 1993	MC	S.J. Res. 45: United States forces in Somalia	6 (D–1; R–5)	6 (D–1; R–5)	A: Voice Vote (May 20, 1993)
H. Res. 183, May 25, 1993	O	H.R. 2244: 2d supplemental appropriations	NA	NA	A: 251–174. (May 26, 1993).
H. Res. 186, May 27, 1993	MC	H.R. 2264: Omnibus budget reconciliation	51 (D–19; R–32)	8 (D–7; R–1)	PQ: 252–178. A: 236–194 (May 27, 1993).
H. Res. 192, June 9, 1993	MC	H.R. 2348: Legislative branch appropriations	50 (D–6; R–44)	6 (D–3; R–3)	PQ: 240–177. A: 226–185. (June 10, 1993).
H. Res. 193, June 10, 1993	O	H.R. 2200: NASA authorization	NA	NA	A: Voice Vote. (June 14, 1993).
H. Res. 195, June 14, 1993	MC	H.R. 5: Striker replacement	7 (D–4; R–3)	2 (D–1; R–1)	A: 244–176.. (June 15, 1993).
H. Res. 197, June 15, 1993	MO	H.R. 2333: State Department. H.R. 2404: Foreign aid	53 (D–20; R–33)	27 (D–12; R–15)	A: 294–129. (June 16, 1993).
H. Res. 199, June 16, 1993	C	H.R. 1876: Ext. of "Fast Track"	NA	NA	A: Voice Vote. (June 22, 1993).
H. Res. 200, June 16, 1993	MC	H.R. 2295: Foreign operations appropriations	33 (D–11; R–22)	5 (D–1; R–4)	A: 263–160. (June 17, 1993).
H. Res. 201, June 17, 1993	O	H.R. 2403: Treasury-postal appropriations	NA	NA	A: Voice Vote. (June 17, 1993).
H. Res. 203, June 22, 1993	MO	H.R. 2445: Energy and Water appropriations	NA	NA	A: Voice Vote. (June 23, 1993).
H. Res. 206, June 23, 1993	O	H.R. 2150: Coast Guard authorization	NA	NA	A: 401–0. (July 30, 1993).
H. Res. 217, July 14, 1993	MO	H.R. 2010: National Service Trust Act	NA	NA	A: 261–164. (July 21, 1993).
H. Res. 220, July 21, 1993	MC	H.R. 2667: Disaster assistance supplemental	14 (D–8; R–6)	2 (D–2; R–0)	PQ: 245–178. F: 205–216. (July 22, 1993).
H. Res. 226, July 23, 1993	MC	H.R. 2667: Disaster assistance supplemental	15 (D–8; R–7)	2 (D–2; R–0)	A: 224–205. (July 27, 1993).
H. Res. 229, July 28, 1993	MO	H.R. 2330: Intelligence Authority Act, fiscal year 1994	NA	NA	A: Voice Vote. (Aug. 3, 1993).
H. Res. 230, July 28, 1993	O	H.R. 1964: Maritime Administration authority	NA	NA	A: Voice Vote. (July 29, 1993).
H. Res. 246, Aug. 6, 1993	MO	H.R. 2401: National Defense authority	149 (D–109; R–40)		A: 246–172. (Sept. 8, 1993).
H. Res. 248, Sept. 9, 1993	MO	H.R. 2401: National defense authorization			PQ: 237–169. A: 234–169. (Sept. 13, 1993).
H. Res. 250, Sept. 13, 1993	MC	H.R. 1340: RTC Completion Act	12 (D–3; R–9)	1 (D–1; R–0)	A: 213–191–1. (Sept. 14, 1993).
H. Res. 254, Sept. 22, 1993	MO	H.R. 2401: National Defense authorization		91 (D–67; R–24)	A: 241–182. (Sept. 28, 1993).
H. Res. 262, Sept. 28, 1993	O	H.R. 1845: National Biological Survey Act	NA	NA	A: 238–188 (10/06/93).
H. Res. 264, Sept. 28, 1993	MC	H.R. 2351: Arts, humanities, museums	7 (D–0; R–7)	3 (D–0; R–3)	PQ: 240–185. A: 225–195. (Oct. 14, 1993).
H. Res. 265, Sept. 29, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D–1; R–2)	2 (D–1; R–1)	A: 239–150. (Oct. 15, 1993).
H. Res. 269, Oct. 6, 1993	MO	H.R. 2739: Aviation infrastructure investment	N/A	N/A	A: Voice Vote. (Oct. 7, 1993).
H. Res. 273, Oct. 12, 1993	MC	H.R. 3167: Unemployment compensation amendments	3 (D–1; R–2)	2 (D–1; R–1)	PQ: 235–187. F: 149–254. (Oct. 14, 1993).
H. Res. 274, Oct. 12, 1993	MC	H.R. 1804: Goals 2000 Educate America Act	15 (D–7; R–7; I–1)	10 (D–7; R–3)	A: Voice Vote. (Oct. 13, 1993).
H. Res. 282, Oct. 20, 1993	C	H.J. Res. 281: Continuing appropriations through Oct. 28, 1993	N/A	N/A	A: Voice Vote. (Oct. 21, 1993).
H. Res. 286, Oct. 27, 1993	O	H.R. 334: Lumbee Recognition Act	N/A	N/A	A: Voice Vote. (Oct. 28, 1993).
H. Res. 287, Oct. 27, 1993	C	H.J. Res. 283: Continuing appropriations resolution	1 (D–0; R–0)	0	A: 252–170. (Oct. 28, 1993).

OPEN VERSUS RESTRICTIVE RULES: 103D CONG.—Continued

Rule number date reported	Rule type	Bill number and subject	Amendments submitted	Amendments allowed	Disposition of rule and date
H. Res. 289, Oct. 28, 1993	O	H.R. 2151: Maritime Security Act of 1993	N/A	N/A	A: Voice Vote. (Nov. 3, 1993).
H. Res. 293, Nov. 4, 1993	MC	H. Con. Res. 170: Troop withdrawal Somalia	N/A	N/A	A: 390–8. (Nov. 8, 1993).
H. Res. 299, Nov. 8, 1993	MO	H.R. 1036: Employee Retirement Act–1993	2 (D–1; R–1)	N/A	A: Voice Vote. (Nov. 9, 1993).
H. Res. 302, Nov. 9, 1993	MC	H.R. 1025: Brady handgun bill	17 (D–6; R–11)	4 (D–1; R–3)	A: 238–182. (Nov. 10, 1993).
H. Res. 303, Nov. 9, 1993	O	H.R. 322: Mineral exploration	N/A	N/A	A: Voice Vote. (Nov. 16, 1993).
H. Res. 304, Nov. 9, 1993	C	H.J. Res. 288: Further CR, FY 1994	N/A	N/A	
H. Res. 312, Nov. 17, 1993	MC	H.R. 3425: EPA Cabinet Status	27 (D–8; R–19)	9 (D–1; R–8)	F: 191–227. (Feb. 2, 1994).
H. Res. 313, Nov. 17, 1993	MC	H.R. 796: Freedom Access to Clinics	15 (D–9; R–6)	4 (D–1; R–3)	A: 233–192. (Nov. 18, 1993).
H. Res. 314, Nov. 17, 1993	MC	H.R. 3351: Alt Methods Young Offenders	21 (D–7; R–14)	6 (D–3; R–3)	A: 238–179. (Nov. 19, 1993).
H. Res. 316, Nov. 19, 1993	C	H.R. 51: D.C. statehood bill	1 (D–1; R–0)	N/A	A: 252–172. (Nov. 20, 1993).
H. Res. 319, Nov. 20, 1993	MC	H.R. 3: Campaign Finance Reform	35 (D–6; R–29)	1 (D–0; R–1)	A: 220–207. (Nov. 21, 1993).
H. Res. 320, Nov. 20, 1993	MC	H.R. 3400: Reinventing Government	34 (D–15; R–19)	3 (D–3; R–0)	A: 247–183. (Nov. 22, 1993).
H. Res. 336, Feb. 2, 1994	MC	H.R. 3759: Emergency Supplemental Appropriations	14 (D–8; R–5; I–1)	5 (D–3; R–2)	PQ: 244–168. A: 342–65. (Feb. 3, 1994).
H. Res. 352, Feb. 8, 1994	MC	H.R. 811: Independent Counsel Act	27 (D–8; R–19)	10 (D–4; R–6)	PQ: 249–174. A: 242–174. (Feb. 9, 1994).
H. Res. 357, Feb. 9, 1994	MC	H.R. 3345: Federal Workforce Restructuring	3 (D–2; R–1)	2 (D–2; R–0)	A: VV (Feb. 10, 1994).
H. Res. 366, Feb. 23, 1994	MO	H.R. 6: Improving America's Schools	NA	NA	A: VV (Feb. 24, 1994).
H. Res. 384, Mar. 9, 1994	MC	H. Con. Res. 218: Budget Resolution FY 1995–99	14 (D–5; R–9)	5 (D–3; R–2)	

Note.—Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ: Previous question; A-Adopted; F-Failed.

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

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I support the rule, but I will oppose the budget. I mean no offense to the Democrats. I will also oppose the Republican version of the budget. I think both the Democratic and Republican versions are misguided, and I want to disassociate myself from both of them, for the following reasons:

There are some good things in the Democratic budget, there are some good things in the Republican budget, but the truth is that we keep and continue on with the same economic program in America and we are rearranging the deck chairs with all these tax manipulations.

The truth is that we have got to change the way we tax and raise revenue in our country. Everybody is talking about spending, and on one is focusing on revenue.

Here is the way America works, Democrats and Republicans both: No. 1, if you work hard, very hard, you are penalized and you are zapped for it. It is time to at least look at reducing our income taxes with a flat tax on income and coupling them with a tax on spending.

There is a whole second economy called The Street that we are subsidizing with prisons that our working people could benefit from if we would at least look at some alternatives. But the truth is that no one is talking about that. The reason is there is really no difference between Democrats and Republicans.

I listen to the abortion rap, I listen to the gun rap and the death penalty business, but when it comes to taxes and trade and the way we do business, there is not one bit of difference here, and no one is reading the frustration of the American people. No one is even analyzing that frustration, and it is there. The American people are simply taxed off.

Here is where we go: We are now going forward against the rich again. We are going to hit the rich.

We are moving into class wars in this country. We have already chased the rich people's factories and their jobs out of the country. I say, "Now, watch, Congress, that you don't chase their money and their savings out of this country."

We should be incentivizing the Tax Code so the rich people would be putting their money into America in the form of investments and hiring American workers. We are not doing that.

For all of those who are looking at these rosy pictures, I would point out that individual personal income dropped three-tenths of 1 percent in the last quarter while individual spending and borrowing raised one-half of 1 percent. That is not wages, I say to the Congress. It is debt, individual debt, business debt, national debt, and the truth is that we are doing nothing. Democrats and Republicans both are doing absolutely nothing. We are not even studying an alternative to the way we tax in our own country.

I want to close out and basically ask this: Why would you invest in America with the IRS and Social Security down your throats, with Workman's Compensation and Unemployment Compensation, EPA, OSHA, banking regulations, and security regulations?

I say, "Folks, what are we doing?" What is the cost of wages in our country? Why have we driven our people out? It is not because they are not patriots. Congress continues to develop budgets here that rearrange those deck chairs by adding another wrinkle to another 5-year bill.

I am trying to figure this out: Is this the year of the Clinton 5-year bill, or is this the first of another 5-year deal Congress is bringing up?

Where is Gramm-Rudman that was supposed to balance the budget in 1991? It started at $200 billion in 1986. It was $320 billion in 1991. It is not working, I say to the Congress. The American people know it is not working, and it is Democrats and Republicans who are going to argue about some fine print in their different versions, but there is not a damn bit of difference in either budget from either party.

Mr. Speaker, I want to disassociate myself from it. I appreciate the President's action in taking some of the steps he has taken. I would hope that he would not have fallen into the same team of Washington, DC, advisers that have grabbed the last five Presidents. To tell you the truth, I do not know what is in the White House anymore. Democrat or Republican, it makes no difference.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Colorado [Mr. SCHAEFER].

Mr. SCHAEFER. Mr. Speaker, I thank the gentleman for yielding this time to me. I rise today in opposition to this rule.

President Clinton may be content with a deficit of only $170 billion next year, but taxpayers are not. To put this Government on the path toward a balanced budget, I offered a substitute amendment to the budget resolution that orders another round of deficit reduction under a reconciliation process. That substitute was not made in order, and I will oppose this restrictive rule.

The Schaefer substitute ordered House committees must find $560 billion in savings over the next 5 years—without tax increases.

Best of all, the reconciliation bill is already written, in the form of H.R. 3958, The Fiscal Responsibility Act of 1994. This bipartisan package of 150 spending cuts, which I introduced last week, specifies line-by-line, program-by-program, how to achieve the savings required by the Schaefer budget substitute.

Although my substitute was turned down, I urge my colleagues to take a hard look at my bill, on which the substitute was based. The Fiscal Responsibility Act is the only bill before Congress that provides the details necessary to finally stem the flood of red ink from the U.S. Treasury.

Mr. Speaker, I do support the Solomon approach which is near the Penny-Schaefer substitute, and I think it is probably the only way to go at this point in time.

Mr. Speaker, I thank the Members for all the hard work they have done on this legislation.

Mr. DERRICK. Mr. Speaker, for the purposes of debate only, I yield 2 min-

utes to the gentleman from New Mexico [Mr. RICHARDSON], the distinguished deputy majority whip.

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

Mr. Speaker, a year ago our friends on the other side were predicting economic disaster if we passed the budget resolution. Alan Greenspan, the Chairman of the Federal Reserve Board, recently commented that we are seeing the best economic outlook we have seen in decades.

The fact is that because of the budget resolution we passed last year, the economy is growing all the way from Wall Street to main street.

This budget is a tough budget. It cuts the deficit to $171 billion, the lowest figure we have seen in 5 years.

□ 1050

It continues the successful spending cuts of the Committee on the Budget last year, cutting more than the President did, initiates over 100 Federal programs being killed and 200 others drastically reduced.

Discretionary spending in 1995 is below last year's dollar level, and total Federal spending is at its lowest level in 15 years. At the same time, we are investing in people; $13.6 billion of the President's $14 billion request for new initiatives are in education, training, research and development, infrastructure, health, and human services.

The reason that we are not having such a heated debate, watched by everybody in the world, is because the economy is in good shape, and this budget resolution is another step in the right direction.

Mr. Speaker, we have a budget resolution that reduces the deficit at a time when the economy is growing, 2 million jobs created in 1993, 70 percent more private sector jobs in 1 year than were created in the previous 4 years. Unemployment is way down. The deficit is down. Interest rates are at a 25-year low, and as a result, 5 million Americans have been able to refinance their home.

Mr. Speaker, let us pass this budget to continue this economic growth in this country.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from the Commonwealth of Pennsylvania [Mr. GEKAS].

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

Mr. Speaker, a long time ago the Congress passed a statute to bind itself on a fiscal year to complete its appropriations by September 30 of every year. That is the law. Congress passed the law against itself to bind itself. Almost every year since I have been here, at least 9 years out of the 12 that I have been here, we have failed to meet that deadline. So what does the Congress resort to to try to continue its business? It forms a continuing resolution, a temporary set of appropriations, until the time that the final appropriations can be passed.

Well, that has caused a lot of mischief. No. 1, it permits the people who control the budget, the appropriators, to favor certain projects and to slip in certain appropriations that we never had contemplated in the original consideration of the bills. Mischief.

No. 2, it has permitted 9 times in the last 12, it has allowed, the Federal Government to come to a halt. That is, there was an absence of Government in our country for given periods of time during the after September 30 period until a new budget was allowed.

Worst of all, this occurred one time when our Armed Forces were amassing in Saudi Arabia during Desert Shield in 1990. Here we were, our young fellow Americans were all poised for the big battle that was to come in Desert Storm, all ready with their weapons, and the Government of the United States shut down because the Congress did not pass the appropriations to make the Government run.

Now, that is outlandish, outrageous, and an abdication of the duty of the Congress to the Armed Forces and to the entire country.

What have we done since then? I have introduced time and time again a bill that would call for instant replay. That is to say that on October 1, if appropriations bills have not been passed by the deadline, midnight of September 30, then on October 1, it would be an instant replay, an instant adoption, automatic adoption, of last year's appropriations.

This would guarantee a continuum of appropriations until the Congress is ready to act on the full appropriations. And what is even better, it will prevent forever the Government from shutting down, which is an outrage and an insult to the American people.

Mr. Speaker, this is not a scheme on my part which has no support. The GAO, in its report on this very same cycle of failure to meet the September 30 deadline, issued the report which came to every Member, and, lo and behold, to the great satisfaction of my ego, they mentioned in a footnote that my bill was introduced that could go a long way in curing this malady of our budget process.

Now again, this year I presented it to the Committee on Rules, a sense of the Congress to do exactly that same thing, and I was smacked in the face again. But I am going to get up from my floor position and fight again whenever I can.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Indiana [Mr. ROEMER].

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

Mr. Speaker, I think it was the poet Shelly that said that children need to believe in belief. And I think what that means is that our children in America need to be able to believe in their dreams. They need to be able to believe in childhood. They need to be able to believe in that elf that whispers in their ear and talks about Santa Claus, or the beauty of being what ever you want to be when you grow up.

It is too often times in the America of today that we see here in Washington, DC, where young people are shooting each other in the streets, and now in the schools, that our children do not have this opportunity to dream. They do not have the opportunity to believe in belief, and they never are children.

I went before the Committee on Rules yesterday to propose what I thought was a reasonable amendment to the budget, because the budget is the appropriate place to do this. And my amendment would have done two things: It would have cut the intelligence budget by 5 percent over 5 years, and eliminated the D5 Trident missile program, accumulating to about $11.8 billion in cuts, and taken that $11.8 billion and put it into a Children's Initiative for America, another CIA.

Mr. Speaker, I believed putting this money in initiatives for children, like the Women, Infants, and Children [WIC] Program, the immunization program for children, the Head Start Program for children, would begin to give so many of these children in America this opportunity to live the kind of life and to fulfill the kind of dreams that we think the American dream is about. That is the opportunity to do better than our parents did.

Mr. Speaker, that amendment was not agreed to, and I am disappointed. I also thought there was precedent for that amendment to be agreed to by the Committee on Rules

In 1989 the Committee on Rules allowed an amendment offered by the gentleman from California, Mr. Panetta, now our OMB Director, to offset money, to put more money toward the veterans services. In 1991 the Committee on Rules allowed an amendment by Mr. FORD to offset with cuts roughly a $400 million increase in the education account, a function 500 account. And I am hopeful that we will begin to get more and more of a groundswell. Mr. Raspberry in a column in the Washington Post said that we need a children's movement, a children's crusade. We need a groundswell of Members in Congress to get these kinds of amendments put before this distinguished body, so that we can invest in our most precious human resources, our children.

Mr. Speaker, while I am disappointed that this amendment was not allowed by the Committee on Rules, I do have to say that the gentleman from Minnesota, Mr. SABO, working very closely with President Clinton, has come up with a very good budget, I think a

budget that will increase, although I would like to see it increase even more, funding in programs such as WIC, Head Start, and children's immunizations. I think the gentleman from Minnesota [Mr. SABO] has done yeoman's work on the bill.

Mr. Speaker, the gentleman from Minnesota [Mr. SABO] has worked very closely with the Clinton administration on a host of goals, and done a very very good job with a very very arduous task.

In that light, I intend to support the rule. I intend to work with the gentleman from Minnesota [Mr. SABO] on the appropriations and authorization bills, to try to achieve what my amendment would have achieved on the budget resolution. And I look forward to more members working through the children's working group that I have established here in Congress to try to get more attention paid to these amendments.

Mr. Speaker, I thank the Committee on Rules and thank the distinguished chairman of the Committee on the Budget, and look forward to voting for this rule and working on a budget that is in the best interest of American and the best interests of our children of America.

Mr. GOSS. Mr. Speaker, I yield 3 minutes and 30 seconds to the distinguished gentleman from Missouri [Mr. TALENT].

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

Mr. Speaker, I understand the need to order debate to foreclose issues when we are discussing a broad budget like this, issues which may be particular to a particular district, which may be particularly political or partisan in nature. That is why I understand the need for the Committee on Rules to exercise some control over this whole process.

The Committee on Rules ought not to be used, however, to foreclose issues which are national in nature, while cannot be discussed realistically at any other point, and which are not political or partisan. I think that has happened with this rule.

It is the reason I will oppose it, because we are not going to be able to fully debate a very vital issue. That is the question of how much this country is going to spend on national defense this year.

Mr. Speaker, it is important to outline what has happened in the last few years. Many Members are not aware of it. Many members of the public are not aware of it. Defense spending has been reduced in this country by 35 percent in real terms since 1986, at the same time as domestic spending has gone up by over 30 percent, at the same time as the need for greater conventional power has increased and not decreased as a result of the collapse of the Soviet Union.

The bipolar nature of the world up through about the late eighties suppressed conventional kinds of conflicts. We would not have had a Desert Storm 10 years ago. Because there were two major powers standing off against each other with nuclear weapons, it was very unlikely that those kind of regional conflicts would emerge or at least would emerge to that kind of an extent. So we are in more serious danger of conventional conflicts than we used to be at the same time as defense spending has been decreasing.

The result of that is the hollowing out of America's defenses, which I have reported on to the Congress in a number of special orders.

My amendment targeted this by taking $20 billion over the next 5 years in the budget resolution from overhead, from the legislative budget, from executive overhead, and putting it into national defense and addressing two of the worst areas in which we are hollowing out. One of them is pay.

As we reduce defense forces, we have got to have high-quality people. The only way to do that is pay them what we need to pay in order to get good-quality people on the forces. We are projecting now 1.6-percent pay increases, which is substantially below inflation, below the formula that this Congress had set for pay increases in the past.

My amendment would have raised it to 2.6 percent or restored what we had been doing in the past.

The other crucial area is modernization. As you reduce the number of troops you have in the Army, it is essential, there is a consensus on this, that each soldier be able to protect himself better and to pack more firepower. We cannot afford either in terms of the lives of our people or the objectives of the country to be losing one person for every person that the enemy may lose in the event of battle. To do that, you have to have modernization.

The Army's budget for modernization was cut 25 percent last year alone for the next 5 years. It was cut 25 percent in 1 year. My amendment would have restored $10 billion approximately over the next 5 years which is the minimum amount necessary.

Mr. Speaker, the only way to consider this defense issue without getting tied up in all the other issues and all the partisan politics is to have a discrete amendment doing nothing to the committee's budget but taking some money from a domestic spending area and putting it into defense. If we cannot do it in that context, the House will never have a chance to express an opinion on it in the course of debating the budget resolution. And this is the only time we can, because as the Members are aware, if we do not change the budget caps during the budget resolution, budget resolution process, we cannot do anything when we debate the actual authorization or appropriation bill later on.

Mr. Speaker, the primary responsibility of the Government is to raise and fund the national defense and protect the lives of our soldiers and the security of our people. I urge the House to defeat the rule so we can consider an amendment that would put that issue before the House.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Minnesota [Mr. SABO], the distinguished chairman of the Committee on the Budget.

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

I rise to commend him for this rule. It is a fair rule. It allows a variety of alternatives to be considered and debated by this Congress.

But more importantly, I would like to say to the gentleman from South Carolina how much I and the whole House are going to miss him. The work he does on the Committee on Rules is going to be missed. The work he does as an individual member representing his district, it is going to be missed.

The work he does as a whip is going to be missed. He is truly one of the Members of this Congress that will leave a big hole, and all of us deeply appreciate the thoughtfulness which he brings and has brought to public service. We look forward to working with him for the balance of the year and wish him well in the future.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. BATEMAN].

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

Mr. Speaker, this will be the 12th year in which I have had a very modest role in the deliberations on a budget resolution, and this year is no exception. I have not met a budget resolution I like. I do not like all or any of the alternatives presented, but the fact of the matter is, we must, of course, under our budgetary procedures, have a budget resolution.

I rise today to express my concern primarily over the failure of the Committee on Rules to have made in order an amendment, which I presented to them, which would have allowed to be considered an amendment to the Republican budget resolution alternative, which would have restored funding for the Federal Impact Aid to Education Program, a program vitally important to my district, but also important to perhaps 100 or more other districts throughout America.

Federal Impact Aid to Education is critically important to the financial viability of education systems in numerous school districts within my district in Virginia, as it is to many others that have a significant Federal impact.

It is a program where the Federal Government is doing something which it is only right and appropriate that they do in absorbing the impact of the present Federal activities which detract from the tax base and resources of local communities with which to support the educational system that provides the educational services to Federal, military, and civilian employees.

I think it is a serious mistake not to have permitted consideration of an amendment that has that broad a sweep.

In the budget resolutions that come before us, I am going to be supporting the Republican alternative, not because I like all that is in it. There is much in it I do not like. My understanding of a budget resolution is that it sets parameters. It makes assumptions as to programmatic activity, but it does not legislate programmatic conclusions.

Consequently, I find myself able to support the Republican alternative because I think its major thrust is the soundest of all the alternatives before us. It would have been better had we been able to modify some of its provisions rather than having to appear to be giving an imprimatur to all aspects of it, when there are significant parts of it which could be improved by modification or even some elimination.

I regret very much not to be able to support this rule, and I understand the difficulty of the Committee on Rules in a totally open rule on a budget resolution. But certainly, there are very significant amendments that members have chosen to offer, wanted to offer, but this rule permits them from doing so. I think, therefore, it is dificient.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from greater downtown metropolitan San Dimas, CA [Mr. DREIER].

Mr. DREIER. Mr. Speaker, I thank my friend, the gentleman from Sanibel, FL, for yielding time to me.

I guess on our side, we are going to have Committee on Rules' members sort of wrapping things up. So I will try not to take all of the remaining time of the gentleman from New York [Mr. SOLOMON].

Let me say that we are opposing this rule, Mr. Speaker, for a number of reasons. And I would like to focus for just a moment on an issue here that we have tried to address in the past and last night when we were marking this rule up. I offered an amendment to try and address it. Unfortunately, it was defeated.

We have this marvelous sounding provision called the king of the hill procedure. The king of the hill procedure, based on the structure that we have, says that the last amendment that passes is the one that actually is implemented. It seems to me that that is not a real king of the hill procedure.

When I was a kid, and I know many of the rest of my colleagues all played that game of king of the hill, it was who got to the top of the hill and was actually able to survive.

Unfortunately, we have this king of the hill procedure which allows basically a bait and switch. We can cast a vote on an item and end up with something else. We can be drawn into a proposal and end up with something else. Why? Well, we have five substitutes that are called for under this rule.

We have proposals that bring about great reductions, the Solomon substitute, the Kasich substitute.

Every Member here will have an opportunity to vote for those, making the claim that they voted to bring about reductions in spending, yet if we end up voting for the last substitute, which does not bring about the kind of meaningful spending cuts that we believe are necessary and that the American people believe are necessary, those earlier votes that they have cast will not count. And the last one is the only one that counts.

So, what will Members be able to do. They will be able to say yes, of course, I voted to bring about those cuts by supporting this Solomon effort to be specific on measures that should be reduced. But they will not be accountable for it.

Mr. Speaker, we should end this king of the hill procedure or at least put into place a meaningful king of the hill procedure so that substitute, the proposal which gets the largest number of votes is the one which we actually pass.

Let us defeat this rule, come back with a king of the hill procedure which is meaningful, and does what we believe should be done and that is bring about the accountability that is necessary, and pass a budget that will be acceptable to the American people. I thank my friend for yielding.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, it is spring, it is budget time, and the minority is going to be run over—again. The majority suggests this is good. I think not.

Today, America will see the President's budget, which includes few cuts and many taxes. The Democrats assure us that the road to prosperity is paved with taxes.

This is an argument I have never understood: How can you and I be more prosperous if the Government takes our money? We have less, so how can we be more prosperous?

The majority claims it is time for hard choices. I agree, but those choices can never be made if they are not brought to the floor.

Mr. BURTON has formulated his freeze plus 2 percent solution which would balance the budget by the year 2001.

My plan is similar to Mr. BURTON's—the only real difference being my reconciliation language instructs the Committee of the Whole to reduce expenditures by $34 billion.

This is a novel approach—permissible under the rules. Such an approach would give all Members a chance to participate in the budgetmaking process—the only way we can take the budget process out of the back rooms and onto C-Span for the public to see.

This is the only time the whole budget would be in front of Congress, and all Members should be allowed to offer their alternatives, to offer specific budget cuts.

But they are not. Instead, Members are required to submit a complete budget document, one that includes CBO projections.

Such a task is daunting when you consider a sample budget is a minimum of 60 pages long—each page replete with endless line items.

So what has happened? Most Members have resigned themselves to spectator status because they lack the staff to draft such a document.

Under the Budget Act, any budget line item increasing spending must be balanced by a corresponding cut from someplace else.

Americans want the merits of honey subsidies, highways, and defense debated—weighed one against the other.

Since I first proposed an across-the-board freeze in 1988, I have talked to many people from farmers to seniors to veterans to Federal workers. They all say the same thing: "The budget should not be balanced on my back alone." All of them have been willing to shoulder the burden—if everyone else also does.

Equity, and equity alone, should drive the budget talks.

Vote down the rule, so all Members can participate in the debate.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Speaker, I rise to commend the chairman and the members of the House Committee on the Budget for producing a bill of which they and this Congress can be justifiably proud.

In an economic and political environment in which nothing large or small is attempted without a wary eye toward cost, the committee has produced a budget measure that embodies the same responsible fiscal behavior that Americans demanded of last year's budget.

Although this budget resolution differs somewhat from President Clinton's original proposal to Congress, it continues the fiscal constraint that was reintroduced to Government with last year's budget—the first budget of this administration. As a result, this proposal brings the 1995 Federal deficit

down to $175.3 billion, the lowest level in 5 years. It is more than $100 billion below the projection made by CBO in January 1993.

There is yet another accomplishment in this budget proposal for which the committee is to be commended. It is a difficult accomplishment and one more intimate to individual Americans than are the arithmetic puzzles offered them by Federal number-crunchers. In continuing this administration's precedent of well-targeted outlays, this is a very human budget as much as it is a Government budget.

The budget presented to us today has as its guidance the needs of individuals and families. It contains funding for emergency food assistance, for badly needed mass transit, and for home energy assistance. Although it achieves the lowest deficit since 1975 when measured against the size of the economy, it funds new initiatives in education and training, in health and human services, in crime control, and in community development. This budget is geared to continue the rise in employment that Congress and the administration accomplished with the preceding budget.

The proposal which the House Committee on the Budget has crafted and set before us for consideration seeks not to further burden American citizens, but rather to free them from their burdens.

One of the most loved members of this Chamber, the late Speaker Tip O'Neil, used to caution that "All politics is local." This budget reflects the best kind of local politics. It is a reflection of a Congress that has used as its guidance the needs of the people in the cities, towns, and counties throughout this country. As those people have articulated their needs to us, so the committee has directed the impact of its good fiscal judgment where it will most directly meet those needs.

My congratulations to the members of the Budget Committee for their skilled accomplishment of a most difficult task.

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

Mr. Speaker, my intent here is to make a remark, use a little of our time, and then yield to the gentleman from New York [Mr. SOLOMON] to close for the balance.

Mr. Speaker, all I want to add to the remarks of my colleague from California, Mr. DREIER, about the king of the hill is this: the trouble with the king of the hill is you do not get the best of the rest, you have a bunch of losers left at the bottom of the hill, and that is why we do not like the king of the hill, because the best of the rest has some good stuff in it.

And the other point I want to make is about the deficit: when we are talking about the ship of state and the deficit, we do not want to brag because the ship sink sank in 1,000 feet of water rather than 120,000 feet of water. The point is not to let the ship of state sink under the deficit at all. And that is why we have to get rid of the deficit.

Mr. Speaker, I yield the balance of my time to the distinguished gentleman from New York [Mr. SOLOMON], ranking member of the Committee on Rules, has an outstanding substitute amendment for us.

Mr. SOLOMON. I thank the gentleman for yielding the time.

Mr. Speaker, even though the rule that we are about to vote on does make in order my personal balanced budget substitute, I do have to oppose the rule because, Mr. Speaker, the House again is not being allowed to work its will.

And we had a number of Members of Congress, all respectable Members, Democrats and Republicans, that came before the Rules Committee yesterday, with good ideas that ought to be brought to the floor of this House. And those good ideas are not going to be allowed.

The gentleman from California [Mr. CONDIT] was one, the gentleman from Indiana [Mr. ROEMER] was another, and on our side of the aisle we have Mrs. BENTLEY who has a different approach to balancing the budget than I do with my specific cuts. Hers would limit line item increases to 2 percent. The gentleman from Florida [Mr. GOSS] has talked about the Burton substitute and Schaefer's and his own specific cuts, and Mr. Speaker, the House is not being allowed to work its will and that is why we really should defeat this rule and let the other credible substitutes be brought on the floor so that every Member is not discriminated against.

□ 1120

Having said all of that, I do want to thank the majority for making in order our balanced budget which will be brought to the floor sometime around 4 or 5 o'clock this afternoon.

First of all, I want to urge every member on both sides of the aisle to vote for the Republican alternative, the so-called Kasich budget. It is an outstanding budget. It goes a long way toward beginning to bring some fiscal responsibility into this body. It cuts these projected deficits on an annual basis considerably more than what the Clinton budget does.

Having said that, also, I would just like to say that it is completely compatible to vote for the Solomon approach as well. And what we do, Mr. Speaker, is we, in the year 1999, actually balance the budget. We end up with a $2 million surplus, and in the year 2000 and 2001 we begin to pay off that debt that has just about bankrupted this great Nation of ours.

So I would just hope that Members come to the floor. We have here a copy of the specific cuts. I might just point out, Mr. Speaker, you know, most of the time when budgets are offered, you get something like this, and this is just a bunch of functions. It does not really mean anything. I would invite every Member to come over and look at it. You could not tell one thing being cut in that, because all it is is just a level of functions.

What we do, which is not very politic, is we actually show you over $600 billion in spending cuts, 500 of them listed right here, and it does this without raising taxes, without touching Social Security trust funds, without touching earned veterans' benefits, and it restores defense spending, because I have had a number of Members from conservative Democrats on your side of the aisle who have come to me and asked me what I do in my budget with defense spending. We restore $50 billion of those cuts that President Clinton recommended.

We still manage to balance the budget in 1999. It is completely compatible to vote for the Kasich Republican alternative and for the Solomon substitute.

Again, if we were not under this king of the hill, we would let the one with the most votes then survive, and that would become the law of the land. However, we will have to wait and see how that plays out.

Mr. Speaker, I would urge every Member come to the floor and vote against the rule so that we can bring back a rule that does not discriminate against any Member.

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

Mr. Speaker, I urge the Members of this body on both sides of the aisle to vote for the rule. It is a good rule. It is a fair rule. I urge the Members also to vote for the budget resolution. It is a resolution that, I think, will continue to carry our economy forward with less unemployment, with keeping the economy moving, increasing jobs.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

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

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

Mr. GOSS. 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 245, nays 171, not voting 17, as follows:

[Roll No. 50]

YEAS—245

Abercrombie
Ackerman
Andrews (ME)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Cooper
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Harman
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Inslee
Jacobs
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reed
Richardson
Roemer
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—171

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Coppersmith
Cox
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Istook
Johnson (CT)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Linder
Livingston
Machtley
Manzullo
McCandless
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Porter
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Talent
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—17

Andrews (NJ)
Andrews (TX)
Brooks
Conyers
Crane
Crapo
Dellums
Gallo
Hastings
Kopetski
Lightfoot
Natcher
Portman
Reynolds
Schumer
Walsh
Washington

□ 1151

Mr. ROSTENKOWSKI and Mr. PICKETT changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, as a result of a family emergency, I was unable to vote on the Rule for consideration of House Concurrent Resolution 218. Had I been in attendance, I would have voted as follows: Rollcall No. 50—No.

HOUR OF MEETING ON TOMORROW

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. tomorrow.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Is there objection to the request of the gentleman from South Carolina?

There was no objection.

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1995

The SPEAKER pro tempore. Pursuant to House Resolution 384 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for consideration of the concurrent resolution, House Concurrent Resolution 218.

□ 1154

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 consideration of the concurrent resolution (H. Con. Res. 218) setting forth the congressional budget for the U.S. Government for the fiscal years 1995, 1996, 1997, 1998, and 1999, 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 having been read the first time.

Debate shall be confined to the congressional budget and shall not exceed 2 hours, including 1 hour on the subject of economic goals and policies, equally divided and controlled by the gentleman from Minnesota [Mr. SABO] and the gentleman from Ohio [Mr. KASICH].

After initial general debate, there will be an additional period of general debate which shall be confined to the subject of amendment No. 4 printed in House Report 103-429 and which shall not exceed 1 hour, equally divided and controlled by the gentleman from Ohio [Mr. KASICH] and an opponent.

Following that debate, there will be an additional period of general debate which shall be confined to the subject of amendment No. 3 printed in the report and which shall not exceed 1 hour, equally divided and controlled by the gentleman from Maryland [Mr. MFUME] and an opponent.

At the conclusion of consideration of the concurrent resolution for amendment, there will be a final period of general debate which shall not exceed 10 minutes, equally divided and controlled by the gentleman from Minnesota [Mr. SABO] and the gentleman from Ohio [Mr. KASICH].

At this time the Chair will recognize the gentleman from Minnesota [Mr. SABO] for 1 hour and the gentleman from Ohio [Mr. KASICH] for 1 hour.

The Chair recognizes the gentleman from Minnesota [Mr. SABO].

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

Mr. Chairman, it is indeed a pleasure to be back before you with the Budget Committee's recommendation for the 1995 budget resolution.

Last year at this time, we faced high deficits, and a host of other problems.

By August we had passed the President's comprehensive economic plan and we had improved on his proposals throughout the legislative process.

In that process we reduced the Federal budget deficit by $500 billion over the 5 year period from 1994 to 1998.

And, we redirected scarce Federal dollars to programs that reward work like the earned income tax credit [EITC]; to education and job training so people can find work and continue to remain productive in a changing economy; to research and development so our Nation can remain a world economic power; and to health, nutrition, and human resource programs so that all Americans can enjoy healthy and fruitful lives.

This year, we are seeing the rewards for those efforts.

The deficit is down significantly and projected to continue to decline. In fact from 1992 to 1996 we are seeing deficits decline 4 years in a row. The last time this occurred was 1944–48.

Under this budget, in 1995 discretionary spending as a percent of the gross domestic product will be at its lowest level since 1948. And, it will shrink still further in the next 5 years.

News on the economic front is overwhelmingly positive. Evidence of improved economic performance is everywhere. According to recent testimony by Fed Chairman Alan Greenspan, "The outlook * * * is the best we have seen in decades. Further, according to David Schulman, the chief economist at Salomon Brothers, "The economic recovery is now moving from Wall Street to Main Street."

All the major economic indicators show improvements. Over the last year we have seen the creation of 1.9 million new private sector jobs; an increase in industrial production of 4.7 percent; an 11 percent increase in business investment; a decrease in the unemployment rate from roughly 7.7 percent in January 1993 to 6.5 percent in February 1994; and improvements in the leading economic indicators for 6 months in a row.

Everywhere we turn things are looking up. I think it is safe to say that all these good things would not be happening if we hadn't enacted the President's economic program. And this good news is particularly helpful in dealing with our budget problems.

This year's budget builds on last year's program. It continues the fiscal restraint we began last year and continues to direct scarce Federal resources toward the needs of the nineties.

The resolution we have presented to you follows the President's program with a few exceptions. As you have probably heard, CBO reestimated the President's budget at $3.1 billion over the outlay caps for 1995 so we had to make some adjustments to fit within those caps. We also disagreed with the President on his proposals to cut the Low-Income Home Heating Program [LIHEAP], mass transit operating subsidies, the REA loan guaranty program, and one or two other programs. In order to reject these cuts we had to find the funds elsewhere. Consequently, the budget before you is slightly different from the President's while at the same time reflecting his major policy choices.

A general outline of the plan and the major modifications we made to the President's plan are as follows.

BASIC ELEMENTS OF THE PACKAGE

This budget continues the fiscal restraint that was begun with last year's budget and reorders spending in line with the President's program. It terminates 100 Federal programs and reduces more than 200 others.

This budget brings the 1995 deficit down to $175.3 billion, the lowest level in 5 years, and more than $100 billion below the projections made by CBO in January 1993.

Measured relative to the size of the economy, the 1995 deficit will be lower than any year since 1979.

Discretionary spending in 1995 is below last year's dollar level, and total Federal spending is at its lowest level in 15 years when measured as a percent of gross domestic product [GDP].

At the same time, this budget includes $13.6 billion of the President's $14.8 billion request for new initiatives in education and training, research and development, infrastructure, community development, health and human services, and crime control.

It assumes full funding for the President's crime control initiative at $2.4 billion in 1995.

The proposal does not prejudge the nature of health care reform so it does not specifically include any figures for health care reform. Rather, it assumes that the final health care reform package will be deficit-neutral over the 5-year budget period.

It contains no new taxes and does not require reconciliation.

MODIFICATIONS OF THE PRESIDENT'S PROPOSAL CONTAINED IN THE PACKAGE

This budget rejects the President's proposal to reduce the important LIHEAP—Low-Income Home Energy Assistance Program—by $745 million. Rather, it assumes restoration of $520 million of that proposed cut and it expresses support for the President's efforts to target the program better to those most in need.

This budget rejects the President's proposal to cut mass transit operating funds by $200 million and assumes restoration of these funds to the 1994 level.

It rejects the President's proposed $80 million cut in TEFAP, the Temporary Emergency Food Assistance Program within the Department of Agriculture, and assumes restoration to the 1994 level.

It rejects the President's proposal to cut the Rural Electrification Administration [REA] loan program by $63 million and assumes a restoration of funding to 1994 levels.

This budget rejects proposed cuts in veteran's medical research and assumes full funding at the 1994 level.

It assumes a restoration of $40 million of the President's proposed reduction in Indian health facility construction, primarily for sanitation and other essential public safety requirements.

This proposal cuts the President's budget by $3.1 billion through a variety of changes including the assumption of the full savings from personnel cuts as set by the buy-out bill (H.R. 3345) that recently passed the House and Senate.

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

□ 1200

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

Mr. Chairman, we enter into another chapter of the ongoing struggle in Washington to define our view of how the Federal Government ought to operate.

I want to kind of go back to the beginning of the book and start at the beginning and move up to where we are today. You might recall that last February, the President came to Capitol Hill and stood in the well and he said, "I did promise you a tax cut, but now we are going to have tax increases, and I would like you to be patriotic." He turned to the Republicans and said, "If you do not like my tax increases, give me your specifics."

So the Republicans did give the President their specifics in terms of reducing the deficit by even more than what the President reduced the deficit by, without one dime of tax increase. That document was praised by a number of publications across this country, from liberal to conservative, for its intellectual honesty and its effort to reduce government.

We were rejected in that effort to show the American people how we would eliminate the tax increases and substitute instead the changes in the operation of the Federal Government to achieve significant deficit reduction, more than what the President achieved, but without taxes.

Then the reconciliation bill, the flat tax bill, that came to this House floor. And the President had his taxes and he said, "If you do not like our taxes, give us your specifics." So one more time the Republicans trotted out their list, and we said we have specific recommendations to downsize the operation of the Federal Government, and we do not believe we need these taxes in order to reduce the deficit. And one more time the decision was made, more for Washington, and less for us back home.

So after that ended, we got to the Penny-Kasich bill. Now, the Penny-Kasich bill was the specific recommenda-

tions to reduce the operation of the Federal Government. Of course, the President was aware of our specifics because he worked hard to defeat our specifics. This was a President who had pledged that he would welcome additional spending reductions. So Mr. PENNY and I came to the floor with our specific spending reductions. We offered them. The President opposed us with a majority of the majority party, and we were one more time defeated. And they said no, we wanted more for Washington, and we do not really hear the cries of the people around this country back home. We want to keep the Washington establishment happy. Penny-Kasich was defeated.

Now, ladies and gentlemen, this year the President came into this well again with his budget proposal that he said was flat as a table, the top of a table. And what is interesting to note is if the President had not sent his budget to Capitol Hill, if the President had permitted the budget to increase on automatic pilot, if the President had said that the Government of the United States could go on automatic pilot, and I will not send the budget to Capitol Hill, then the deficit and the levels of Government spending would be less—would be less—than what we have under the President's budget.

So when the President talks about how we have all these major cuts in programs and savings and a tight deficit, the bottom line is if that budget document had not made its way from the White House to Capitol Hill, we would have lower deficits and lower spending.

And the President challenged us. And the President said, "If you don't like my budget, show us what you would do." And Republicans have.

What we have done is we have laid things out on the table that represent a follow through of some promises and some rhetoric that have been articulated by this current administration. The President said he wanted welfare reform. It is not in his budget. The President said we would have health care reform to reduce deficits. It has been withdrawn from his budget. The President said he wanted a comprehensive crime bill. We only find pieces of it in his budget. And we are still waiting for the President to hold good to his promise that we will have middle income tax relief.

What the Republicans did is we went through virtually every nook and cranny of the Federal Government, with a philosophy of downsizing the Federal Government. We have privatized some programs, for example the Federal Aviation Administration, following a number of the practices that are being done by other countries around the world. We think that privatization of that program, privatization of a part of our prison system, makes very good sense.

We have also eliminated some programs, part of our philosophy. Programs like the helium reserve, a whole variety of programs that we think just similarly do not make sense and are outdated, like the Interstate Commerce Commission, originally created to regulate the pulling of ice wagons throughout this country. We have decided we do not need to have those operations of the Federal Government around any more.

We have also decided to do some shifting of block grants to the States without regulation. The reason why we have done that is that we do not think that people back home cannot figure out how to solve problems, if we would just let them have their own money to fix problems the way they feel are the best ways to fix them.

I want to talk about one program that the gentleman from Arizona [Mr. KOLBE] developed, called WIC-plus. We have been able to take all the nutrition programs of the Federal Government, put them in one block grant, send them to the States, double the amount of money that goes to women, infants and children, and save $8 billion for the Federal Government by not letting every bureaucrat in Washington touch this money. Whenever bureaucracy touches money, they burn it up.

So we have used this idea of block granting programs back to states and trusting in people where we live, to be able to solve problems. And I am constantly amazed when I meet with people in the bureaucracy here who do not even know what the time zone is in Columbus, OH. If they do not know what the time zone is right there, I am not quite sure they are going to know how to fix our particular problems.

So we block grant more programs, including mass transport and low priority transportation projects. We also use more consolidating and block granting in the area of job retraining, something the GAO says we are not even sure the job training programs of the Federal Government are working to help people get jobs. That is all of our goals. We think we have a more effective way to do it.

We have gone through every nook and cranny of the Federal Government, down sizing, privatizing, eliminating some, and just reducing the increase in others. And doing that, we have been able to achieve a very comprehensive package that in fact does deliver us comprehensive welfare reform.

In our budget, we not only talked about doing welfare reform, we have in fact delivered a comprehensive welfare reform package. We also have in there what we view as a very strong down payment on both health care and crime legislation, allowing people at home to have more money to build prisons, more money for police on the streets. And in health care, a down payment on fixing the health care system with a minimum of Federal involvement and a maximum of the private sector being involved.

Then we have also decided that we think it makes sense to provide greater efficiencies to our industries. And what we have done is allowed industries to be able to write off plant and equipment faster so that more Americans will get jobs, so that we will be more competitive in the international atmosphere today.

□ 1210

We will be able to put more people to work. We index capital gains that will not only help industry but will also protect people's investments against inflation. People should not have to pay taxes on inflation. And we have also had in here the kind of crowning jewel of the package. That is the $500 tax credit per child per family under $200,000.

When I presented this budget, the press said, "How can you do this and how can you pay for it?" The amazing thing about this proposal is that we not only have deficits that are lower than the President's in every single year of the 5 years that this budget is made up, but it is cumulatively $150 billion less in deficits than the President's budget. Why?

Because we decided to go eyeball to eyeball with change and eyeball to eyeball with the Washington establishment and dig in and give the American people what they want, a downsizing of the Federal Government and real change. And in the course of doing it, in the course of scouring every nook and cranny of the Federal Government, we have been able to achieve lower deficits every single year than the President, $150 billion less over 5 years, and we have been able to give middle-income families tax relief, to the tune of $500 per child per family under $200,000.

It is not smoke and mirrors. It is not some kind of voodoo economics. It is a proposal that makes hard choices about reducing the influence of Washington, reducing the influence of big government, making a down payment on reducing the deficit and, at the same time, allowing the American family to share in some of the savings.

And do my colleagues know what, we do not give anybody anything. It is the American people, the American taxpayer that sends their money to this town. All we are saying is that in the course of downsizing the Federal Government, we believe that the American family, which has been besieged in this country, should reap a benefit. It is not a giant benefit, but it is a benefit. But we do not do it at the expense of future generations, because we have been able to reduce the deficit by more than what the President has done.

So not only downsizing of the Government, not only greater deficit re-

duction, but some tax relief for the besieged American family. If Members are really for change on either side of the aisle, if they really want to see Washington have less influence, there are proper functions of the Federal Government, obviously. But if Members really want to see some privatization, some downsizing, some elimination of wasteful programs, slowing the increase in some other Federal programs, and they want to give relief and a bigger down payment on the deficit, then Members will support the Republican alternative.

I would ask my colleagues, we will probably have a vote on this tomorrow, on the Republican family budget. I would ask my colleagues to take time in their offices, clearly taking a look at the road map that we have laid out. I think that when they look at it, Members will be surprised at how much can be achieved by just trying to be creative and innovative and imaginative with the programs of the Federal Government. I would ask for Members' support.

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

Mr. SABO. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas [Mr. STENHOLM], a hard-working member of the Committee on the Budget, a member who has been working immensely hard to reorganize and streamline Government with the emphasis on the Department of Agriculture.

Mr. STENHOLM. Mr. Chairman, I rise today in support of House Concurrent Resolution 218, the budget resolution for fiscal year 1995. I do so with praise for my chairman, Mr. SABO, for the manner in which he always conducts business within our committee. I also do so, however, with mixed feelings about the missed opportunities of this budget.

Last year, in writing about the fiscal year 1994 budget resolution, five Democratic Members stated,

> We are disappointed that we did not address the issue of entitlement spending more than we did in this resolution. Even a cursory examination of our national spending points out the inevitability of dealing with entitlement spending if we are to have money to spend on any other programs while bringing our budget into balance. We must develop meaningful budget enforcement legislation which must include some mechanism to force us to deal with entitlements in future years.

Unfortunately, those views are just as relevant today as they were a year ago. We find ourselves in a position again this year of noting that the budget resolution accomplishes a minimal amount of what should be done on the resolution, but that a far greater portion was left unaddressed.

In particular, we are disappointed with the decision that further deficit reduction, carried out through a reconciliation bill later this year, was unnecessary. While it is true that the deficit is projected to take a slight downturn over the next few years, we remain convinced that sustained deficits of $200 billion a year present a greater economic hazard to our Nation's future.

We are pleased that we were able, at least, to attach report language to the resolution which calls for the provision of enforceable entitlement spending limits, establishing a regular procedure to provide assistance for disasters and other emergencies without adding to the deficit, and granting the President expedited rescission authority over appropriations measures. Obviously, reconciliation instructions along the same vein would have been far preferable.

We also are pleased that there was an agreement with our party's leadership for the consideration of further budget process votes within the House of Representatives. Past experience with the outcome of such promised fair votes does not lead to extreme optimism but we nonetheless look forward to the opportunity to offer amendments not only on the budget process items just mentioned, but also on a reexamination of the Consumer Price Index formula and a measure which would guarantee that all appropriation cuts are dedicated to reducing the deficit.

The omissions in this budget resolution further convince me that only with the constitutional imperative of a balanced budget amendment will the Congress and President finally face head-on the demands of deficit reduction. My hope is that 290 of my colleagues will come to the same conclusion when we take up that issue here in the House of Representatives next week.

The shortcomings notwithstanding, I supported the budget resolution passed out of the House Budget Committee because we were able to add the aforementioned report language and negotiate the agreement for later budget process votes. I commend Chairman SABO for his assistance in this regard, I look forward to continuing to work with him, and I look forward to the budget process votes which will be coming later this year.

I do not want to spend my time talking about what we should have done. I want to talk about what we are doing.

Mr. Chairman, the administration, with the full cooperation of the House and Senate Agriculture Committees, has made, rightly or not, USDA the first great experiment in reinventing government, even though all USDA outlays represent only 4 percent of the entire Federal budget and agriculture programs in USDA are only 1 percent of the budget. Yet USDA, since 1981 has made $60 billion in legislative budget savings. The 1990 budget agreement alone cut farm price supports by 20 percent.

Nevertheless, our committee agrees that USDA must become more efficient and streamlined, not only to better the Department's modern day clients but also because we are budgeting for additional, significant cuts in spending.

Secretary Mike Espy made restructuring a top priority; 1,200 of our 3,700 USDA field offices will be closed. But Mr. Espy wanted to reorganize starting at the top, a very appropriate decision. His proposal, H.R. 3171, introduced last September will grant the Secretary the most sweeping authority to reorganize the Department since the Great Depression.

The full House Committee on Agriculture has already reported legislation and the full House passed it in H.R. 3400 last November. It requires USDA to use existing authority to cut staffing by 7,500 positions and spending by $1.6 billion by fiscal year 1999.

Now we are going even further to refine H.R. 3400. My subcommittee has held more than a dozen hearings here and in nine States nationwide on USDA reorganization. On February 8, we approved and sent to the full committee a bill that grants the Secretary virtually all the authority he needs to streamline the Department, combine agencies and offices, and more efficiently serve our clients, farmers, and consumers. Staff would be cut with the deepest cut starting in the Washington bureaucracy.

USDA itself expects total savings from reorganization to reach $2.3 billion over the next 5 years. We are now pressing the Secretary to keep his promise and begin implementing field office closings. The Secretary does not need final congressional action in order to close or consolidate offices.

The bottom line for today for the budget hearings is, there will be reorganization in the coming year, already budgeted for it. It is within the budget resolution. The savings will be real. And the service to our farmers and consumers will not be deteriorated. The consumer services will be improved. The point here is, we can spend our time criticizing this budget, but there are things in it that show that we are, in fact, taking some very tough positions that have to be done in order to meet our fiscal needs. Not as far as some would like, but much further than our critics say that we are doing.

Mr. KASICH. Mr. Chairman, I yield 30 minutes to the gentleman from New Jersey [Mr. SAXTON] for the purpose of debate on economic goals and policies, and I ask unanimous consent that he be entitled to yield time.

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

There was no objection.

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

Mr. Chairman, a week or so ago, I was in my office with a group of very hard-working Americans, employees of the postal system. And they came to

explain to me that there were certain things in my voting record that they liked and certain things in my voting record with which they took issue.

They said, for example, that they opposed a balanced budget amendment and asked me to explain why I favor it, which I did. And they informed me that there were ways to get the budget balanced without amending the Constitution.

Then they said they took issue with the vote that I had on a bill that became known as the Penny-Kasich amendment. The Penny-Kasich amendment would have cut the deficit by more than $100 billion without raising taxes. And I said, "Well, that was an effort to balance the budget without amending the Constitution."

□ 1220

So here we are again today. Once again, we have a bill sponsored by the gentleman from Ohio [Mr. KASICH]. Frankly, I told my postal workers I thought he was a hero, because he is the one guy in the House of Representatives who has put together a program demonstrating that there is more than one way to do business here.

I am very delighted to be able to be here today to support his effort, Mr. Chairman. This year, perhaps more than ever, I am amazed at the difference between the two budget proposals. There are two basic proposals that we are going to vote on, one by the folks from the other side of the aisle, which is the basic budget bill this year, and the one that I just mentioned which will be proposed a little bit later by the gentleman from Ohio [Mr. KASICH].

There is a very basic difference. I heard today in speeches, 1-minute speeches on the floor and other speeches more recently here on the floor, that somehow the two biggest tax increases in this country's history, one in 1990 and the next one in 1993, have somehow miraculously helped our economy to grow. I don't know a lot of economists who would buy into that theory. In 1990 we had a tremendous tax increase, and then in 1993, under a different President, we had another big tax increase. There is a lot of talk going on around here this year that says that because of that tax increase, the economy is once again growing.

I brought some charts with me today to illustrate what is really happening with the economy today. After recessions, certain things happen with the economy. If we have good tax policy to support recoveries, good things will happen in terms of growth in GDP.

This chart, for example, illustrates what happened after the recession which took place in the early 1950's. During the 2½-year period immediately after that recession, the economy grew by something in excess of 10 percent.

In the early 1960's, we had another recovery following a recession. During that recovery, the economy grew in a 2½-year period by almost 12 percent.

In 1970 we had another recovery following a recession, and the economy grew again by 10.2 percent. In 1974 we had another recovery after a recession, and the economy grew in a 2½-year period by over 12 percent.

That brings us to the latest recovery which we hear so much about from the other side of the aisle. It is called a miraculous recovery, in fact. Yet in the 2½-year period after the 1990 recession, we have seen a recovery of a scant 6 percent.

Something is different about this recovery. It has been called a number of things, including a jobless recession. That is for good reason.

If we can look at the next chart, which explains in some greater detail what actually happens in growth after recessions, we have taken the average growth after recessions, and we have looked to see how that compares with this recovery.

Throughout the recoveries that I just described, the average growth 1 year out is demonstrated here by this line chart, and at 2 years out and at 3 years out. We can see represented by the blue part of the chart that average growth after recessions has been quite substantial, as compared to the growth that has occurred in the first 2½ years after this latest recession.

If we can go to the next chart, the same can be illustrated in terms of our industrial production. Through the recoveries which I described a few moments ago, we can see, as demonstrated by the blue lines on this chart, what the average growth was during recovery periods, and the red lines, of course, illustrate what growth has been in terms of industrial production, during this recovery period.

Finally, we have one additional chart here, which is very interesting and somewhat scary, because it affects the lives of families all across the country who are still unemployed today. This shows that beginning in March 1991, when we actually came out of the recession, job growth was not only flat after the 1990 tax increase, but that we were actually still losing jobs.

In most recoveries, as demonstrated here by these red bars on the graph, we begin to see some growth in jobs immediately following a recovery.

When the recession ended in March 1991, it was more than a year and a half before we saw any growth in jobs at all. The reason for this is simple: we raised taxes on the American people. More than 4 years ago, I and others stood at this podium and said, "If we increase taxes, we will hurt the economy and hinder any recovery."

We said again in 1993, "You are going to throw a wet blanket on this recovery if you increase taxes again." That is exactly, in my opinion, why this economy is not expanding at the rate of other economic recoveries following a recession.

Mr. Chairman, we also said during those debates that there are some things that changed people's behavior. For example, we changed tax policy to support budgets like the one that is supported by the Democrats' side of the aisle. In fact, the 1993 tax increase changed people's behavior, particularly in terms of hiring and rehiring workers. As the chart beside me shows, these new taxes affected job growth.

For example, in 1984 we had people who worked about 3.4 hours of overtime, on average, for each worker.

Today in 1994, however, almost 10 years later, we see that that average has gone up from 3.4 hours per week to 4.5 average hours per week. Why? Are employers willing to pay overtime but not hire more workers. Because employers do not want to pay higher payroll costs.

They do not want to hire because Social Security taxes went up, because payroll taxes went up, and they do not want to hire because they do not know if new taxes will be forced on them to support some new health care plan. Therefore, tax policy has had a tremendous effect on our economy.

While I am glad that we are finally beginning to see some growth in jobs and some improvement in the economy, it is certainly not the kind of economic recovery that we would hope to have seen by now. All of this, in my opinion, is a result of bad tax policy in 1990 and again in 1993. I am also fearful of what we are going to see when last year's round of tax increases comes into full effect later this year.

For these reasons, Mr. Chairman, the Kasich proposal makes more cuts, reduces more of the deficit, cuts taxes on families, and puts in place a new budgetary program that I hope will pass. I do not have great hope, however, because I can count likely votes. But I hope it will pass, because we need to set this country on the correct course. Our future, our children's future and our grandchildren's future depend on it.

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

Mr. SABO. Mr. Chairman, I yield 3 minutes to the gentleman from Mississippi [Mr. MONTGOMERY], chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of this budget resolution.

Mr. Chairman, I want to commend the gentleman from Minnesota, the chairman of the Budget Committee, and all the members of the Budget Committee, for bringing this resolution to the floor. As my colleagues know, CBO estimated that the President's budget was $3.1 billion over the discretionary caps we established last year. As a result, almost all of the President's proposals to increase spending

above the 1994 level had to be pared back by the Budget Committee. Proposed increases for the National Service Program, mass transit grants, and energy conservation programs had to be scaled back because of this problem.

But the President's proposed increase of $500 million above the 1994 level for VA medical care was left intact. In addition, the Budget Committee has recommended that the VA's award-winning medical research program be increased by $41 million above the President's request.

I want veterans to know that Chairman SABO and members of his committee had to make some very tough decisions. Not only did they avoid taking any money out of the veterans budget to make up this $3.1 billion difference, they added $41 million for VA medical research.

Although I believe the Budget Committee did what it had to do, I want Members to know that service to veterans is not going to get any better under this budget, and will probably get a little worse. Our committee was frankly troubled by the VA budget picture and felt there was a lot of justification to recommend an additional $779 million for veterans programs above the level recommended by the administration.

The number of veterans who will be able to obtain outpatient care, nursing home care, and hospital care will decline when compared with this year's level. The number of pending claims for compensation, pension, and education benefits is projected to grow to 1 million by the end of next year. It will take almost 2 years to get a decision from the Board of Veterans Appeals.

In summary, even though this budget includes almost none of the recommendations made by our committee for veterans programs, it is a responsible one given the budget caps on discretionary programs. But my colleagues must understand tight budgets certainly will have an effect on our veterans health care.

□ 1230

Mr. SABO. Madam Chairman, I yield 4 minutes to the distinguished gentlewoman from Hawaii [Mrs. MINK], a member of our committee.

Mrs. MINK of Hawaii. Madam Chairman, I thank the chairman of the Budget Committee for yielding me time.

Madam Chairman, I rise in support of the budget resolution. I think it is often confusing to the general public when we debate the budget resolution about exactly what is the budget. As I see the budget, it is probably the most important document that comes from the administration. What it expresses is its policy, its priorities, the things that it wants to see changed, the direction of the Government, and expression of confidence in the future, the things that ought to be done by the various Cabinet offices.

I serve on the Committee on Education and Labor and I am very pleased to see a budget come forth from the White House that articulates the hopes and aspirations of the American people with emphasis on education. The budget resolution underscores its support of this direction, and of all of the functions that we have in this budget resolution, the one that has the highest percentage of increase is in the education and training areas, and I am very, very pleased with that.

The President has staked his future on the programs that he has articulated in the education area. He is for school reform, and we have the Goals 2000 bill currently in conference where the two committees are trying to iron out the differences. We have already started work on the School to Work Program because we know that 75 percent of the students that finish high school do not go on to higher education, do not go on to college, and they are out there looking for jobs, looking for opportunities. And what we need to do is to find a way to meld the 12 years that they are in regular school into something that can provide them the channels for advancement in a job or a career. And so the School to Jobs Programs is critically important.

In this budget resolution we not only see increases in funding generally for education, but we see an increase of $595 million for Goals 2000, which articulate the future of this country and the direction we are urging local school districts and the States to take. And in the School to Work Program we have $100 million for the Department of Education to be matched by the Department of Labor. For the first time in my memory, and I have been in the Federal Government for a long time, we see a Department of Education working together with a Department of Labor to put together a meaningful program wherein the young people can have direction, counseling, and at the end of their high school have a job that leads somewhere and is not a dead end job situation.

There are other points that are important in the bill. We have emphasis in Pell grants to emphasize the importance of students going on. We know that the Pell grants were cut last year. We have now put in an additional $100 for Pell grants so that the support can be $2,400.

We have an additional $560 million for the drugs and safe schools. We debated this yesterday in the authorization, and everyone is in support of further efforts in schools to do something about drugs and violence.

So at the end, Madam Chairman, I think it is critically important for us to recognize that embedded in this budget resolution is the hope for the future of this Nation as expressed by the President's budget, and I urge adoption of the resolution.

Mr. SAXTON. Madam Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. RAMSTAD].

Mr. RAMSTAD. Madam Chairman, today's debate on the Humphrey-Hawkins employment review provides an appropriate opportunity to discuss one of the most insidious threats to economic growth and job creation in our economy—burdensome Federal regulations.

In a 1993 study, William Laffer of Heritage noted that Federal regulations cost each American household at least $8,000 a year and may reduce national output by as much as $1.1 trillion a year.

And as you can see by this chart, regulatory costs continue to rise dramatically. If current trends continue, the direct cost of regulations will exceed $650 billion a year by 2000.

Equally alarming, the study showed that Federal regulations reduce employment by at least 3 million jobs.

As the next chart points out, the number of pages in the Federal Register, a publication of new Federal regulations, dropped in the 1980's but is on the rise again. In President Clinton's first year in office, the Federal Register had more pages than any year since the Carter administration—60,950 pages.

And as of January 31, 1994, only 1 month into the new year, the Federal Register had already printed over 4,500 pages of new regulations.

A small but critical industry—medical technology—provides a stark illustration of regulatory overkill.

As the health care debate rages, medical technology, despite facing a bruising regulatory regime, effectively controls health care costs by bringing lifesaving technologies to market.

In addition, exporting medical products has generated a trade surplus that has risen from $1.1 billion in 1987 to $4 billion in 1992.

Unfortunately, the small companies which comprise the bulk of the industry are highly vulnerable.

The FDA, which regulates the industry, has nearly destroyed the sector with an approval process that takes so long that businesses are forced to move production offshore.

This chart depicts the length of time for device approval. In fiscal year 1991, the average clearance time was 102 days. By fiscal year 1993, it had risen to 195 days.

Equally disturbing, there is a current backlog of over 5,100 device applications at the FDA—a 50-percent jump in outstanding applications since 1991.

That is why even the smallest companies are establishing research and production facilities in Europe first to begin clinical trials in time to keep up with their competition.

A constituent company of mine, InStent, is still awaiting action on a

device approval application it submitted in August 1992.

The device it makes for treatment of pancreatic cancer has been approved for sale in every major developed country except the United States.

Even Canada, which has perhaps the most bureaucratic health care system in the world, has approved InStent's device.

The company—which has 18 employees in my district—was forced to open 2 overseas offices, 1 in Israel with 17 employees and 1 in Holland with 6.

Madam Chairman, in 1993 alone, more than $500 million in stock offerings for medical device and drug firms were canceled because of overregulation and the threat of health care price controls.

Madam Chairman, we cannot afford to lose our medical technology jobs. We can't afford to lose more jobs in any sector because of excessive regulations.

While the massive budget deficit is alarming, to promote long-term economic growth we must address the cancer of regulatory overreach that is killing our key industries.

□ 1240

It is costing thousands and thousands of lost jobs.

Mr. SABO. Madam Chairman, I yield 3 minutes to the gentleman from California [Mr. MINETA], the distinguished chairman of the Committee on Public Works and Transportation.

Mr. MINETA. Madam Chairman, I rise in strong support of House Concurrent Resolution 218 on the budget for fiscal year 1995.

At the outset, I want to commend the distinguished Chairman of the Budget Committee, the gentleman from Minnesota [Mr. SABO], for his outstanding leadership and hard work in crafting this important resolution and for bringing it to the floor in such an expeditious timeframe.

Mr. Chairman, House Concurrent Resolution 218 is a good budget resolution—good in the sense that it assumes the proper priorities, is fiscally responsible, and continues the trend toward deficit reduction begun last year.

Generally, the fiscal year 1995 budget resolution incorporates the heart of the President's fiscal year 1995 budget request, thereby implementing the savings mandated by the 5-year deficit reduction package enacted by Congress last year.

In doing so, the resolution conforms to the spending caps for discretionary spending established by the deficit reduction package, setting discretionary spending in fiscal year 1995 at $541.1 billion—the first time since 1969 that discretionary spending will actually fall. The resolution also cuts outlays in fiscal year 1995 by $3.1 billion more than the President's proposals in order they meet the cap on outlays set last year.

Under the resolution, the deficit for the coming year would total $175.3 billion, $115.1 billion less than 3 years ago and the lowest level in 5 years. In fact, the deficit under this resolution represents the smallest share of the U.S. economy since 1979.

Furthermore, Mr. Chairman, the budget resolution assumes no new tax legislation and no changes in entitlements, and does not contain any reconciliation instructions to committees.

While the resolution embodies the President's budget, it does subtract from and add to about 40 areas of the President's budget in reshaping and improving the plan, and in achieving the overall spending reductions.

Some substantial changes included a $225 million reduction in defense spending, a $115 million cut in foreign aid, and $796 billion in savings from a proposed Federal employee buyout plan.

At the same time, the resolution restores $520 billion in spending for low-income home energy assistance, $200 million for mass transit operating assistance, $80 million for emergency food assistance, and $63 million of spending authority for Rural Electrification Administration loan guarantees.

For most major public works and transportation programs, the resolution assumes the President's budget request except in four important instances which I would like to address.

First and foremost, I am pleased to report that House Concurrent Resolution 218 assumes full funding for highways at the levels authorized in the Intermodal Surface Transportation Efficiency Act of 1991.

There certainly can be no question of the need for full funding of ISTEA highways. There are some 235,000 miles of Federal highways that are in poor or mediocre condition and need repair.

The cost to eliminate backlog highway deficiencies is about $212 billion, and the annual cost to maintain Federal-aid highways in their 1991 condition is $48.4 billion—in 1991 dollars.

In addition, there are approximately 118,000 structurally deficient bridges whose conditions would cost $78 billion to correct. The annual cost to maintain bridges in their 1991 conditions is $5.2 billion—in 1991 dollars.

The President's budget assumed an overall obligation ceiling of $19.969 billion for highways. This included $18.32 billion for the so-called highway core programs and $1.6 billion for both minimum allocation—MA—and way demonstration projects program. An additional $100 million, outside the $19.969 billion ceiling, was assumed for the emergency relief—ER—program. The President's budget assumed recission of highway projects, first effective for fiscal year 1994.

The budget resolution, in assuming full-funding of ISTEA highways, also assumes a core obligational ceiling of $18.332 billion. In addition, per ISTEA, it assumes approximately $1.2 billion each for MA and demos. Thus, the resolution totals about $20.7 billion for highways—plus the $100 million for ER—or $800 million above the President's request. In making these assumptions, the resolution does not assume the rescission of any highway demonstration projects.

A second and equally important area of difference with the President is transit operating assistance where the resolution restores $200 million to the President's request, thus equaling the fiscal year 1994 appropriations for operating assistance. While this still falls far short of full funding of ISTEA transit, it does represent continued commitment on the part of the Congress in addressing a key funding component of our Nation's transit system. Even though the $200 million restoration comes as a result of reducing section 9 capital grants by $400 million, the resolution still includes an overall section 9 assumption of about $223 million more than the fiscal year 1994 appropriation.

Mr. Chairman, a recent survey conducted by the American Public Transit Association estimates that more than $7 billion in Federal funds could be quickly obligated over and above existing transit program funding levels. This number only represents the immediate backlog of unmet transit needs—to restore transit to its pre-1980's level would require an investment of $11 billion per year. In addition, the passage of the Americans With Disabilities Act placed new financial demands on transit operators across the country.

A third difference between the budget resolution and the President's budget is funding for the airport improvement program. The President's budget assumes $1.690 billion for this program; that is a freeze at the fiscal year 1994 appropriated level. The budget resolution assumes $2.165 billion or nearly one-half billion dollars more than the President to reflect the authorized level of House-passed H.R. 2739, the Aviation Infrastructure Investment Act of 1993. This critical piece of legislation has been awaiting Senate action since October 13, 1993.

Mr. Chairman, the infrastructure needs of the Nation's airports continue to grow. We now have 23 so-called problem airports. These airports are each experiencing more than 20,000 hours of aircraft delay annually. Without remedial action, that number is expected to rise to 36 by 2001. The capital needed to alleviate airport congestion and flight delays averages $10 billion a year for the next five years.

Such projects, if funded, would increase airport capacity and reduce system delays. This is important in that the Nation's economy would become more productive and competitive if the air transportation becomes more effi-

cient. We need at a bare minimum for fiscal year 1995 the authorized level passed by the House and assumed in House Concurrent Resolution 218.

The budget resolution also assumes a $221 million reduction from the President's budget or new construction and acquisition activities of the General Services Administration. Notwithstanding this reduction in budget authority, outlays are assumed in the resolution to be $125 million more than in the President's budget. While we support increased funding for GSA in this critical area, we are concerned about the possible source of those funds.

In prior years, new construction funds came from the Federal Buildings Fund [FBF], with a modest direct appropriation to cover projected shortfalls. GSA customarily did not request this shortfall, and relied on the appropriation process to add the necessary funds. However, in the fiscal year 1995 request, the administration has chosen to request $1.479 billion in general fund appropriations to fund capital investment activities. The FBF is financed by rental payments by Federal agencies and it has been these payments which have, in the past, supported GSA construction and acquisition activities.

Funding these via general fund appropriations is contrary to law, specifically the Public Buildings Act of 1972, which established the FBF, and tne committee has concerns regarding any changes to the FBF.

Mr. Chairman, as I said at the outset, House Concurrent Resolution 218 is a good resolution. It is realistic and responsive. It deserves our support and I urge its adoption.

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

Madam Chairman, I will be brief, because I do want to reserve some time for the rest of our debate and also we have a number of Members who want to talk about our budget.

But I would like to begin by talking about the Republican budget alternative that will be proposed, and we will have another hour of debate very specifically on the Kasich alternative.

I would start by first of all commending the chairman of the Committee on the Budget and his staff for the work that they have done and also tell them how much I appreciate the courtesy that he has extended to the minority members of the Committee on the Budget.

I think the discussion that we had, the debate we had, and our opportunity to present our points of view and our ideas on the budget were fairly heard. It is not a surprise, I am sure, to any Member of this body to hear that, however, we have serious disagreements with the kind of budget that we are looking at here.

I think that we have a fundamental philosophical difference between the two budget alternatives before us. I say the two; I recognize the others, and I think they are important to have them debated. But I think in the end we are going to come down to a Republican budget alternative and the budget alternative of the budget that is proposed by the chairman of the committee on behalf of the administration and the Democrats in this body.

There is a fundamental difference, and I think there are three things that the Republican budget alternative does that, I think, are very important, that are not largely done in the Democratic alternative.

The first and the most important is that we give significant tax relief to Middle America. We give it through the $500-per-child tax credit. Madam Chairman, that is one of the things that President Clinton, then candidate Clinton, campaigned on was giving tax relief to Middle America, and today we find the American family increasingly under assault. They are under assault in a very physical way. They are under assault as they find that their families are threatened, the security of their families is threatened, but they are also under assault economically. It is harder and harder for the American family to make ends meet.

All of us as Members of this body have heard that from our constituents about how difficult it is to make ends meet, given the taxes they face today at the Federal level, the State level, and also at the local level, the high costs of owning a home, the high costs of health care, the high costs of educating their children.

We believe the American family needs tax relief. If we had just given an inflation adjustment over the years to the exemption, the deduction that we have for each child, today under the income taxes, it would be much higher, several times what it is today.

We believe this tax deduction, this tax credit, that is in the Republican alternative is a way to give relief to the American family, and we do it now, and we can do it quickly. But we can do it without increasing the deficit or making it worse.

Madam Chairman, in fact, we can do it and still make a more significant reduction in the Federal deficit than is made under the Sabo budget initiative that we are going to be considering later. We do that. We make almost $150 billion more in cuts in spending, and that is the second point I would make about our budget alternative.

There is less spending in it. We do it by hard cuts, by making significant reductions in the actual spending that we do. We do it by making some hard decisions about programs for the future, and that is the third point that I would make.

When we talk about reinventing government, as we have heard this administration talk a great deal about, we are actually doing something in that area. We are actual changing program. We are saying we are not going to have the programs, the new programs, at a time when our first priority has to be deficit reduction and getting this deficit under control.

So in those three areas, I think we have made some fundamental changes.

There is a fourth area that I think, and you might call it honesty in government; the Republican budget alternative actually accounts for the cost of the programs that we have been talking about around here, the health care reform, the welfare reform, and the crime initiative. All of those, or at least our alternatives on those reforms, are included in our budget alternative.

The Democratic budget is silent on those. There is nothing in here for health care reform.

I know, I know, we have heard it said, it is a pay-go, it will have to pay for itself. But you are talking about the most massive change in the legislation. The law of this land of a fundamental program that we have ever talked about in this body in modern history.

□ 1250

And none of that is included in the budget as to how that would be accommodated and how that would be accomplished. Ours does do that. Similarly, with welfare reform, we include the cost of that. Similarly, with crime, we have the money in there for those initiatives.

So our initiatives are included in here. We think this is an honest budget. We think it is one which bears looking at. We believe it is one which bears careful consideration.

Madam Chairman, I reserve the balance of my time.

Mr. SABO. Madam Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. BLACKWELL], a distinguished member of our committee.

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

Madam Chairman, the choice in today's discussion, debate, and vote is very clear.

It is a choice between the future and the past. It is a choice between failed policies that took this Nation to the brink of financial ruin and forward-looking policies that can restore America to its rightful position.

It is a choice between what is good for a few in America or what is best for all of America. It is a choice which we must prudently and carefully make. At issue is the destiny of this country and its people.

For 12 years, we increased military spending, gave tax cuts to the wealthy, and caused a dramatic shift in resources from the hands of many to the hands of a few.

During that 12-year period, the deficit grew, while investment in human

needs fell sharply. We are now in a period when it is time for investment to go up and for the deficit to go down. The President is committed to that goal.

We have a choice today between a budget that proposes a $6.4 billion increase in defense spending, while cutting spending in most domestic programs, and a budget that meets the spending caps in a less painful way.

One budget would fund summer jobs. The other budget would eliminate the Summer Jobs Program entirely. One budget would fund Job Corps. The other budget would eliminate it.

One budget would support the School-to-Work Program, one-stop career centers, Head Start, AIDS programs, immunizations for our children, and legal services for the poor. The other budget would get rid of them.

The budget of the past would repeal Davis-Bacon, raise the retirement age to 65, and eliminate AFDC support for legal aliens. The budget of the future forces no such changes.

The budget of the future restores LIHEAP, preserves rapid transit operating subsidies, and fully funds the Emergency Food Assistance Program.

And, Madam Chairman, if I may be allowed to be practical and parochial, the budget of the past touches my city very directly, by eliminating operating funds for Amtrak and cutting the Northeast Corridor project.

The budget of the future also touches my city very directly by increasing funding for homelessness, funding empowerment zones, maintaining the HOPE Program, and increasing funds for AIDS programs.

The choices are clear. We can fall back into a floundering economy from the past, or we can continue to experience gradual growth through an economy of the future. I intend to vote for the future.

Mr. KOLBE. Madam Chairman, I would just say in response to the last speaker, before I yield, that I find it is a curious place here in Washington where we talk about slowing down spending increases as spending cuts.

Madam Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. INHOFE].

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

Madam Chairman, I appreciate the condescending confession of the previous speaker that our President is not perfect.

Madam Chairman, when I came into the Chamber, I was not planning to say anything, but one of the gentlemen, I believe, the gentleman from New Jersey, was talking about a balanced budget amendment. Let me make a few comments and say how that relates to our decision today.

Madam Chairman, in my part of the country, we have a Member of Congress who quite often argues against the budget-balancing amendment, using the argument that those individuals who have been in charge of things know how to play the game and how to make things happen. That is just probably the most compelling argument against or for the budget-balancing amendment.

I believe, as the gentleman, Senator SIMON, made the comment the other day that the reason there were so many heroes at the Alamo is because there was no back door. That is exactly what a budget-balancing amendment would do, would be to close the back door and force us to do those things which we should do and are incapable of doing in Congress without a budget-balancing amendment.

I served in the State senate on the appropriations committee for many years in the State of Oklahoma. We went through a lot of times when we would like to have spent more money, but we did not because we had a budget-balancing amendment.

I was mayor of the city of Tulsa, and we had the same thing there. We lived within those confines of the revenues we had coming in.

So I would like to at least remind us, as we are considering the Kasich bill, the Republican alternative, that I do not think it is going to pass, but let us look at the alternative. We hear a lot of comment on this side of the aisle as to what is going to happen if we pass the Kasich bill. Sure there are some things there I do not like.

Let us stop and think about what would really happen: If we continue to do what we are doing today, to be totally fiscally irresponsible, as we have been for the last 40 years, my two grandchildren, who were born a year ago this month, during their lifetime 75 percent of their incomes will be paid to service the debt that we are handing them.

Today we have an opportunity to set a new course for this country, and I would like to challenge us, if we do not pass this today, then we are going to be coming back with a balanced budget amendment to force us to consider some of these difficult decisions, such as the decisions we should be making today.

Mr. SABO. Madam Chairman, I yield 5 minutes to a distinguished member of our committee, a very thoughtful Member of the House and of the Committee on the Budget, the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE of North Carolina. Madam Chairman, last year we passed an historic budget resolution-reconciliation bill which started putting our fiscal house in order.

Now, there were some naysayers, people who stood in the well of this House and gave dire predictions about the ruinous effects of this budget plan. They talked with doom and gloom about how the economy was going to fail because of what we were doing. And they did this despite the fact that our budget offered $70 billion more in deficit reduction than its Republican competitor.

Not surprisingly, we have not been hearing a lot of that talk lately, as business investment has gone up, housing starts have gone up, unemployment has gone down.

Representative KASICH last year even said that if this thing worked, maybe he would have to join the Democratic Party. So, I would like for him to know that the seat is warm over here. We have had some good economic news. We have gotten this deficit down, and if we can pass the budget resolution for 1995 reported by the Budget Committee, we can keep the deficit on a downward path for the third year in a row.

This budget resolution aims to reduce the 1995 deficit to $175 billion. We need to remind ourselves that a year ago the estimate for the 1995 budget deficit was over $300 billion. So, we have reduced the projected deficit by 40 percent in 1 year, partly because of the 5-year budget plan and partly because of the economic recovery it has supported.

I am not implying that the work is done, but I am saying that we have made significant headway and we have got to continue. It is a welcome change for this Nation. We are going to continue on this course despite the attempts by our opponents to muddy the waters.

Last year I grew tired of hearing the charge that our budget provided no spending cuts. I stood in the well of this House and read a long list of the cuts that it called for.

Well, this year President Clinton proposed terminating 115 Federal programs and cutting 300 others below last year's dollar level.

The Budget Committee has included most of these cuts in the budget resolution, and if the Appropriations Committees have different priorities, then they are going to have to find equivalent cuts or terminations to replace any that they do not agree with.

Here are some of the terminations. Let me just read the list as far as time permits:

Oilseed export subsidies, $50 million, terminated.

Cooperative State Research Service earmarked buildings and facilities, $23 million, terminated.

Farmers Home Administration State Mediation grants, $3 million, terminated.

Over 30 National Oceanic and Atmospheric Administration programs, totaling over $50 million, terminated.

NOAA aircraft procurement and modernization, $43 million, terminated.

The Navy CH-53 heavy cargo helicopter procurement, $250 million, terminated.

The Spacelifter launch system development, $53.9 million, terminated.

A long list of education programs, terminated.

Atomic vapor laser isotope separation programs, uranium supply and enrichment program, $177 million, terminated.

U.S. Geological Survey Water Resources Research Institutes, $6 million, terminated.

BOM Minerals Institutes, $1.6 million, terminated.

BIA community development business enterprise development. Program Grants, $4 million, terminated.

NASA's long duration orbiter, $43 million, terminated

NASA's commercial experiment transporter, $15 million, terminated.

NASA's advanced solid rocket motor, $178 million, terminated.

State Department's bilateral science and technology program, $4.3 million, terminated.

□ 1300

There are many more programs totally eliminated, but let me turn to the program reductions:

The Soil Conservation Service's Resource Conservation and Development program, reduced by $7 million.

The Watershed and flood prevention operations, reduced by $242 million.

The Agricultural conservation program, reduced by $95 million.

The Market promotion program, reduced by $25 million.

FHA's multifamily housing loans, reduced by $182 million.

The Army Corps of Engineers general construction, reduced by $345 million.

NOAA fleet modernization, reduced by $54 million.

The Army's Kiowa Warrior Reconnaissance Helicopter, reduced by $114 million.

The Army Javelin Anti-Armor Missile System, reduced by $76 million.

The Army Multiple-Launch Rocket System, reduced by $193 million.

Oceanographic ships, reduced by $109 million.

Air Force space boosters, reduced by $81 million.

Army Apache Longbow anti-armor missile, reduced by $86 million.

Department of Energy Nuclear reactor programs, reduced by $16 million.

DOE nuclear weapons stockpile support, reduced by $505 million.

DOE nuclear weapons material support, reduced by $146 million.

The Health Care Financing Agency Research and Demonstrations, reduced by $17.4 million.

HCFA Medicare contractors expenditures, reduced by $5 million.

HCFA's health professions curriculum assistance program, reduced by $15 million.

Bureau of Reclamation construction, reduced by $67 million.

The Fish and Wildlife Service construction, reduced by $39 million.

National Park Service construction, reduced by $53 million.

Mr. Chairman, we are reducing, we are terminating, not just the things that are easy to take cheap political shots at, but some things that require painful choices of this Nation's priorities. Nonetheless, Mr. Chairman, we are economizing, we are cutting back and we are targeting. We are reducing spending in this budget resolution and also redirecting spending to areas of greater national priority and greater economic payoff.

Mr. Chairman, this is a good solid budget resolution. I urge my colleagues to support it.

Mr. KYL. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. SMITH], a distinguished member of the Committee on the Budget.

Mr. SMITH of Texas. Mr. Chairman, once again we have come to a point where Congress is faced with the decision of how we will manage the Nation's pocketbook.

It is important to remember that this is not our pocketbook, it is the people's and we are responsible to them.

We are faced with two choices.

We can sign on again to the status quo, to last year's bad deal that increased taxes and still has the deficit going up in the very near future.

That is the Clinton budget. Last year it amounted to a step backwards, this year it amounts to standing still.

The Clinton budget is as notable for what it does not contain as for the increased spending and taxes that it does.

Look as hard as you want and you won't find the administration's number one priority—health care reform—anywhere in here.

According to the White House, it is supposed to save money; according to the Congressional Budget Office it will increase spending, but according to the President's budget it will do nothing at all—because it's not in here at all.

Some have said health care is MIA in the President's budget. In fact it is AWOL—absent without leave—because a budget is the place for things that affect Federal spending.

It is a place for priorities. Health care is merely the most expensive item the President talks about that is not in his budget, but it's not alone.

The President's budget literally does not do what he says. The President has not put his money where his mouth is or his priorities where his promises are.

The right choice is a budget that does exactly what the Republican party is talking about.

We do more than just talk about reinventing government, crime control, health care reform, welfare reform, and deficit reduction. We budget for them.

The Republican budget, for example, ups the Clinton ante on Federal employee reductions by cutting 285,000 positions over 5 years and does it without decimating the Nation's defense—where the bulk of President Clinton's personnel cuts are hidden.

In comparison to the Clinton budget, which cuts all Federal employee pay, we eliminate unnecessary workers rather than penalizing all of them.

Yes, we are faced with two choices.

If this were the American people deciding, I feel confident about what they would decide.

Free from the blinders of partisan politics they would choose the plan that matches priorities to promises.

Today it's a choice between the President's plan which backs up when it comes to his promises or the Republican alternative that backs up our promises.

I am voting for the Republican plan and against the President's and if the American people had a vote here they would too.

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

Mr. KYL. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I would just point out in response to the gentleman from North Carolina [Mr. PRICE], and I am sorry that he has left the floor here, but he was giving all the programs that were terminated, and yet in the last couple of days on H.R. 6 we had votes about terminating some of those programs that were requested for termination by the President. But, as reported out by the authorizing committee, they are not terminated. We had specific amendments to terminate them, and by a very substantial margin we did not terminate any of those programs. So, Mr. Chairman, the will of this body to even terminate the programs that the President is talking about is not there.

They talk about it. They list all the things that are being terminated. But when it comes to voting, Mr. Chairman, they do not terminate any of them, so let us not kid ourselves that they are.

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

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

Mr. KASICH. Mr. Chairman, I, too, want to comment on the statement of the gentleman from North Carolina [Mr. PRICE] who ran through a list of all the program terminations. I say to my colleagues, "You know it is incredible, but, when you add up the 110 programs, and the gentleman from Arizona has just pointed out that this House has even rejected some of the 110 programs, but when you add up the 110 program terminations in the President's budget, and I have said from the beginning it is the only part of the budget that represents some real change, those 110 programs save $670 million."

Mr. Chairman, that is millions. I did not say $670 billion. I said $670 million.

If the President had not sent his budget to Capitol Hill and had put the Government on automatic pilot, we would have lower deficits and lower spending than under this proposal. I say to my colleagues, "You can't change the facts, and the facts are that bragging about saving less than $1 billion as representing some kind of a breakthrough in this town, and then realizing the House is systematically rejecting even those minuscule savings, really shows us the kind of trouble we're in in this country."

Mr. SABO. Mr. Chairman, I yield 2 minutes to the gentleman from Utah [Mr. ORTON], a distinguished member of our committee, a very thoughtful member.

Mr. ORTON. Mr. Chairman, in considering this year's budget resolution, it is important to note what is and is not possible to include in a budget resolution which will not be followed by subsequent reconciliation legislation. While the Budget Committee may increase, decrease, or maintain current levels of spending on discretionary spending programs through the budget resolution, any comprehensive change in mandatory spending programs or budget process reform would require separate legislation to accomplish. In order to ensure that such legislation would be acted upon, the budget resolution could call for specific committees to report language back to the Budget Committee in what is called budget reconciliation. I am disappointed with the decision not to enact a reconciliation bill which could further reduce the deficit through reductions in mandatory spending programs and further reforms of the budget process.

Since there will be no reconciliation, however, I believe that this committee was successful in accomplishing as much as it could within the budget resolution alone. The major issue facing the committee this year was whether to stay within the discretionary spending caps, or raise the caps and increase discretionary spending and therefore the deficit, or lower the caps and decrease spending and therefore further reduce the deficit. While I oppose raising the caps, and favor lowering them, I am pleased that the committee stayed within the 5-year hard freeze on discretionary spending and the pay-as-you-go framework. We have kept faith with the commitment set forth in the 1994 budget resolution and reconciliation for real deficit reduction.

Once the committee agreed upon overall spending within the discretionary caps, the second issue we faced was reallocation of scarce discretionary funds toward new national priorities. The committee appropriately followed the President's lead by shifting priorities to reinvestment in infrastructure and people, including an increase in education spending, while protecting other priorities such as national defense. In addition to readjusting spending priorities, we have cut several wasteful programs that do not work and shifted funding to programs that do work.

While I may not agree with every specific line item of this budget resolution, I do believe that it is on the right track. I am proud of the progress toward deficit reduction we have made in the last two budget resolutions. When I was first elected to Congress 3 years ago, the Federal deficit was $290 billion. This year the deficit will be $175 billion. that is a 40-percent reduction, the first time the deficit has fallen 4 consecutive years since President Truman's term in the 1940's. However, the bulk of deficit reduction has evolved from cuts in discretionary spending, primarily defense, increased taxes on the wealthy, and lower interest rates.

It is clear that we cannot balance the budget through cuts in discretionary spending alone. All discretionary spending, including defense, accounts for only 35 percent of Federal outlays, and interest on the national debt consumes another 14 percent. Without substantial new tax increases, which I oppose, it will be impossible to achieve long-term deficit reduction unless we reduce mandatory spending on social programs which comprises the remaining 51 percent of Federal outlays.

In an effort to begin progress on reducing mandatory spending, our committee included in the resolution a sense of the Congress provision which calls upon the House to consider subsequent legislation to: First, provide enforceable limits to control the growth of entitlement or mandatory spending; second, amend the Budget Enforcement Act to require emergency and disaster assistance to be paid for without increasing the deficit; and, third, grant the President expedited rescission or line-item veto authority. Last year, the full House adopted an expedited rescission bill and a bill to place limits on the growth of entitlement spending. However, the legislation has not yet been considered by the Senate. The President adopted the limits on entitlement growth in Executive order in 1993.

While this represents substantial progress, it is not yet enough. I believe the time has come for means testing of all Federal entitlement programs. We should not continue to distribute entitlement benefits to wealthy individuals in the highest income brackets. In addition, it is time to reevaluate the formula used to calculate the consumer price index [CPI] to determine whether it overstates inflation. Many portions of the budget, both outlays and revenues, are indexed to inflation as determined by the CPI. A very small error in the CPI may translate into billions of dollars of Federal deficits in future years. The committee report, therefore, includes a recommendation to complete an evaluation of the CPI within 1 year. We also included a provision to eliminate baseline budgeting which has been used to portray policies that would simply slow down the increase in spending as actual spending reductions. In the future, the starting point for deliberations on a budget resolution should be the actual spending levels for the current year, not what would be spent in the future if policies remain unchanged and inflation increased.

Health care services represent the most rapidly growing segment of the Federal budget and must be contained if there is to be any hope of long-term deficit reduction. While the Congress debates the course of health care reform, it is impossible to determine or even estimate the ultimate costs or savings to be achieved. Therefore, the committee included language to require that whatever legislation is ultimately adopted must be treated as part of the Federal budget and must meet the pay-as-you-go requirements, which means it must be paid for and cannot result in increased deficit spending.

It is clear that Congress has heard the message from the people to reduce Federal deficit spending. However, rather than eliminating programs which can no longer be funded, Congress has used mandates to merely shift the burden of paying for those programs onto State and local governments. I am delighted that the committee included a sense of the Congress provision to prevent unfunded Federal mandates and to require the costs of mandates to be considered when deliberating authorizing legislation.

Finally, I believe that it is imperative to amend the Budget Enforcement Act of 1990 to reform the budget process to include biennial budgeting, a unified operating and capital budget, sunset authority, expedited rescission authority, performance-based budgeting, and incremental-based budgeting. These provisions are outlined in H.R. 1138, the Comprehensive Budget Process Reform Act of 1993, which I filed in both the 102d and 103d Congresses. When combined with a balanced budget constitutional amendment, these process reforms will provide Congress with the tools to evaluate priorities and make the difficult decisions necessary to reduce deficit spending and balance the Federal budget.

The course has been charted, we have taken bold steps and accomplished much. But we are not yet finished. As the poet, Robert Frost wrote, we have promises to keep and miles to go before we sleep. I urge my colleagues to support the budget resolution and continue to follow the course.

Mr. KYL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. MILLER], a member of the Committee on the Budget.

□ 1310

Mr. MILLER of Florida. Mr. Chairman, last year the President and Democrats in Congress proposed and enacted the largest tax increase in history. Republicans offered an alternative budget that cut spending first without raising taxes.

Poll after poll shows that the vast majority of American citizens continue to prefer less spending and lower taxes to more of the same. The Democrats' budget last year did exactly the opposite: it dramatically increased taxes and spending. The new Democrat, it turns out, is the same as the old tax-and-spend Democrats.

The President's budget this year maintains the status quo. It is not remarkable for what it includes, but for what it lacks.

Most remarkable of all, the President's own budget does not contain the President's own health care plan. The largest Government-run social program in history, commandeering one-seventh of the American economy, adding an estimated $1.2 trillion and hundreds of billions in new taxes to the Federal budget—it is not in there. Neither is welfare reform. Or tough crime reform. Candidate Clinton promised all of these things. President Clinton's budget contains none of them.

Just as we did last year, the Republicans on the Budget Committee have come up with a better alternative to the status quo. Instead of increasing the size of government, we downsize government. Instead of raising taxes, we cut the tax bill for families and businesses. Instead of empty promises of change, we do it.

Honest health care reform does not have to create a massive Federal bureaucracy. We can control costs and improve coverage without undermining the quality of the best system in the world. Our budget proposal gives Americans what they want from reform: elimination of preexisting condition restrictions, portability, comprehensive malpractice reform, and medical savings accounts.

Our budget also funds comprehensive welfare and crime reforms. All paid for by cuts in the size of government. We pay for reform, and we reduce the deficit by $153 billion more than the Democrat budget offers. That is real change.

Mr. SABO. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from California [Ms. WOOLSEY], a freshman Member and a member of the Committee on the Budget.

Ms. WOOLSEY. Mr. Chairman, I oppose the Kasich and Solomon substitutes for a number of reasons, including the fact that they contain the Republican welfare reform proposal.

Mr. Chairman, I differ from every other Member of this House because I am the only Member of Congress to have been a welfare mother. So my opinions are not based on theory. They are based on real-life experience.

The Republican budget, which includes welfare reform, takes a complicated, emotionally charged social problem and puts forward a simplistic and punitive answer.

And they do this without the benefit of any debate here in the House of Representatives.

Their bills says that the two causes of welfare are illegitimacy and nonwork.

Mr. Chairman, this concept is illegitimate and it will not work.

The real issue is how to make it possible for poor single parents, like I was, to support their families and get off welfare permanently.

This bill does nothing to address that. It doesn't give families the tools to make themselves self-sufficient—no guaranteed health care, child support, no job creation. It simply punishes people for being poor.

In a recently released bipartisan survey, just 7 percent of Americans choose saving taxpayers money as a top goal for welfare reform, way behind every other option.

By more than 5 to 1, Americans favor reforms that help people leave welfare once and for all. But, the Kasich and Solomon proposals do not do that. They penalize children in order to cut the budget. So, Mr. Chairman, the ill-conceived Kasich and Solomon substitutes are way out of touch with the beliefs of the American public.

To do welfare reform right, it will require an up-front investment to achieve long-term gains.

I urge my colleagues on the other side of the aisle to come up to speed with the rest of the country, and I urge everyone to vote against the Kasich and/or Solomon substitute.

Mr. KOLBE. Mr. Chairman, before I yield time to the next speaker, I yield myself such time as I may consume just to point out to the Members that we should be aware that for the previous speaker's district, the Sixth District of California, our budget alternative would provide $56.8 million in family tax relief.

Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, I rise today to express my strong support for the Kasich amendment.

The time is long overdue for this body to face up to our Nation's real needs and act responsibly to address them.

The Kasich amendment does just that. It reduces the Federal deficit by a further $152 billion below the Clinton budget, yet still provides real tax relief for American families with a $500-per-child tax credit.

It emphasizes the issues that Americans care about most: Crime control, health care reform, and welfare reform.

And, as opposed to the Clinton plan, it restores sense to our national security budget by providing an additional $60 billion over 5 years for defense. These funds will give us the force structure we really need to successfully address and win two major regional contingencies.

Mr. Chairman, the Kasich budget will require some sacrifice. Frankly, it contains items that I would prefer were not there. But we can no longer run from this country's deficit monster. We must vote for responsible government. We must vote for the Kasich plan.

Mr. SABO. Mr. Chairman, I yield the balance of my time on this segment to the gentleman from Wisconsin [Mr. OBEY], chairman of the Joint Economic Committee, for the purpose of debate on economic goals and policy, and I ask unanimous consent that he be allowed to control that time.

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

There was no objection.

Mr. KOLBE. Mr. Chairman, before the gentleman begins, may I inquire as to how much time remains on each side?

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] has 28 minutes remaining, the gentleman from Arizona [Mr. KOLBE] has 3 minutes remaining, and the gentleman from New Jersey [Mr. SAXTON] has 15 minutes remaining.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. I yield myself 15 minutes.

Mr. Chairman, I heard one of our friends on the minority side of the aisle say a bit ago that he had not heard of any economists who suggested that the budget that we passed last year had made a contribution to economic growth in the previous year. I would simply suggest that he and I were both at a hearing when we heard Alan Greenspan, Chairman of the Federal Reserve, say just that.

In fact, quoting Mr. Greenspan, he said this:

> The underlying long-term economic outlook in this country is improving quite measurably, and indeed I don't recall as good an underlying base for the long-term outlook that we had today in the last 2 or 3 decades.

Then he went on to describe the role of last year's budget package in promoting lower long-term interest rates to facilitate growth.

Chairman Greenspan is far from alone in that assessment. I would like to review that point as to why he and so many other economists are so positive about the long-term outlook facing this country today.

Despite all the good news we have on the economy, I recognize that there are some of our friends on the Republican side of the aisle whose tendency seems to be to say, "Well, with so many silver linings, there must be a cloud around here somewhere." But the fact is that I think the sky looks pretty bright.

One of the major reasons for the improving economy is that we did have a tough deficit reduction package enacted by the Congress last year. This chart demonstrates, for instance, that in January 1993, President Bush estimated that the deficit for California 1993 would be $327 billion. That dropped to $255 billion in actuality by October 1 of last year. The deficit for 1994 is expected to be $223 billion, and it is projected by CBO to be $171 billion for fiscal year 1995. That is a 40-percent reduction below just 3 years ago. It represents the first time since the end of World War II under Harry Truman when we will have had 3 successive years of deficit reduction.

Now, that is not perfect, but it is a whole lot better than we saw all through the eighties under the policies that this Congress ill-advisedly supported at that time, policies promoted by the two prior administrations.

Mr. Chairman, if you take a look at the deficit as a percentage of the economy, you see that in 1979, before Ronald Reagan walked into the White House, the deficit was 1.7 percent of GDP. It went up to a high of 6.3 percent in 1983, and bounced around since then. In 1992 it was 4.8 of GDP. It is projected to be 2.4 percent of GDP by 1995. Again, that is a very large reduction, a drop of 62 percent from the 1983 peak.

One reason for that decline is that we had a budget passed by this House which cut 500 programs below the previous year's spending level. I just heard a speaker on this side of the aisle say only in Washington would you talk about a cut in growth of a program as being a spending cut. Well, that is not what I am talking about.

The budget that was adopted last year cut 500 programs below the previous year's spending level, for a total savings of $34 billion.

The President is suggesting that we terminate an additional 100 programs this year, and suggesting that we cut spending below existing spending levels for 200 others.

Now, Congress will not accept every one of those as the President has suggested, but they will accept an awful lot of them, and we will hit those spending reduction targets.

I would also point out that as part of that deficit reduction package passed by the Congress last year, we also did raise revenues by imposing income tax increases on 1.4 million taxpayers earning more than $140 thousand in adjusted gross income, or the 1.2 percent to the wealthiest Americans in this society.

At the same time, we cut taxes for over 15 million people because of our action to expand the earned income tax credit. CBO estimates when that tax credit is phased in fully, that 21 million families in this country will be eligible for a tax reduction, a 42 percent increase in eligibility.

In assessing the net impact of those tax policies, Kiplinger's Personal Finance Magazine last fall said:

> About 110 million Americans will file individual tax returns next spring. On 108 million of them, taxes will take a smaller bite than they did last year. That is right, smaller.

In fact, the only tax that fell on working age Americans last year who earned less than $140 thousand was the 4.3-cent gas tax increase. But as this chart demonstrates, the drop in oil prices since that time has more than fully wiped out the effect on the consumer of that tax increase.

Before the gas tax went into effect, the price of a gallon of gas was averaging $1.08. After it was averaging $1.13. Today it is averaging not quite $1.07. What that demonstrates is with price reductions wiping out the impact of even that tax, that the tax burden of last year's action is falling where it was intended to fall, on the top 1.2 percent of Americans who belong to families who make more than $140 thousand a year. And I make absolutely no apology for that whatsoever. That is elemental justice and it helped reduce the deficit and was well worth it.

As a result of what we did in the budget, and a lot of other actions, economic growth is accelerating. As this chart demonstrates, economic growth expanded at a much greater rate in each of the last four quarters, and the blue chip forecast for the next year is that the economy will grow at about a 3.6 percent rate. That again is not bad. And that growth is based on solid investment trends. If you take a look at what is happening to industrial growth in this country, industrial production, 1993 was the best year we had in the last five, with 4.2 percent increase in industrial production. Again, not perfect, but a whole lot better than we saw in the last 4 years.

If you want to turn to the unemployment figures, we have had a steady decline in the unemployment rate, dropping from 7.7 percent in January 1993 to 6.5 percent today. From January to January, that is the fastest 1-year drop in unemployment in 6 years. And the improvement can be seen also in the total number of jobs in the private sector. Not the public sector, private sector jobs. Good old capitalist jobs. If you take a look at the numbers, you see from January of 1989 to January of 1993, which happens to be the 4 years of the previous President's term, there was a total increase in jobs of one million. From January 1993 to February 1994, there has been a 1.9 million increase in the number of jobs in this country. Again, not perfect, but it is a far cry from the crunch that people were experiencing on the job front before the Congress took the action that it took last year.

I would point out this economic growth is not being bought with inflation. We have had 3 years of declining inflation. This chart demonstrates that we had 3.1 percent inflation in 1991, 2.9 percent in 1992, 2.7 percent last year. That is the lowest 3-year average in 30 years. The lowest 3-year average in 30 years.

In January 1994, the Consumer Price Index increase was zero. And I would suggest that the performance of the American economy is even more impressive and striking when you consider how slow the economic rate of growth has been in the rest of the world. In fact, when you consider that a good portion of the world last year was in a significant recession.

So we are experiencing, in my judgment, some good short-term success with the economy. The deficit is headed in the right direction, along with virtually all other economic trends. But we still need to do more.

The economy is still plagued by the burdens of the eighties, and we still face a major challenge in restoring income growth and jobs for many Americans, especially those without a college education.

The following chart shows that we have had an increase in real average weekly earnings for the average American family for the first time in more than 5 years. That is the primary problem that we have had in this economy. If you take a look at what real family income is today, you will see in fact that in 1979, real earnings were $302 a week. Sixteen percent above last year's level. And if you take a look at the long-term history of the economy, you will see that in fact real earnings peaked 20 years ago, in 1973, at $315 a week, 19 percent above 1993 levels. So that is the subject we need to be talking about on a bipartisan basis. We need to recognize the fact that this economy has been in trouble in terms of our ability to produce a growing wage environment for families for a good 20 years under administrations of both parties. And what we ought to be doing, instead of shooting at each other in a partisan way, is figuring out ways to really attack that problem. We have had a good turnaround this year. Thank God, the first time in 6 years we have had an increase in real average wages. But that is not good enough for us. We have got to do more.

□ 1330

We should remember that the squeeze on workers' wages in this country has been focused primarily on noncollege educated workers, and that is why we agree with the President that we have to have the right balance in our economic policy between deficit reduction and continued long-term investments over the next 10 years in education and training to improve the chances of people who do not have a college education to participate in the economic prosperity of this country.

Yet we have a threat to that investment facing us today in the form of the Kasich amendment. When we debated NAFTA, I stood on this floor and I asked the following question. I said, I recognize that the President has the support of many of our friends on the Republican side of the aisle for the NAFTA proposal. But we all recognized there would be some job dislocation from that package.

I asked the question, would they be there supporting us when we were trying to make the needed investments in education and training to counteract the job loss that we were going to be facing under NAFTA for certain workers in this society? Today we have their answer. The answer is apparently no. Because if Members take a look at the Kasich amendment, they will see that it virtually eliminates all possibility for increased investment in the very job training that we need, not only to deal with the effect of NAFTA but to deal with the effect in general of America's economy moving into an international economy which is very, very competitive and which is very, very tough on workers with the least education and least training.

So I think, in short, that we can be proud of the short-term economic progress we have made. But we still have a significant long-term challenge ahead. The budget before us tries to meet that challenge.

It tries to do as much as possible, while still struggling with the debt overhang left from the 1980's and the continuing problems of converting from a cold war defense posture.

The best thing we can do is to continue our determination to produce orderly, consistent reductions in the deficit, mixed with the right investments to produce long-term economic growth. We want to bring down that deficit. But deficit reduction alone, as Jack Kemp used to remind us, is not an economic policy.

We must produce the kind of economic growth and equity and sharing so that that growth produces a more secure society for all.

I believe we ought to heed the words of Herb Stein, the chairman of President Nixon's Council of Economic Advisers, who said this recently:

> The Federal debt is a small part of what we pass on to the future. We decide, mainly by our private savings, investment and research, what conditions for productivity and income we bequeath to our children and our grandchildren. Also by public policy, we are determining many of the conditions in which our descendants will live. If we can leave our children a country free of the dangers of war, with safe streets, reduced racial hostility, fewer miserable urban ghettos and elevated culture, we will not have to apologize.

That is the purpose of the budget here today, to both reduce the debt overhang that this country built up under the misguided policies of the 1980's and to return to a policy of long-term prudent investment, both private and public, in the things that will make this economy strong and will prepare us, God help us if we ever have to, will prepare us to economically support a military effort of large dimensions, if we are ever called upon again in our history to launch one.

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

Mr. SAXTON. Mr. Chairman, I yield myself 5 minutes.

I would just like to say to the gentleman from Wisconsin that I share his desire to see real economic growth in our country. And whether we have a Republican President or a Democratic President makes little difference to me, as it does the American people.

We are interested in getting people back to work, but that does not mean that I agree with the thrust of the gentleman's remarks. In fact, I quite strongly disagree. I am sure the gentleman is not too surprised at that.

Obviously, the gentleman pointed out that some of us see some clouds on the horizon and that is true. We see some clouds on the horizon, because we know that there is something different about this recovery. We know that the one thing that we can point to that is quite different about this recovery is that during it, we increased taxes twice. And because of that, during my opening statements, I pointed out, because of that the recovery has been slow and sluggish and about half as strong as recoveries that took place after every other recession since 1950.

So we are interested in getting people back to work, and that is a goal that we share. We differ on how to do that.

The gentleman also spoke at some length and eloquently about the progress that has been made with regard to deficit reduction. I would like to just point out to the gentleman that I recall very vividly being here on the floor of this House in July 1990, and having the leadership of the House and the Senate and the President's budget people return from Andrews Air Force Base.

And they said, "We have made a deal. We have got to increase taxes because our CBO forecasters in CBO say that by 1995, we are going to have $142 billion of deficit, if we don't increase taxes." This year CBO projections for fiscal year 1995 are $171 billion in deficit.

What happened in the meantime? We have raised taxes twice. In 1990, we raised taxes by $130 billion, and in 1993, we raised taxes by $16 billion. And the projected deficit for 1995, instead of being $142 billion, which was what was projected in 1990 for 1995, is going to be $171 billion. I do not call that progress, Mr. Chairman. I call that more deficit than we had projected prior to these two humongous tax increases, which have slowed the economy in the meantime.

Mr. Chairman, I share the gentleman's desire, and I share the gentleman's optimism, perhaps, about the future, but we have got to put in place some additional economic incentives, if we are really going to get the kind of growth that we need subsequent to a recession.

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

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

Mr. KASICH. Mr. Chairman, I thank the gentleman for yielding to me.

There are a number of items we are going back and trying to check, whether 500 programs were cut last year.

We are going to check that. I can tell my colleagues that the 110 programs that the administration has proposed cutting this year totals again $670 million. It is the only real change in the Clinton budget. And one more time, if Clinton had not sent his budget, we would have lower deficits than if we put the Government on automatic pilot.

What I would say is, the President deserves credit for coming into office and trying to aggressively seize an agenda. But what we would find, if we looked deeper into the economic evidence, is that we have seen interest rates significantly decline since about 1990.

What I would say is, like the 1990 tax and spend bill, which Republicans in the bulk opposed, I do not want to say the bulk, which a number of us opposed, including me, for the simple reason that the tax and spend does not work. Investing in Government does not work. It did not work then. And the difficulty that we have right now is that long-term interest rates are at their highest level in a year. Short-term interest rates are at the highest level they have been in 2 years.

What we are fearful of is that raising taxes, raising spending, and this really curious idea that if we invest in the Government that somehow that is going to solve our unemployment problems. We have been investing in these Government programs for about 40 years. What we suggest, under our plan, is that the people in Ohio and Arizona and New Jersey, who run these programs, are not stupid, that they do not think that Federal bureaucrats ought to be the ones that tell them how to job train people in their areas.

If we want to invest in Washington, more for Washington, less for the States, fine. We give Members a clear choice. What our concern is is that, and it is a clear philosophical difference, if Members think that we are going to be guaranteed economic security in this country with higher taxes and higher spending and more regulation, then we have to pick that choice.

□ 1340

What we will find is that program will in fact not work and guarantee the most prosperity for our Nation.

Mr. SAXTON. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I just want to comment on some things the gentleman from Wisconsin [Mr. OBEY] said. He said the Republicans find a dark cloud behind a silver lining.

We are glad that a recovery is underway. That recovery started in March 1991, 21 months before the previous administration left off, but in fact it has been a subpar recovery. Look at it.

If you look at four quarters, the last four quarters of the previous recoveries in 1954, 1958, 1961, 1970, 1975, and 1982, there was an average of 5.8 percent economic growth. This one, it has been 1.7 percent.

For eight quarters it is 4.6 percent for those previous recoveries. This one was 2.5 percent. If we look at the whole time of 11 quarters, on average it was 4.4 percent. This time it has been 2.7 percent. That is because of the tax increases in 1990, which some of us on this side of the aisle opposed. That is going to be exacerbated by the tax increases we just enacted last year.

If we look at it in terms of jobs, in 1991 we created 2.3 million new jobs, whereas the 1982 recovery was 7.9 million new jobs, and in 1975, 7.2 million new jobs. This is a subpar recovery.

Mr. OBEY. Mr. Chairman, I yield myself 4 minutes and 30 seconds.

Mr. Chairman, I am really not especially interested in reviewing old history. I am more than willing, if people want to do that. I am more than fully prepared. It seems to me there is not much benefit that accrues to the country when that happens.

Mr. Chairman, I would simply observe that we can debate whether this is a slower recovery than past recoveries or whether it is not. Of course, it is, because the country was so crippled by the huge debt overhang left to us by the policies of previous Congresses and previous administrations that we have not had the ability available to the Government to stimulate the economy the way the administrations were able to stimulate the economy in past recessions.

We also were not in a world economy which was collapsing around us in past recessions, because America did not trade very much 10 and 20 years ago. We do today, so we are very much affected by what happens around us. Our economy will not really begin to grow as fast as it ought to grow until the economies of Japan and Germany recovery, so we can begin again selling to them many more American goods that we would like to send.

Mr. Chairman, I would simply make the point that if we want to debate Bush versus Clinton, I think the record is pretty clear. Most of the job growth by far that has occurred since the end of the recession occurred under President Clinton's watch.

I would also point out, despite the references that I hear continuously to higher taxes, there are no taxes in this budget resolution. This budget resolution is not raising taxes.

Mr. Chairman, I think we can compare the kind of tax code that our party prefers with the kind of tax code our friends on the other side of the aisle seem to prefer, because the lion's share of our tax increases last year were focused on those who made more than $140,000 a year, and the tax cuts were focused on those who made less than $26,000 a year.

If we take a look at what I understand to be the Republican proposal today, it says if a person makes $200,000, they can continue to get the tax break which they are talking about, but if a person makes $15,000, they cannot. I do not find that a very persuasive distribution of burden out in the public marketplace. I would be happy to allow the public to decide what they think about that.

Mr. Chairman, I would also like to respond to the suggestion that we are investing in the Government. Nobody is investing in the Government. We are trying to invest in people.

What we are trying to do is invest in kids by way of education. What we are trying to do is invest in science by way of health research and other scientific research, so we can stay on the cutting edge of technology; so that new jobs because of new manufacturing processes and new jobs because of new scientific breakthroughs go to Americans rather than to somebody else.

What we are trying to do, Mr. Chairman, is invest in the physical infrastructure which must be modernized if any community is to provide a decent condition under which our economy is to grow.

Our communities need decent sewer and water. Our communities and our States need decent highways and transit systems. That is what we have in the President's budget, a careful balance between deficit reduction and those kinds of investments.

Mr. Chairman, we have two bridges a day that fall down in this country. Would it not be nice if we started fixing them at the rate that we are capable of doing?

We are in the midst of defense conversion, where areas who employ people in defense plants are being squeezed to the marrow because of cutbacks in the military budget. Would it not be nice if we were giving people additional things to do in this economy, as we did at the end of World War II?

We are not doing nearly enough of that. We do not, frankly, do enough of that in this budget, but we are doing the best we can under budget constraints. I think there needs to be no apology made for that.

Mr. SAXTON. Mr. Chairman, I would just point out very briefly that the tax credit that the gentleman mentioned that is in the so-called Kasich budget does not provide a $500 per child tax credit to Americans who qualify, and is meaningful or is meaningless, as one wants to put it. In the gentleman's own district, it would mean $62 million tax credits to families that live in the gentleman's district. Mr. Chairman, I think that is quite meaningful.

Mr. OBEY. Mr. Chairman, I would ask of the gentleman from New Jersey [Mr. SAXTON], is it not true that the gentleman's credit is not refundable, so therefore does not go to low-income people in this country?

Mr. SAXTON. Will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, I would say to the gentleman it is not refundable; that is correct.

Mr. OBEY. I thank the gentleman. That proves my point.

Mr. SAXTON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I find it curious that the gentleman would argue that a family in his district with an income of $25,000, a family of four, should not get a $2,000 tax credit. I would find it curious that the gentleman does not support that, but I would say to the gentleman that I agree with him, that the real key is how do we keep the recovery going.

Is it not amazing that the Republican proposal that the gentleman does not like reduces the deficit by $150 billion more in deficit reduction by streamlining Government, and at the same time gives that long-promised tax credit? That longtime middle-income tax promise that the President has made and retreated from, we deliver it.

Mr. Chairman, I would suggest to the gentleman that we are not only reducing deficits by more than he is, but at the same time we give a piece of that to middle-income families. Of course, the bottom line is how do we keep the recovery going? Do we keep it going by investing in Washington bureaucracy, or do we do it by reducing deficits, providing incentives for business, and tax relief for families?

That is really the question. That is what it is going to come down to tomorrow, and that is what the American people are going to have to judge. Do they want to invest more in the Washington bureaucracy, or do they want to give more to States and give more to individuals, provide incentives for business, and cut the deficit more?

I think the choice is clear. I think the American people, if they could vote a national referendum, would elect this thing overwhelmingly.

Mr. KOLBE. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER].

□ 1350

Mr. BUYER. Mr. Chairman, the budget proposed by President Clinton is merely a continuation of the deafness to the demands of the American people to cut spending first. The President has promised lower Federal spending and greater deficit reduction but instead has given us a framework for increasing the Federal debt by over $1.5 trillion during the next 5 years. I am disappointed that President Clinton has given us more of the same—big government and more Federal spending that takes money out of the pockets of hard-working families.

The President's budget should be measured both for what it says and for what it does not say. It says that it "holds the line on deficits." It says that it reduces Federal spending by meeting the discretionary spending caps and lower entitlement spending. It also claims to have the much-vaunted health care guarantees and crime reform. However, the plan is far from the requests from Hoosier families to cut spending first.

President Clinton's budget increases spending by $370 billion over 5 years and increases the long-term deficit by $365 billion by 2004—all while gouging Defense by $136 billion, which still leaves a $20 billion shortfall from the DOD's bottom-up review. The President's budget also only marginally identifies the fiscal effects of health care reform, which is questionably paid for by the levying of increased taxes on top of last year's tax increases. Next, the President's budget completely ignores welfare reform. To add even more insult, the President's budget pays lip-service to anti-crime efforts by funding only a fraction of the promised increased police efforts.

What has been happening to all the increased tax revenues and spending cut savings the President is claiming? We have larger long-term deficits because the President takes the savings and creates more government spending and calls the marginally efficient programs investment. In fact, the deficits would even be smaller if the President has not even submitted a budget at all.

The American people deserve to be able to pursue the American dream in an environment conducive to business development. They deserve a budget that reflects political morality. Responsible fiscal planning with the payment of benefits and debts in the same generation in which they are incurred. That is exactly what the Kasich plan delivers.

Mr. KASICH's House Republican budget initiative, unlike the President's budget, is a bold and dynamic proposal that takes command of America's fiscal woes and delivers solutions to the American people. The keystone of the initiative is a much needed family tax credit that provides a $500 per child credit per year for middle-class tax relief. But the initiative also provides lower Federal spending, higher deficit reduction, and keeps more money in the hands of the people who earned it.

The lower spending is a result of logical Government streamlining coupled with reasoned spending cuts. Among other efforts, the initiative provides for the reduction of fertilizer and environmental funds from the Tennessee Valley Authority [TVA]. I am an advocate of reducing these activities because they are well beyond the scope of the TVA. Also, the initiative provides for the USDA reorganization and preferences for ethanol use. These are typical of the efforts to improve Government efficiency and eliminate bureaucracy.

The initiative is also proactive. It promotes economic growth, job creation, and provides welfare, health care, and crime reforms that all surpass the promises of the President. Economic growth would be encouraged with extending expiring tax credits and neutral cost recovery to accelerate the rate of depreciation for small business so they can stay competitive and efficient in the expanding global marketplace. Additionally, capital gains would be indexed and capital losses on the sale of a principle place of residence could be deducted. All this is provided without jeopardizing of our national security—and it's all paid for up front and not on the backs of our children and grandchildren.

I urge my fellow members to seize the moment and act with fiscal responsibility by adopting the house Republican budget initiative. Liberty and economic opportunity are inextricable. When Government restricts liberty with overburdens of regulations, it directly effects the opportunity for entrepreneurs and small businesses to grow and prosper. It's time to lift the oppressive yoke of big government, reign in the excesses of big government, and enact true deficit reduction so that the American people can realize the pursuit of happiness.

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

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

Mr. KASICH. Mr. Chairman, I want to point out that the gentleman from Indiana has 129,730 children in his district who qualify for over $64 million in tax relief paid for under our proposal.

Mr. BUYER. I compliment the gentleman from Ohio on the budget and for addressing health care, crime, and welfare reform that the President in his budget does not address. I am tired of all of these problems that everybody is making investments in people that coddle the criminals with all of these hug-a-thug type programs.

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

Mr. Chairman, I am trying to find the Member of the House on this side of the aisle to whom these gentlemen are responding. I do not see him. I do not see anybody who has uttered most of the words with which they are trying to disagree. The previous gentleman indicated that he is tired of having Members blame previous administrations without recognizing that the Congress had coequal responsibility. I said twice in my last two statements on the floor that Congress had to bear their share of responsibility because they ill advisedly supported the policies that were promoted by the previous administrations on budgeting. I know because I was here and I offered the alternatives to them, and I got the blazes beat out of me in the process. So I know how it feels to have tractor tracks over my back.

Simply I would suggest again, and I would repeat for the benefit of those who need to hear it, that nobody is talking about investing in Washington bureaucracy. When we have education and training programs, I do not know what happens in other people's districts, but that means that kids in my district and communities like Wausau, and Stevens Point, Chippewa, Superior, Ashland, you name it, they wind up getting services which were not otherwise available to them. When we expand Head Start, that does not mean that the Washington bureaucracy is expanded. It means that the waiting list of kids in my district for Head Start becomes a little bit shorter. When we pass funds for childhood immunization, it means that kids in my district as well as every other district in the country get the needed health services they need.

It is true that the budget before us does not make some of the cuts that would be made in the Kasich amendment. We do not cut the $45 billion which the Kasich amendment cuts in Medicare. I make no apology for that, no apology whatsoever. We believe that those cuts ought to be considered in the context of health care.

I also would point out that since the gentleman referred to my district, I think it also is good to point out that in the budget we passed last year there were some 1,200 wealthy individuals in my district who wound up paying more taxes because of that budget, but there were some 20,000 people who became eligible for tax reductions because of that action, and they were people on the modest end of the income scale, and in my view that is the right balance, and I again make absolutely no apology for it.

Mr. SAXTON. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Chairman, I thank the gentleman from New Jersey for yielding time to me.

Mr. Chairman, over the past 2 years, voters have sent Congress several clear messages: Cut spending, reduce the def-

icit, create jobs, and stimulate the economy. As a member of the House Budget Committee, I have worked hard with Representative KASICH to do just that. The Republican budget plan cuts spending and reduces the deficit by $150 billion more than the administration's budget proposal over 5 years. It proposes a tax credit for middle-class Americans, and provides measures that promote job growth, private sector investment, and tax relief for hard-working Americans.

I rise in opposition today to the administration's budget proposal for fiscal year 1995 for some very simple reasons—this budget does nothing to change the status quo on spending. It does nothing to change the status quo on deficit reduction. It does nothing to change the status quo of an economic climate which burdens workers and the middle-class. When the administration presented this budget to Congress and the American people, there is only one signal they sent—the status quo, for them, is good enough.

Well, Mr. Chairman, I believe the status quo isn't good enough for Mainers or the American people.

On the other hand, the Republican alternative plan is a blueprint for long-term economic stability and growth that takes full measure of the impact of the deficit and national debt on our economy and confronts these issues squarely. It acknowledges that as long as these problems remain, job growth and long-term economic vitality will be difficult to achieve.

Unfortunately, judging by the administration's budget proposal, they are undertaking an effort to try and convince the American people that enough has already been done to reduce the deficit and spur economic growth, and that no further action on the deficit is necessary because they believe an economic recovery is underway.

Nothing could be further from the truth. The administration's unwillingness to take further action on deficit reduction represents a short-term view of our economy which allows it to underperform. There is no doubt that—if anything—we have learned that it is higher taxes and higher deficits which have had a direct, adverse impact on job creation, employment, and economic stability.

And if there is one thing that differentiates the Republican outlook on the budget with the administration's outlook, it is this: Republicans understand that we cannot continue to go deeper into debt and expect to see sustained job growth and economic vitality.

Yet the administration's plan calls for a 2.3-percent increase in spending next year for total fiscal year 1995 spending of $1.5 trillion. This, by the way, does not include whatever the costs for health care reform will be. While the administration proposes to eliminate 115 programs and reduce many others, none of the savings are devoted to deficit reduction. The administration also claims that the deficit will decrease to around $176 billion in 1995—but on that point we should ask ourselves this one question: Should we allow this administration to convince Congress and the American people that yearly deficits of $175 billion of deficits of any size are acceptable or an adequate enough standard of economic strength or stability?

Clearly, more can be done as evidenced by the Republican proposal which achieves a deficit level in fiscal year 1995 of $163 billion—$15 billion below what the President has proposed. The total spending amount in our budget proposal for 1995 is $1.49 trillion—or $55 billion lower than the President's proposal, while total 5-year spending is about $359 billion less than the administration's 5-year projections. Our proposal reduces the deficit further to $140 billion in fiscal year 1996, with a total 5-year deficit reduction total of $310 billion. Over that 5-year period, our approach translates to $147 billion more in deficit reduction than the administration's plan. Worse yet, the administration's plan allows the national debt to increase from $4.3 trillion to about $6 billion over 5 years, meaning over $1.7 trillion in new debt.

What is particularly troublesome, is that—for all practical purposes—the administration suspends deficit reduction for 5 years as if the problem will go away by itself. But it won't.

For my constituents in Maine, jobs and a strong economy are the paramount issues. Many in my district have felt the impact of last year's regressive and retroactive income tax increases. To those who say that the tax hikes have had no impact, I say there are many in Maine who simply ask "Where's the recovery?" Well, 42 percent of Mainers are worried about job creation and the economy, according to a recent poll. Maine has only regained 3,000 of the 30,000 jobs that we lost during the recession; 60 percent of the American people say that we are not out of a recession. Less than 30 percent of the American people say that we are in an economic recovery.

What is more troubling according to Department of Labor statistics, after the previous four recessions, 44 percent of workers laid off expected to be recalled once the economy improved. After this last recession, however, only 14 percent of job losers expected to be recalled to work. This is one indication that employment and the economy are not expanding as they could, or even as they have in the past. And let me give the administration a quick message about how their recovery is shaping up down East: a Maine State planning office report anticipates that we will add fewer than 10,000 jobs each year, which is one-third of the growth of the past two decades. They also state that it's likely to be 1997 before Maine regains all the jobs it lost during this recession. The bottom line is—hard times continue in much of Maine, and I'm sure in other areas of the country as well.

But with the economic illusions this administration is trying to create, we are in danger of allowing the majority party to convince consumers, taxpayers, and workers that an anemic recovery, subpar growth, higher taxes, and continued deficits are acceptable commodities for an American economy facing stiffer competition and stronger trade from all corners of the global marketplace. And we are in danger of allowing our country to settle for second best—to slip to a second rung on the ladder of economic opportunity—and to accept budgets which compromise the economic opportunities which have worked to expand the American middle-class and allow small businesses to hire more workers, market more American products, and build on the American dream.

What we need now is a budget that does what is necessary to create jobs, reduce the deficit, spur economic growth, eliminate wasteful government spending, and bring relief to middle-class Americans.

We can do better than the administration's plan. We should do better than the administration's plan. Have we crafted a better plan for the American people before? The answer is yes. That is why the Kasich alternative merits serious, bipartisan support.

Mr. OBEY. Mr. Chairman, may I inquire how much time is remaining on both sides?

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] has 5 minutes remaining, the gentleman from New Jersey [Mr. SAXTON] has 4½ minutes remaining, and the gentleman from Arizona [Mr. KOLBE] has 30 seconds remaining.

Mr. OBEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I think it is useful again to emphasize some of the differences between the Kasich amendment and the budget before us.

I have a Republican Governor in my State, for instance, and he is interested in seeing to it that we fully fund the ISTEA Highway Act. The Kasich amendment does not do that. The budget resolution before us from the Democratic side does.

In my view, that investment is crucial to the ability of the economy of my State and others to grow. I think it is worth the investment.

The Kasich amendment makes a $28 billion reduction in overhead savings. A significant portion of that falls on the Veterans' Administration, which means that they will be able to buy less in medical supplies.

□ 1400

They also, as I understand it, have a $200 million reduction in veterans' medical care. I do not especially want to go home to campaign for that or to brag about that. I do not think that makes a whole lot of sense.

So I would simply say that I am very happy to take home to my constituents the comparisons, and I think our package will not be found wanting.

Mr. SAXTON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, you know, I just find that argument fascinating about the gentleman criticizing our cuts in overhead.

You know, this again is more investment in Washington, DC, and the bureaucrats as opposed to sending tax relief to families back to his district.

Now, let me tell you what we are cutting in overhead. We are telling the bureaucrats they are not going to travel as much; they are not going to ship as much; they are not going to have as many rental payments to the General Services Administration; they are not going to have as much communication; they are not going to have as much printing and reproduction or consultants, as many supplies and materials. You see, this is the mindset. The mindset is you invest in Washington, DC, bureaucracy and let the bureaucrats travel more and let them print more and let them have more consultants, but do not downsize that.

What we do in our budget is we reduce this overhead spending by 7½ percent, and we say that the bureaucrats here in this town ought to do with less; in the process of doing it, we can have greater deficit reduction, and we can give the American family some tax relief.

Do you want to know something? That is where the American people are. They want the bureaucrats and the bureaucracies in this town downscaled.

Mr. OBEY. Mr. Chairman, I yield myself 1 minute.

Despite the rhetoric we have just heard, I will ask the gentleman this question: Does not your amendment cut veterans' programs by $200 million?

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

Mr. OBEY. I am happy to yield to the gentleman from Ohio.

Mr. KASICH. The answer is no. What I would say to the gentleman if he is yielding to me is I did not know the gentleman was so committed to consultants.

Mr. OBEY. No. I want an answer to that question.

Mr. KASICH. So committed to consultants and bureaucratic travel. The answer is no.

Mr. OBEY. Reclaiming my time, that is certainly not the reading by the Committee on the Budget on this side. Our estimate is you cut veterans' programs $200 million below the committee resolution.

Mr. SAXTON. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I am delighted to engage in this debate, because I want to say to the gentleman from Wisconsin, the gentleman criticized our overhead spending, and the gentleman said that our overhead spending was a cut in these various administrations, and I will tell the gentleman that that is correct. We do not think we ought to have as many supplies and materials in the bureaucracy. We do not think that the bureaucrats who travel most in the final quarter of the fiscal year, we think that they ought to be trimmed back.

Now, my constituents at home think that there is plenty of waste in the bureaucracy of this Government, and they want it to be eliminated, and that, of course, is precisely what we have done.

Mr. OBEY. Mr. Chairman, I yield myself 30 seconds.

I would simply say this gentleman is very happy to see cuts in overhead. I am not happy to see cuts in the medical supplies available to the Veterans' Administration. That is the point I am trying to make. I think it is a valid one.

Mr. KOLBE. Mr. Chairman, I yield myself the last 30 seconds that I have to state once again to the gentleman from Wisconsin that is not true. That is not what we are cutting. We are not cutting medical supplies in the Veterans' Administration. That is not what is being cut. These numbers we are cutting in overhead are numbers that are given to us that were scored by the Congressional Budget Office.

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

Mr. Chairman, this debate has been very enlightening, I believe, in terms of demonstrating the very significant difference in the approaches as proposed by the gentleman to my right, the gentleman from Ohio [Mr. KASICH], and the Democrat budget proposal.

The Democrat budget proposal proposes to go forward with business as usual, a budgetary process that was laid out in 1993, and continued through 1994, and now proposed for 1995. It has resulted in very sluggish growth in our economy. It has resulted in higher taxes, and it has resulted in estimated growth in the future by both the President and by CBO of 2½ percent, and by historic standards our goal has been growth of at least 3 percent to consider ourselves on the right path.

So the Kasich budget, in proposing to reduce the deficit by an additional $153 billion over what the Democrat plan does, recognizes in that respect that our spending pattern has gone up very rapidly, yes, through the 1980's and continues to increase rapidly now into the 1990's.

It also recognizes, as the Governor of New Jersey recently has, as a matter of fact, that the Tax Code is a very, very important tool which we use correctly sometimes and misuse at other times to help promote or hold back economic growth.

The Governor of New Jersey, Christine Todd Whitman, just last week signed into law a 5-percent tax reduction.

The Kasich budget moves in the same direction with a $500-per-child tax credit which would apply to districts all across the country, not only to make it a little easier for families to come to grips with daily and weekly and monthly expenses, but also to recognize what it is about our Tax Code that helps the economy to grow, and that has been demonstrated time and time again as well.

So there is a difference here. On the one hand we continue the tax-and-spend policies that have put us where we are today; on the other hand, with a vote for Kasich which will come up in just a few minutes, we have an opportunity to turn the corner on additional spending which requires, as happened in 1990, additional taxes, and in 1993 additional taxes, as well.

So I thank the chairman, and we look forward to further debate as the Kasich amendment comes up.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. COYNE].

Mr. COYNE. Mr. Chairman, the House has an opportunity to pass a budget resolution for fiscal year 1995 which will help to ensure the continued growth of the U.S. economy and a steady reduction in the Federal deficit.

President Clinton announced a Federal budget on February 7 that provides good news for the economy and job creation. President Clinton's budget recommendations revealed that continued progress on reducing the deficit is being made, with the 1995 budget deficit at $176 billion compared to the 1994 deficit of $235 billion. Skeptics of the hard freeze on spending enacted in last year's budget act must now admit that Congress and President Clinton did produce a real deficit cutting agreement in 1993.

As a member of the House Budget Committee, I strongly support the budget resolution approved by the committee. This budget builds on the recommendations of the Clinton administration and will promote economic policies that create jobs and help local families buy a home or start a business. The House Budget Committee has also reported a budget resolution that complies with the discretionary spending caps set for fiscal year 1995.

Lower deficits should help to keep long-term interest rates low and that helps to create jobs in construction, auto sales and businesses that rely on consumer spending. This reduction in

the Federal deficit should also help to maintain home mortgage interest rates at record low levels.

While the administration's budget calls for the elimination of 115 specific programs and tight controls on discretionary spending, some of the money saved by making these cuts will be targeted for priority programs serving the American people. For example, the House Budget Committee reported a budget that provides a significant increase of $2.3 billion in outlays for education and training that will help workers and young Americans obtain the skills needed in today's economy. This budget also provides for a major boost in funding for child nutrition and Head Start to provide children a better chance of doing well in school.

I am especially pleased that this budget provides for an increase of 7.6 percent in outlays for law enforcement efforts. This increased funding will help hire more police officers in communities across the country. Community policing has been used successfully in many areas to prevent crime as well as provide more resources to catch individuals who commit a violent crime.

This House budget resolution also provides for a 5.6 percent increase in funding for the National Institutes of Health. NIH funding is a vital part of our Nation's effort to prevent illness and find cures for diseases like breast cancer, AIDS, and heart disease. As the Congressman representing the city of Pittsburgh, which proudly hosts major research centers like the University of Pittsburgh Medical Center and Magee-Womens Hospital, I strongly support the recommended increase in funding for the NIH.

While there is much to recommend in the administration's proposed budget, I have worked with other House Budget Committee Members to restore most of the funding cuts proposed for LIHEAP [the Low Income Home Energy Assistance Program]. The House Budget Committee approved budget resolution restores $520 million of the proposed reduction in LIHEAP funding.

This action will help the millions of moderate income Americans in cities like Pittsburgh who face the difficult challenge of paying high winter heating bills. I have listened to many local residents in Pittsburgh report how difficult the recent winter weather has been for their household budgets and I am convinced that the House Budget Committee has set the right priority in restoring LIHEAP funding.

The House Budget Committee has also restored funding for transit operating assistance to $802 million, the fiscal year 1994 level. This action should help communities maintain vital mass transit services without raising fares, cutting service routes or taking other steps that would decrease the quality of local transportation services.

The House Budget Committee has also adopted language which calls for full funding of the Healthy Start Program. This program seeks to ensure that low- and moderate-income Americans have access to vital health services that give a child the best chance of growing up healthy. I have been a strong supporter of the Healthy Start Program in the city of Pittsburgh and I can assure the Members of the House that this is a program that works.

Mr. Speaker, the House Budget Committee has reported a budget that meets the challenge of continued deficit reduction and discipline on spending. At the same time, this budget addresses national priorities such as crime, education and training and investment in the future. I urge my colleagues to support this budget.

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

Mr. Chairman, I would simply say, in light of the response of the gentleman from Ohio on veterans, I want to say that on page 24 of the Republican budget initiative, March 3, 1994, there is a line which says, "Limiting increases in the President's investment spending in function 700;" function 700 is veterans. They cut that by $585 million; $579 million of that is medical care.

So, in fact, the situation is far worse than I described.

I would simply say that I think people ought to vote for the committee resolution. It provides for deficit reduction which will take the deficit down to more than 40 percent below where it was just 3 years ago. It means that it will be the first time since the end of World War II that we have had three successive years of deficit reduction.

□ 1410

It is also in support of the economic policy which has seen a reversal of more than a 5-years-in-a-row decline in family income. This year for the first time we have seen a modest increase in real family income.

The policy has also produced the lowest inflation rate in 30 years. It has also produced job growth which has produced twice as many new jobs in 1 year as we had in the previous administration. I think those numbers stand on their own.

It seems to me that we ought to stick to this budget. It is the budget which has helped improve the economy. The American people understand that. Eventually, I think everyone in this House will understand that.

Mr. OWENS. Mr. Chairman, today we will consider the resolution for the 1995 budget. All advanced briefings indicate that the House Budget Committee has engaged in a rubber-stamping exercise that adds very little insight and vision to the administration's monstrous presentation. When we vote on this flawed resolution there will be none of the drama of last year's session. This year the Democrats have surrendered in advance. A golden opportunity to begin redirecting the Nation's resources has been tossed away. Is the Republican Party still in control of the Office of Management and Budget? The worms at OMB devoured more than 100 small programs and drastically cut 300 more. The total abandonment of jobless inner-city youth was begun with the transfer out of $60 million into programs to retain adults who have had the good fortune to have jobs for the last 12 years, but are losing their Defense-related employment now.

But the most scandalous act of all in this budget-making process has been the House Committee's acquiescence to the administration's position that there will be "no further cuts in Defense". The military industrial complex reigns supreme "uber alles." The no-cuts-in-Defense doctrine represents a monumental blunder, a gigantic waste of resources that should be utilized to redirect our economy. Building schools, bridges, highways, mass transit, educational technology equipment, health centers, and other civilian infrastructure components, would produce many more jobs for the dollars being spent to maintain obsolete overseas bases and weapons systems. The folly of continuing our multibillion dollar Defense waste is so apparent that our grandchildren will condemn us as being stupid or cowardly or corrupt. Of course, posterity will quickly understand that the Members of the 103d Congress were not stupid. Some of the best minds in America are in the Congress. But posterity will condemn us for allowing the military industrial complex to either bully us or buy us. We must confront the intimidation and let our intelligence take over. Adherence to the "no further cuts in Defense" doctrine is a super blunder.

THE SUPER BLUNDER

Decisiveness Firmness Resolve
Let logic dissolve
No cuts for Defense
A blunder immense
Insight shows no sense
Overseas bases
Won't get the ax
Luxury weapons makers
All can relax
No Bosnia or Haiti
No worthy attacks
Just fund everybody
Gentlemen Generals
No need to fear
Sit tight on your rear
NATO leases
Surrender no pieces
Fat foreign neighborhoods
Keep selling our soldiers
Erotic adventures
And glitzy dry goods
Japanese markets are closed
But none of our bases disposed
3.5 billion could build
A thousand schools
But only one nuclear carrier
Is written into the rules
Decisiveness Firmness Resolve
Let logic dissolve
No cuts for Defense
A blunder immense

Mr. BORSKI. Mr. Chairman, I rise in support of House Concurrent Resolution 218, the budget resolution for fiscal year 1995.

Last year, the Democrats in Congress took a bold step and approved the principles of

President Clinton's economic growth and deficit reduction package outlined in the Omnibus Budget Reconciliation Act. Not one Republican joined us in supporting this plan. Instead, they stood up here spreading misinformation and giving dire predictions about its impact on the economy. They said the plan would destroy our economy, increase the deficit and kill jobs.

Mr. Speaker, the economic reality is that last year's budget package has strengthened this economy. In fact, in recent testimony to the Joint Economic Committee, Federal Reserve Chairman Alan Greenspan said "* * * the underlying, long-term economic outlook in this country is improving quite measurably and, indeed, I don't recall as good an underlying base for the long-term outlook that we have today in the last two or three decades."

Under President Bush, the economy grew at the slow rate of merely 1.5 percent, the weakest growth of the post-war period. The President's plan has turned this around. In 1993, the economy grew at a rate of 3.2 percent and topped off with a rate of 7.5 percent in the last quarter. Leading indicators show that the economy will continue its strong performance.

In addition, under the President's plan, the deficit has shown dramatic improvement. Deficits are at their lowest levels as a percent of GDP since 1979. In 1993, the deficit was $73 billion less than projected under President Bush. The deficit forecast for 1994 has dropped by $70 billion and by over $100 billion for 1995. This will be the first time in 50 years that the deficit will drop for 3 consecutive years.

Finally, during President Clinton's first 13 months, over 2 million jobs were created—twice the number of jobs created during President Bush's entire 4 years. The unemployment rate has declined by a full percentage point, the largest annual drop in unemployment in 6 years.

This year's budget resolution continues the process of reducing the deficit and rebuilding our economy outlined in last year's budget package. It implements the spending cuts mandated by the 5-year deficit reduction package. Under the resolution, the deficit will drop to $175 billion in fiscal year 1995, $115 billion less than 3 years ago. In addition, the resolution conforms to the spending caps for discretionary spending established by the deficit reduction package. Under these caps, discretionary spending will actually fall for the first time since 1969.

The budget resolution also contains the President's proposals for investment in areas key to our sustained economic growth, including education, training, community development and crime control. The resolution increases funding for Head Start, job training programs for dislocated workers, one-stop career centers and a number of crime initiatives, including community policing, border security and illegal immigration control.

Mr. Chairman, last year, President Clinton introduced his economic and deficit reduction package and gave this country new direction and new hope for the future. Today, we have the opportunity to further the success of this program by pursuing the deficit reduction and economic revitalization outlined in the budget resolution. I urge all my colleagues to support the President and vote for House Concurrent Resolution 218.

Mrs. VUCANOVICH. Mr. Chairman, I strongly support the budget proposed by the gentlewoman from Maryland and I am appalled that we will not even be allowed to consider it during these discussions over the budget resolution. By increasing each line item of Federal spending by 2 percent, the Bentley proposal does not pick winners or losers. At the same time, it would save close to $800 billion over the next 5 years. This could be the perfect, nonpolitical, nonpartisan, easy vote on the budget. No taxes, increase every item of Federal spending by the same percentage, and have a budget surplus by 1999.

I said there would be no winners or losers if we could debate and vote for the Bentley proposal. That's not quite right. I should have said there would only be winners. The American public would win, because we would put our economic house in order. The economy would win, and the Federal Government would win, because we would not be forced to devote so many resources to interest payments on a mounting Federal debt.

I commend the gentlewoman from Maryland for her foresight and commiserate with her on the unfortunate decision by this body which will not allow us to give serious attention to her proposal.

Mr. FORD of Michigan. Mr. Chairman, I rise in strong support of House Concurrent Resolution 218, the concurrent resolution on the budget for fiscal year 1995, as reported by the Budget Committee. At a time when budget rules and fiscal constraints limit our options, this budget resolution offers the foresight of renewed investment in this Nation's most precious resource—our people.

Over the past three decades, I have fought to sustain a commitment of resources to the education of our children and the training of our workers. Just 3 years ago, I proudly championed a successful homefront budget initiative which set education and training as a priority in allocating the Federal budget. The House adopted my amendment on this floor as part of the budget process in recognition of the great future return on the near-term investment in these programs.

Today, I rise in support of what I view as an extension of my earlier effort. While I would gladly support a more generous commitment to education and training, this budget is a good step in the right direction. I offer to work with my colleagues to see the fulfillment of the pledge we make here today—promoting better educated younger people and better trained workers.

I strongly support the budget resolution because it implements the President's decision to invest scarce resources in the Nation's working people. Such investments in the work force will increase the value of our Nation's most distinctive asset—its workers. This focus upon America's "human capital" will help our workers increase their wages in our increasingly competitive global economy. The resolution ensures that more than a billion new dollars will go to initiatives to train high school graduates and unemployed workers for better jobs. This funding will make legislation to establish skill standards, to promote school-to-work transition programs, and to make reemployment a reality.

I also strongly support the budget resolution because it ensures funding of the administration's proposals to strengthen the enforcement of labor standards laws in the Nation's workplaces. The resolution gives the Department of Labor the additional resources necessary for enforcing the wage and hour, occupational health and safety, and pension laws of the Nation. These additional resources are a good start toward reversing the neglect of workers' rights of the last two administrations.

At this point in the RECORD, I offer a letter from the Committee for Education Funding [CEF] in support of the Budget Committee-reported budget resolution. The CEF has always been there to plead the case of our young people. Its members have been and continue to be valued partners in the fight to sustain adequate resources for education—and the Nation's future.

COMMITTEE FOR EDUCATION FUNDING,
March 9, 1994.

DEAR REPRESENTATIVE: On behalf of the member organizations of the Committee for Education Funding, we urge you to vote for the FY 1995 House Budget Resolution as reported by the House Budget Committee on March 3rd. The Committee resolution makes the education, training, employment and social service needs of our nation's citizens a priority. The budget plan includes a $3.6 billion increase for Function 500 (education and training), affirming the President's recommendation for a substantial investment in the programs of the Labor, HHS, Education Appropriations Subcommittee. We also urge you to vote against any alternative budget plan that cuts funding for education programs below the Committee-reported resolution.

The overall numbers in the Budget Resolution reflect the President's investment in the education and training of our nation's most precious resource—our people. As stated in the report, a renewed investment in education is "one of the most prudent policy decisions our government can make to improve our nation's ability to fulfill our hopes and expectations for the future." The report notes that "schools are facing greater challenges in educating children. Violence on our streets has invaded the classrooms of our schools. School facilities are deteriorating, and funds are lacking to provide new equipment and keep up with advances in technology."

In a photographic essay in the February 20th New York Times Magazine, the stark contrast between our deteriorating schools and the costly renovation of prison facilities are clearly portrayed. "Seventy percent of all prison space in use today has been built since 1985, at a cost of $32.9 billion. But only 11 percent of the nation's classrooms were constructed during the 1980's * * * The courts, citing the constitutional ban on cruel and unusual punishment, require states to maintain decent prisons. But the Constitution doesn't address school class size or library resources." The budget resolution as reported by the Committee is an important step in addressing dire needs in education.

In the weeks ahead, the House will be setting spending priorities by allocating funds to each of the 13 appropriations subcommittees. We urge members to insist that the President's recommended increase to the Labor, HHS, Education Appropriations Subcommittee that is reaffirmed in the Budget Resolution, is actually translated into the 602(b) appropriations allocations. The President made education a priority, despite tight

fiscal constraints set by the budget caps. We urge you to do the same.

Sincerely,

THE 1994 COMMITTEE FOR EDUCATION FUNDING
EXECUTIVE COMMITTEE

Beth B. Buehlmann, CEF President, California State University; John B. Forkenbrock, CEF Vice-President, National Association of Federally Impacted Schools; Violet A. Boyer, CEF Treasurer, National Association of Independent Colleges and Universities; Richard A. Kruse, CEF Past President, National Association of Secondary School Principals; David Baime, American Association of Community Colleges; William Bruno, National School Boards Association; Edward M. Elmendorf, American Association of State Colleges and Universities; Carnie C. Hayes, Council of Chief State School Officers; Maureen Hoyler, National Council of Educational Opportunity Associations; Gerald Morris, American Federation of Teachers; Thomas C. Polgar, Paramount Communications Inc.; Michael Pons, National Education Association; Adele Robinson, National Association of State Boards of Education; Chuck Russell, Texas Education Agency; Dena G. Stoner, Council of Educational Development and Research; Tom E. Netting, ex officio, Career College Association; Richard Yep, ex officio, American Counseling Association.

Mr. LEWIS of California. Mr. Chairman, I rise today to voice my opposition to House Concurrent Resolution 218 (H. Con. Res. 218) and strong support for two amendments—the Kasich/Republican budget initiative amendment and the Solomon-Fawell-Upton amendment.

The Republican budget provides lower spending, lower taxes, and lower deficits than proposed in the Democrat budget. The Republican budget also tackles major initiatives in its 5 year spending outline.

I would like to take a few moments to outline several of these initiatives. First, the Republican budget includes a family tax credit. This tax credit provides a $500 per-child tax credit to families earning less than $200,000 a year. Residents in my district will be the beneficiaries of nearly $60 million in tax relief through this tax credit. Second, the Republican plan creates jobs and provides economic growth by changes in the tax code. These changes include—indexation of capital gains, fully deductible IRA accounts, deduction for capital losses on the sale of a primary residence, immediate expensing of business equipment, and an extension of the research and development tax credit. Third, this budget reduces the deficit by almost $152 billion more than the Democrat budget proposal. Fourth, the Republican budget also incorporates a bold welfare reform proposal which stresses work instead of welfare. Fifth, the Republican budget contains a plan to regain control of our streets and neighborhoods through a tough anticrime measure, the Crime Control Act of 1993. Finally, the Republican budget fully funds the Affordable Health Care Now Act while the Democrat budget makes no provision whatsoever for health care reform.

The Republican budget plan also provides a cost of living allowance [COLA] to Federal employees and military personnel. Further, the Republican budget plan provides a more reasonable blueprint for our national security needs. Relative to the President's budget, the Republican initiative restores $67 billion in the Defense budget.

The proposals contained in the Republican budget initiative are paid for through real spending cuts and real reforms in how the Federal Government operates.

I also strongly support the budget amendment proposed by colleagues JERRY SOLOMON, HARRIS FAWELL, and FRED UPTON. Their amendment to House Concurrent Resolution 218 balances the budget in 5 years. It calls for over 500 specific cuts. The Solomon-Fawell-Upton amendment cuts over $600 billion in Federal spending. This plan does not raise taxes or touch the Social Security trust fund. Many of the cuts contained in the Solomon-Fawell-Upton plan stem from recommendations from the Concord coalition, the Grace Commission, the Congressional Budget Office Citizens Against Government Waste, the National Taxpayer's Union, the Heritage Foundation, the Porkbusters coalition, and the administration's reinventing Government proposal.

As a strong supporter of a balanced budget amendment, I am also highly supportive of the Solomon-Fawell-Upton budget which balances the budget within 5 years without raising taxes, affecting the Social Security retirement trust fund, or cutting the benefits of veterans.

I urge my colleagues from both sides of the aisle to resist the status quo budget presented by the majority and to support the bold, progressive, and innovative budget blueprints presented by the Republican members of the Budget Committee and the Solomon-Fawell-Upton budget.

Ms. PELOSI. Mr. Chairman, I rise in support of the budget resolution as reported by the Budget Committee and commend Chairman SABO and the committee for their thoughtful work.

The Clinton budget builds on the strong foundation of deficit reduction, economic growth, and job creation that was established last year in the Clinton economic plan. This budget resolution reverses the policies of the past. The resolution keeps budget deficits on a downward path—this will be the first time in 26 years that the total discretionary spending will actually decline from one year to the next without even an adjustment for inflation. The President and Congress have cut spending first.

Despite these unprecedented reductions in total spending, the Clinton budget reflects investments in economic growth, in fighting crime, and in developing the skills of American workers and our children. This budget builds on the significant steps in the right direction that have made our Nation so much more hopeful over the last year.

Mr. Chairman, this is a tough but a good budget. The President and the Budget Committee are to be commended for their discipline and their vision in shaping this budget.

Mr. GOODLING. Mr. Chairman, in designing his budget, the President has failed to address our Nation's priorities: deficit reduction, controlling the debt, shrinking Government, maintaining national security, and highlighting key initiatives such as health care reform, welfare reform, and efforts to combat crime.

This administration continues to confuse reductions in the percentage of increased spending with actual spending cuts. Moreover, the administration does not explain that while the annual deficit may be reduced in the short term, each fiscal deficit continues to add to the burgeoning national debt. In fact, under the Clinton budget, the Federal debt will grow from $4.6 trillion in fiscal year 1994 to nearly $6.3 trillion in fiscal year 1999, an increase of $1.7 trillion over 5 years. Additionally, the deficit will increase from $176 billion in fiscal year 1995 to $201 billion in fiscal year 1999. The $176.1 billion deficit, which is the lowest the deficit has been since the mid-1980's, reflects three factors which had nothing to do with President Clinton's policies. The country does not have to spend $27 billion for the savings and loan cleanup process, $25 billion for reduced Medicare costs, or $20 billion due to economic growth. Moreover, the Congressional Budget Office [CBO] now estimates the deficit will exceed $365 billion by the year 2004. It is painfully obvious that Federal spending is not being controlled.

The one area of Federal spending which is being cut significantly is the defense budget. Defense spending will fall from $292.4 billion in fiscal year 1993 to $258.1 billion in fiscal year 1999, representing a decline of 11 percent in real terms over 5 years. Moreover, the budget does not contain the $20 billion in additional funding requested by the Department of Defense to implement former Secretary Aspin's "bottom-up review." Quite simply, the President's defense budget does not meet national security requirements.

Probably the most puzzling aspect of the administration's budget is what is missing. The three most important legislative initiatives this year will likely be health care reform, welfare reform, and efforts to combat crime. Inexplicably, these three issues were primarily omitted from the budget. While the President pledged support for 100,000 new police officers, his budget only funds 50,000. President Clinton's alleged support for the $22 billion Senate crime bill rings hollow when his budget approves only $2.3 billion, notably proposing no funding to assist States to build new prisons. While welfare reform was highlighted in the State of the Union Address, the President's budget offered no ideas on how to pay for expanded job training and placement, medical care, day care, and other family support benefits. Finally, the budget offers an incomplete picture of the actual cost of the administration's health care plan. The budget omits over $100 billion in mandatory premiums as well as the spending resulting from those receipts. Moreover, according to CBO, the White House underestimated the plan's cost by $132 billion.

EDUCATION AND LABOR PRIORITIES

Mr. Chairman, as the ranking Republican of the Education and Labor Committee, I would like to state for the record what my priorities would be had I prepared an "Education and Labor Budget Alternative."

I have always said that Members who wish to cut the deficit must begin by examining the programs under their own jurisdiction. During

the last couple of months, I have been working with the Republican members of the Budget Committee to share ideas for budget savings in Education and Labor Committee programs. During that process I recommended numerous cuts, which would save billions of dollars.

In this section of my statement I will also point out issues contained in the various Republican budget alternatives, on which I do not necessarily agree. I want to stress, however, that just because I may disagree with some of the recommendations of my Republican colleagues it does not mean that I do not support the general thrust of their budget alternatives. After all, that is all a budget resolution really is meant to provide—the general budgetary blueprint for the coming fiscal year. All the programmatic assumptions made in a budget resolution are only advisory, and are not binding.

ELEMENTARY AND SECONDARY EDUCATION

As the reauthorization for the Elementary and Secondary Education Act (H.R. 6) further progresses through Congress, I want to reiterate my support for continued funding for the chapter 2 and Even Start programs. I would increase funds for chapter 2 by consolidating into it several other smaller education programs, instead of eliminating it as the administration has requested. I do, however, support the administration's fiscal year 1995 request of $118 million for Even Start.

The administration has requested a substantial increase in funds for chapter 1, but I would defer any increase until we are assured that true quality reform for this program will be passed by Congress and implemented by the administration.

The Republican/Kasich alternative proposes to eliminate both "a" and "b" impact aid payments. While I support the elimination of "b" payments, I differ with my colleagues with regard to eliminating "a" payments.

In addition to ESEA, I again recommend continuing the effort to close the funding gap in the Individuals with Disabilities Education Act [IDEA] mandate. As of fiscal year 1983, the Federal Government was mandated to contribute 40 percent of the excess cost of educating children with disabilities. The Federal Government currently only provides, and the administration only requests funding for, 7 percent of the cost necessary to educate disabled children.

Also regarding disabled children, I do not support the specific recommendations of the Republican/Kasich alternative that would eliminate SSI payments for children under 16 with disabilities. While SSI payments are not within the jurisdiction of the Education and Labor Committee, most issues regarding disabled children are, and so I want to state for the record that this is one area where I differ.

FOOD AND NUTRITION PROGRAMS

My priorities for food and nutrition programs are: streamlined procedures to reduce costs to State and local governments; elimination of the fraud and abuse that threaten the system; and guaranteeing nutritional quality for those served. At a time of limited Government resources it is imperative that we stretch those resources to serve the greatest number of people.

It is also a priority for me to assure continued section 4 grant-in-aid payments to provide support for the basic infrastructure of the National School Lunch Program. It is essential that these payments continue tin order for the School Lunch Program to continue. Evidence shows that if funding were reduced to target only low-income children, then some schools would not be able to afford providing lunch services at all. This is one area where I am not in agreement with the different Republican alternatives.

I would also continue funding for the Cash/CLOS Demonstration Program, which allows schools to purchase commodities through Commodity Letters of Credit [CLOC].

POSTSECONDARY EDUCATION

Regarding postsecondary education programs, I continue to support the elimination of the Pell grant shortfall and increased funding for the Pell Grant Program as I have done under prior administrations. Increases to Pell grant funds serve those students most in need and ensure access to postsecondary education for all students.

Another program which I have strongly favored over the years is the college Work-Study Program and I support increased funding for this program.

The various Republican alternatives uniformly support the elimination of several higher education programs, which I think are vital to our Nation's students. I am particularly concerned about eliminating the State Student Incentive Grant Program [SSIG] and the Supplemental Educational Opportunity Grant Program [SEOG], both of which require matching funds from States and both of which serve the neediest students. I am also troubled by the proposed elimination of all campus-based aid, including SEOG, Perkins loans which are low interest loans made to needy undergraduates and graduates, and Work Study which requires matching funds and provides students both financial aid and valuable work experience. Redirecting one-half of the savings to the Pell Grant Program if the campus-based programs are eliminated will assist needy students, but this redirection of funds will not come close to helping the numbers of students who currently benefit from the campus-based programs.

HUMAN RESOURCES

In the human resources area, I would like to make three recommendations. First, I recommend that the funding for the Low-Income Home Energy Assistance Program [LIHEAP], that has already been appropriated for fiscal year 1995, be maintained. I oppose the administration's request to cut that funding by $707 million. Even the Democrat Budget Resolution, which departs from the administration's request, would cut LIHEAP by $187 million.

Second, I recommend that funding for Head Start be maintained at current levels plus inflation, until we are able to determine whether some real quality reforms emerge from the reauthorization process, and until any such reforms have been implemented.

Third, the administration's budget calls for a 48 percent—$275 million—increase in budget authority for fiscal year 1995 for the recently enacted national service initiative. This program is not even fully implemented yet, and so I strongly oppose the idea of increasing funding for it. Even the Democrat Budget Resolution, which departs from the administration's request, would increase National Service funding by $175 million.

Further regarding national service, I recommend applying a needs analysis to the educational awards. In this way limited Federal dollars for this program would go to the students most in need of assistance to attend college. This would not result in a budget savings, but it would result in more money being available for more needy participants in the program, once it is up and running.

JOB TRAINING

Mr. Chairman, last year the General Accounting Office [GAO] issued a report that listed 154 separate Federal job training programs. While I do not agree with the GAO that all of the programs listed are truly job training programs, I nonetheless recognize that far too much duplication and fragmentation exists within Federal education and training programs designed to serve adults and out-of-school youth. Therefore, I recommend funding for most of the major education and training programs which serve this population—including vocational and adult education programs, and programs serving disadvantaged youth and adults under JTPA—at approximately the fiscal year 1994 levels.

Yet I also recommend consolidating 84 individual training programs—as listed by the GAO—into 7 broad block grants, consisting of 12 major programs. This consolidation is expected to result in administrative savings over time, and would immediately result in much cleaner and more flexible funding streams going down to the States and local areas for these programs. I also recommend the elimination altogether of several other unnecessary programs listed in the GAO report as job training programs—most of which fall outside the jurisdiction of the Education and Labor Committee—for a total savings of approximately $1 billion over fiscal year 1994. These eliminations could be accomplished without adversely affecting our true Federal employment and training programs.

I appreciated the opportunity to work with Republican members of the Budget Committee to share with them this recommended consolidation idea. While I strongly support this consolidation effort, which should improve program efficiency and result in administrative savings, I am concerned over the level by which these programs—beyond our recommendations—were reduced in the Republican budget resolution alternative. I do want to note, however, that this proposal does provide moderate increases in funding for training programs for disadvantaged youth and for dislocated workers.

In the work force preparation area, I recommend modest increases for a consolidated dislocated worker program; for the development of occupational skill standards; for the establishment of a school-to-work transition system; and for incentives to States and localities to implement reforms leading to a coordinated system of one-stop-shopping delivery of training services. All of these recommendations fall within our recommendations for a much more efficient and flexible system of workforce development in this Country, and represent significantly smaller increases than proposed by the administration's budget in this area.

LABOR

Mr. Chairman, with regard to labor issues I have several priorities.

The Department of Labor proposes $36 million to be allocated for increased enforcement. I submit that the Department has adequate enforcement and that the administration should apply any surplus here to the deficit or to programs to help small employers learn how to comply with these complex laws. For example, OSHA has a consultation program which could be more adequately funded under this approach.

I recommended that the costs of any new Federal mandates on State or local governments must be determined in advance and/or will be applicable only to the extent that the Federal Government provides offsetting moneys. This recommendation is consistent with legislation that I have sponsored—see H.R. 1295. This is a recommendation that applies to all areas within the jurisdiction of the Education and Labor Committee, and to all issues before Congress for that matter.

I recommend amending the Federal Employees' Compensation Act [FECA] to prohibit individuals from receiving FECA benefits if they have been convicted of FECA fraud. This would result in a savings of $22.6 million over 5 years. (See H.R. 3491).

I, along with all of the Republican Budget alternatives, recommend repealing the Davis-Bacon Act and exempting Federal construction projects from the reporting requirements of the Copeland Act. This would result in a savings of approximately $3.3 billion over 5 years. At a minimum, the threshold for coverage under the Davis-Bacon Act should be raised and the reporting requirements under the Copeland Act should be reduced.

Again, I and all the Republican Budget alternatives recommend amending the Service Contract Act to eliminate the successorship provision, thereby permitting successor contractors to pay lower wage rates or to provide less costly fringe benefits than those provided by their predecessors. This would result in a savings of $900 million over 5 years. Furthermore, repealing the Service Contract Act would result in more significant savings.

Mr. Chairman, the National Institute for Occupational Safety and Health [NIOSH] was established in order to be the research arm for occupational health and safety issues. While some of its activities are focused on research, much of its work in recent years has been focused on making recommendations for regulatory action by MSHA, OSHA, and other agencies. This leads to a confusing situation—one Government agency, which does not have responsibility for action, telling another agency, which does have that responsibility, what to do. I recommend eliminating NIOSH, saving $133 million from the administration's budget.

The National Performance Review [NPR] recommended that OSHA establish a program using what it termed "market mechanisms" to improve safety and health, and specifically recommended the use of incentives to encourage employers to utilize third party auditors to review the workplace. This proposal is similar to proposals for changing the OSHA program contained in legislation proposed by Education and Labor Republicans—see H.R. 2937. It is not a budget savings, but it would allow for better utilization of Government resources, and thus alleviate the need for any "army of OSHA inspectors to descend on American employers."

I recommend allowing voluntary electronic filing of ERISA Annual Financial Reports—Forms 5500—and further consideration of how to increase the percentage of reports filed electronically. This is a desirable method of significantly reducing the cost of processing—cost shared by DOL and the IRS—and reducing the 3-year delay it takes to obtain information from an annual filing.

I recommend amending the ERISA requirement for the filing of summary plan descriptions by employee benefit plan administrators with the DOL. Since the summary plan descriptions are actually filed for only a small percentage of plans, the cost to maintain the system and the administrative burden on employers far outweigh its public benefit. The NPR suggest that this program change would save approximately $600,000 in fiscal years over a 5-year period.

I recommend amending and enhancing the Department of Labor's Return-to-Work Program which assists occupationally disabled Federal workers return to work. By overhauling the program substantial savings could be gained by reducing long-term benefit costs to the Government. The NPR estimates that the change would result in approximately $125.7 million in savings over a 5-year period.

Finally, I recommend that Pension Benefit Guaranty Corporation [PBGC] reform legislation be enacted this Congress in order to prevent the occurrence of substantial long-term costs and the insolvency of the pension plan termination insurance programs administered by the PBGC.

CONCLUSION

In conclusion Mr. Chairman, I believe, in general, we need to pass economic policies which cut domestic spending; provide for a responsible defense budget which meets national security requirements in a volatile and unpredictable world; reduce the burden of taxes and mandates on private enterprise—the job creators; and eliminate the deficit so that we can begin the long and difficult task of reducing the national debt. I hope Congress will pass, and the President will support, a fiscally responsible budget that addresses these fundamental criteria.

Mr. ALLARD. Mr. Chairman, today this House debates the budget of the U.S. Government for the years 1995 through 1999.

As we begin this debate it is clear that the Congress has arrived at a fork in the road. We have a choice.

We can go down one fork in the road recommended by President Clinton, or we can go down the other fork recommended by those of us who serve as Republican members of the House Budget Committee.

The road that President Clinton wants us to take promises the American people business as usual as far as the eye can see. Down this road we get bigger Government, higher taxes, and nearly $1 trillion more added to the national debt by 1999.

Down the other road, mapped out by JOHN KASICH, and unanimously supported by all his Republican colleagues on the Budget Committee, the American people get change.

The Republican budget alternative reduces the deficit by $150 billion more than the Clinton plan.

The Republican alternative provides tax relief for working families in the form of a $500 tax credit for children. It also provides capital gains indexing, Individual retirement accounts, and strong depreciation incentives—all designed to help small businesses create jobs and grow our economy.

The Republican alternative truly reinvents Government by transferring Federal land and resources to the States. It also reinvents the Department of Agriculture—restoring it as an agency designed to empower farmers not bureaucrats.

The Republican alternative includes comprehensive welfare reform, and tough punishment for crime.

The Republican alternative includes a health care reform plan which identifies the problems with our health care system and fixes those problems. Our plan builds on the first health care system in the world and fundamentally rejects the socialist approach of the Clinton health plan. The Clinton health plan promises all the compassion of the IRS and the efficiency of the post office.

The Republican alternative retains a strong defense to guarantee peace and security in a dangerous world.

The Republican alternative calls for a budget which reflects the massive cost of Federal regulations and redtape, and then sets out to reduce that redtape.

Now let's contrast this vision of change with Mr. Clinton's budget. The White House would like Americans to believe that the President's budget is a tough budget filled with spending cuts. Unfortunately, many in the media have bought into this deception.

The facts lead to a very different conclusion. According to the President's own budget document, Federal outlays will rise from $1.4 trillion in 1993 to $1.74 trillion in 1998. Only in Washington would a $330 billion increase be considered a tough budget.

What makes these numbers more striking is that because of President Reagan's victory in the cold war we are today able to spend $70 billion less in real terms on defense than we did in 1987.

Even with dramatic declines in defense spending, we find overall spending going up. This tells us one simple fact: Domestic spending under President Clinton is growing by leaps and bounds.

Let me point out several specifics which demonstrate the problem with the Clinton budget. As a member of the Budget Committee, I was responsible for developing four areas in the Republican budget. These were natural resources, agriculture, energy, and science. Lets compare the difference in these areas with President Clinton's budget.

The Republican alternative cuts outlays in the natural resources area $17 billion more than Clinton over 5 years. In energy, the Republican plan cuts $16.4 billion more in outlays over 5 years. In agriculture, we achieve $10.6 billion more in outlay savings. Only in science do we spend a modest $1.9 more in outlays than Clinton.

In just four areas, the Republican alternative achieves $42 billion more in spending reduc-

tion over 5 years. This makes it clear why the Clinton budget continues to grow the Government.

The choice at the fork in the road is clear: More of the same big Government with Mr. Clinton, or real change with the Republican plan. I vote for change.

It is clear from this budget debate that the Democrats looked change in the eye, and blinked. By contrast the Republicans embraced it.

President Clinton promised Americans family tax relief; the Republicans deliver it with the $500 tax credit for children.

It is about time we started giving families a break.

I am always amused when I listen to the media or read studies by academics talking about what the biggest expenses for families are.

Sometimes we hear that the mortgage is the biggest expense.

Sometimes we hear that food and clothing are the biggest expense.

Sometimes we hear about education or transportation expenses.

None of these are close to the biggest expense for most families.

The biggest expense for middle class American family is taxes.

Tax Freedom Day is the day each year that the average person works to pay the tax bill. Last year it was May 3, the latest ever. It will be even later this year with all the new Clinton tax hikes.

This means that in the typical American family, the parents are working for the Government for the first 4 months of the year. Over a third of family income goes to Government.

It is time to recognize this huge tax burden and give something back to the hard working families that pay the bills around here.

It is also appropriate that this tax credit gives something to the young people of this country since they are going to be the ones responsible for paying the interest on the national debt that Congress keeps increasing.

This $500 credit is the least we can give to our children. As it stands now, all the Democrat budget plan gives them is a $4.5 trillion debt.

President Clinton and his Vice President continually talk about reinventing government. The Republican budget alternative doesn't just talk about reinventing government—we do it.

Included in our plan is a complete overhaul of the Federal Government's natural resources policy.

We dramatically downsize the Department of Interior—eliminating bureaucracy and consolidating the numerous Federal land agencies into one Federal Land Management Agency.

We retain parks and land of an enduring national interest at the Federal level and transfer the remaining land and control to the States.

I would like to quote from Vice President GORE'S National Performance Review [NPR] in support of our proposal. Here the NPR is addressing the need to consolidate land programs within Interior:

Federal lands managed by DOI's Bureau of Land Management (BLM) and the Department of Agriculture's Forest Service often lie side by side or are intermingled in many areas. This dispersed ownership pattern prevents efficient operations and results in fragmented assistance to customers.

This sounds great, but the President's budget does nothing to address this. The Republican plan takes action. We combine the lands of many Federal agencies into one land management agency. The Republican plan doesn't just talk about the problem, it fixes the problem.

Similarly, in the Department of Agriculture we work to empower farmers, not bureaucrats.

We close more field offices than the administration, but avoid cuts in farm programs such as the administration's dramatic reduction in conservation cost share programs.

Unlike the administration we don't only cut field offices that farmers use, we also cut field offices that have only administrative functions.

I would now like to address the issue of health care reform. It is interesting to note that neither the President's original budget submission, or the Democrat budget plan accounts for the cost of the administration's health reform plan.

Earlier in the year, Representative PENNY and I introduced legislation to require that all Government mandated health care reform be on-budget where the American people can clearly see the level of taxes and outlays envisioned under the Clinton health plan or any other health reform plan that includes mandates.

This is no small matter. A recent analysis by the Alexis de Tocqueville Institution, which I distributed to all members earlier this week, concludes that by the year 2004, when the Clinton plan is fully implemented, taxes would be $566 billion higher than without the Clinton plan. In effect, under the Clinton plan Federal taxes would be increased by 27 percent, by far the largest tax increase every.

Last month, the Congressional Budget Office recommended that the Clinton health plan should be on-budget with the mandated premiums of employers and employees counted as Federal receipts and the expenditures of the health alliances counted as Federal outlays.

Since CBO's view was only advisory, I have found it necessary to pursue this issue and help ensure that any health care reform enacted this year is properly accounted for in the Federal budget.

Last week during the Budget Committee markup of this resolution I offered an amendment making clear that it is the understanding of the Budget Committee that any health care reform relying on mandated payments should be on-budget. I am pleased that this amendment passed and is included in the Sabo budget resolution.

The American people are presented with two dramatically different visions for America in this budget debate. The Democrat-Clinton budget sees America's future in higher taxes, more spending, and bigger Government.

By contrast, the Republican plan is a detailed vision of a dramatically scaled down Federal Government, lower taxes, and less control of our lives by Washington.

Mr. Chairman, we have indeed arrived at a fork in the road. For 40 years this House has been controlled by the Democrats. As a result we have continued down the road of bigger Government. It is time for a change.

The American people are ready to take the other fork in the road—the fork that leads to less Government and more freedom.

Mr. WILLIAMS. Mr. Speaker, I rise in support of the budget resolution before the House today.

This resolution implements the spending cuts mandated by the deficit reduction package enacted by Congress last year.

This resolution projects a deficit of $175 billion in fiscal year 1995, a full $115 billion less than where our Nation was 3 years ago. It results in a deficit that represents the smallest share of our economy since 1979. That is significant progress my friends and the nay-sayers on the other side of the aisle should stand up and take note.

To achieve these savings, we are trimming discretionary spending to $102 billion below the baseline level, by maintaining the spending caps on discretionary programs for fiscal years 1994 through 1998. In fact, this resolution is $6.8 billion in budget authority below the discretionary cap for fiscal year 1995.

President Clinton's budget presented us with a number of important investment opportunities. This budget assumes 92 percent of these investments in such efforts as Head Start, job training, compensatory education, WIC, and crime control. This budget also assumes most of the extensive cuts in discretionary spending with the termination of 100 programs and spending cuts in more than 200 others.

This budget resolution wisely rejects the President's proposed cuts in low income energy assistance and in mass transit operating funds.

I urge my colleagues to support this resolution, and I want to congratulate my friend, Chairman SABO, for his and his committee's efforts in putting it together.

Mr. KYL. Mr. Chairman, before any Members of this House try to sell the American people on the idea that the Federal budget deficit has been tamed—that Congress can take a respite from deficit-cutting this year—keep in mind that the Congressional Budget Office has estimated that the deficit will climb to $365 billion in less than a decade.

The budget for fiscal year 1995, which has been proposed by the Budget Committee, and which closely mirrors the budget submitted by President Clinton, raises the white flag in the fight to reduce the deficit. In fact, were we not to pass this budget resolution and simply allow the budget to run on auto-pilot, deficits would actually be lower over 5 years by some $26 billion than they will be under the Clinton budget.

Let me say that again: if we do nothing—if we simply allow the current budget to run on auto-pilot—the Nation will accumulate $26 billion less in new debt than if we pass the Clinton budget.

Mr. Chairman, the President and the committee had to struggle just to say within the spending caps they set in their own budget last year. They were left scrambling after the Congressional Budget Office [CBO] found that the President's plan exceeded the spending caps by $3.1 billion.

But, even that doesn't tell the whole story. The only way the President and the Budget Committee can make their budget numbers

meet the spending caps is by omitting major spending initiatives they support.

For example, the budget before us today does not include the costs of the President's health care reform plan, and those costs will be significant. Despite the President's suggestion that his health care plan will reduce deficits, the CBO determined just a day after he submitted his budget that the Clinton health plan would boost Federal budget deficits by $74 billion. And a week later, CBO upped that projection by $51 billion more—bringing the increase in the deficit attributable to the Clinton health care plan to a total of $125 billion over 9 years.

The costs of welfare reform, the crime bill, and immigration reform are missing from this budget, as well. Once those are added, spending will increase further, and so will the budget deficit.

This budget is short by $20 billion the amount which the Clinton administration's own Bottom-Up Review determined was necessary to meet the basic national security needs of the country.

Mr. Chairman, this budget resolution would score an incomplete in any classroom in America.

This is a budget of stale ideas—just more spending and more debt.

The alternative budget that is being proposed by the ranking Republican on the Budget Committee, JOHN KASICH, is a budget of real change. The Kasich budget would reduce the Clinton deficits by $152.6 billion over 5 years. By setting priorities, the Kasich budget is not only able to cut low-priority spending and achieve those savings, but also identify the resources and pay for health care reform, welfare reform, and a new crime initiative.

The Kasich budget includes significant new economic growth incentives, including indexing of capital gains, fully deductible individual retirement accounts [IRA's], extension of the research and development tax credit, and immediate expensing of business equipment.

And, most important, it gives badly needed tax relief to American families, providing a $500 per child tax credit. That provision alone will pump $375 million into Arizona's economy every year.

Mr. Chairman, the Kasich budget provides tax relief. It includes, and fully funds, health care and welfare reform, and a major anticrime initiative. It does all these things and still cuts the Clinton deficits by more than $152 billion. How? It sets priorities for spending, something that has been lacking for far too long in this Chamber.

I urge my colleagues to oppose the committee-Clinton budget, and support the Kasich alternative.

The CHAIRMAN. All time has expired on this segment.

Pursuant to the rule, it is now in order to debate the subject matter of amendment No. 4.

The gentleman from Ohio [Mr. KASICH] will be recognized for 30 minutes and the gentleman from Minnesota [Mr. SABO] will be recognized for 30 minutes.

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

GENERAL DEBATE ON AMENDMENT NO. 4

Mr. KASICH. Mr. Chairman, I yield 4 minutes to the very distinguished gentleman from Virginia [Mr. WOLF], one of the leaders of the family movement in the House.

Mr. WOLF. Mr. Chairman and Members of the body, I want to strongly rise in support of the Kasich budget. This is the most important vote that any Member of Congress will be able to vote on with respect to helping the American family. In the Kasich budget, in the Republican budget, they give a $500 tax credit per child. Now, in the National Commission for Children, which President Clinton was on and Marian Wright Edelman, noted for being concerned with children, Senator ROCKEFELLER, and our colleague from the other side, the gentleman from California [Mr. MILLER], came on and recommended a $1,000 tax credit. We can only give a $500 tax credit, but still it will make a difference.

Second, why should we be for this? The American family is under more pressure today than any other time in the history of this country. Every indicator that you look at is going the wrong way: Child abuse is up, spouse abuse is up, teen suicide is up, teen pregnancy is up, teen violence is up. The Kasich budget deals with this issue by allowing moms and dads to keep more of their hard-earned money.

They say the basic problem for the family is the twin deficits, not enough money to take care of the kids and not enough time to spend with their kids. The Kasich budget allows parents to keep more of their hard-earned money. We do not create a new Government agency, we do not hire more employees, we do not build more buildings, we just merely allow you in your tax returns to keep more of your hard-earned money.

Last year we had a bill similar to this, with 240 cosponsors, both Republican and Democrats alike.

Second, I as a father of five kids—and none of my kids can take advantage of this now, they are too old—but I wanted my children to have my values. If you want your children to have your values, you have to spend time with your children; you do not just publish a notice saying, "These are the values of the family and you will live by them."

Values are not only taught to children, values are caught by children, as Dr. Dotson says. This bill will enable parents to spend more time with their kids. This is clearly—there are many other good things in the bill, many other things—but this one provision with regard to the $500 tax credit is the most pro-family issue that we have ever had.

So I just strongly urge Members, frankly everyone on both sides of the aisle, to support this bill because this bill will do more than anything we have done in the last 10 years to help the American family.

So I strongly rise and urge everyone to support this very, very reasonable proposal. I thank the gentleman from Ohio. He has done more in this proposal to help moms and dads and kids than anything we have done in this Congress for the last 10 years.

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

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

Mr. KASICH. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman from Virginia say that the people across this country, the American family, would like to cut paperclips and printing and transportation of bureaucrats in part to help pay for this? Or does the gentleman think they would rather invest in paperclips, travel, bureaucracy?

Mr. WOLF. No, the moms and dads of this country would certainly favor this. Particularly, let me say the toughest job in the world is a single parent. The gentleman's bill does more to help single parents than anything we have done. So, clearly, they would like to make those cuts.

I thank the gentleman again for his leadership. He has done more to help parents, particularly single parents, but all parents than any other single thing we have done. I hope the gentleman will get a unanimous vote from this side as well as the other side.

Mr. Chairman, I support the Kasich budget, putting families first. The Kasich budget is a dramatic shift in Government resources that directly reinvests in American families and provides incentives to increase job creation, private savings, and sound investments in the future by providing individuals and families with a greater participatory role in shaping and determining their own futures.

The Kasich budget does all of this while cutting the budget by approximately $100 billion more than the President's budget. It also does this while putting a good welfare reform plan in place, reforming health care in a positive way that will help families and putting more money into crime control. This plan also does not harm present Federal employees or retirees and in fact will help many Federal employee families by providing them with a significant tax break. Given the hits they have taken in the past 2 years, this is good news. In short, the Kasich budget is good policy and it makes good sense.

Instead of increasing taxes and writing off the middle class, the Kasich budget resurrects many of the promises made to the middle class during the election and helps to revive the ability of families to personally invest in their future. The $500 child tax credit in the Kasich budget will scale back the heavy tax burden imposed on American families. This is a simple means of allowing families to keep more of their own hard-earned money and invest it in their own families. Family tax relief is a good common sense policy that has support across the political spectrum ranging from the Heritage Foundation to the Family Research Council to the Progressive Policy Institute to the Communitarian Network. The National Commission on Children, which was chaired

by Senator ROCKEFELLER and included as members Bill Clinton, Marian Wright Edelman, and Congressman GEORGE MILLER, endorsed a $1,000 child tax credit. Surely, with this kind of broad based support, we can at least start this process this year.

In 1992, candidate Clinton berated Beltway Democrats who want to spend more of your tax money on programs that don't embody your values. In January 1992 as a Presidential candidate, Bill Clinton said that family tax relief was the answer. He said the one glaring difference between himself and Democratic rival Paul Tsongas was his support for a middle-class tax cut. This tax cut was to be in the form of a child-based tax credit or a reduction in middle-class tax rates; families would select one or the other. In his campaign treatise, "Putting People First," Mr. Clinton reiterated this policy: "Virtually every industrialized nation recognizes the importance of strong families in its tax code: we should too."

In the 102d Congress a family tax relief measure that I introduced, H.R. 1277, which increased the dependent deduction for children, gained the bipartisan support of 262 House Members. In the 103rd Congress this same measure, introduced as H.R. 436, has the support of 208 Members. This measure would increase the dependent deduction from the present level of $2,350 to $3,500. The $500 tax credit for children included in the Kasich budget is the equivalent of increasing the dependent deduction to approximately $6,000 for a family in the 15 percent bracket. This tax credit serves the same purposes and will allow families to keep more of their own hard-earned money.

The growing tax toll on families burdens millions of, if not most, families. When State and local taxes are included, Government now takes over one-third of the income of the average family. During the past four decades, the tax protection for families has shrunk to one-quarter of what it was in the 1950s. If the dependent deduction had kept pace with inflation and per capita income, it would stand at over $8,000 a person this year, according to the Urban Institute, rather than the 1992 level of $2,300.

Furthermore, two-thirds of the average working mother's earnings go to paying for increases in Federal taxes over the past several decades rather than providing additional income for her family. Uncle Sam gets more out of Mom's paycheck than do her own children.

Not surprisingly, the condition of children and families has declined along with this increased taxation on families. Yet, while today's families are under tremendous cultural pressures and social changes, they are forced by financial realities to spend less and less time attending to family matters. Daily, we see the adverse effects of this downward spiral.

A recent report by former Education Secretary William Bennett identifying various cultural indicators of well-being paints a disturbing picture of our culture today: There has been a 419-percent increase in illegitimate births since 1960; more than a 200-percent increase in the teenage suicide rate; and quadrupling in divorce rates; a tripling of the percentage of children living in single-parent homes; a drop of almost 80 points in SAT scores; and a 560-percent increase in violent crime, much of it by perpetrators of a younger and younger age. Another frequently cited study noted that parents today spend 40 percent less time with their children than did parents a generation ago. And all of this has occurred while total social spending by all levels of government—measured in constant 1990 dollars—has risen from $143 billion to $787 billion—more than a fivefold increase. Inflation-adjusted spending on welfare has increased by 630 percent, spending on education by 225 percent. Bennett writes, "Never before has the reach of government been greater cr its purse larger—and never before have our social pathologies been worse."

It is time to put families first again. The Kasich budget does exactly that. I invite my many colleagues who supported this tax relief measure to join us in supporting the Kasich budget.

Mr. SABO. Mr. Chairman, may I inquire of the gentleman from Ohio, does the gentleman intend to make a general presentation on his plan?

Mr. KASICH. I would say to the gentleman, what we do is have a lineup of some speakers who are going to basically talk about it. I am not writing what they are going to say, but they obviously are going to reflect the part of the plan that they support, such as the gentleman from Virginia has just done. The gentleman from Texas [Mr. ARMEY] is going to have some comments of a more general nature.

Mr. SABO. I was planning a general response to what I assumed would be a general presentation by the gentleman from Ohio.

Mr. KASICH. I think it will be more general presentation on the plan, and then of course we have the extra time tomorrow to do it again. I am not sure what the gentleman is looking for. I am not sure what the gentleman wants me to tell him.

We are going to have 30 minutes' worth of speakers who are going to outline why they support this.

Mr. SABO. They are going to be speaking to individual parts of it, not to the totality?

Mr. KASICH. I would say to the gentleman I cannot tell him that, I do not know. I think some will be specific, such as Mr. WOLF; some will be more general, like the distinguished gentleman from Texas; Mr. ALLARD will be more general. I do not know about the rest of it yet.

Mr. SABO. Very well. I was getting geared up to follow the gentleman from Ohio [Mr. KASICH].

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

Mr. Chairman and members of the committee, I would first comment about some of the comments I heard earlier that somehow things are on automatic pilot. That is simply not the case. We are on a program that is producing significant deficit reduction. We had projections of deficits well over $300 billion a year. They are coming down to approximately $255 billion for last year, projected at about $255 billion this current year, and projected to go down under this program to $175 billion in 1995.

This plan involves significant changes from the administration's proposal and from plans of a year ago, as we continue on course on a significant deficit reduction program designed to get the economy going.

Let me speak to some of the specifics of the Republican plan which we have before us. Clearly, the thought of giving a tax cut to people is always popular. But what do they do? You know, a year ago we passed a substantial increase in the earned income tax credit for people working hard and at the bottom of the economic scale in this country. Are they eligible for the Republican tax credit? No.

If your income is $16,000, you are not eligible if you are a family of 4. But the benefit goes, and continues, to people with incomes up to $200,000.

But what strikes me more than anything about this plan is the hidden explosion of tax cuts contained in the bill and under their proposals.

Substantial increases in business depreciation, in IRA's, primarily benefiting the most affluent; indexation of capital gains, with over 50 percent of the benefits going to people with incomes over $200,000. How do they do it?

□ 1420

They structure it so we do not see the costs in this 5-year window, but they explode in costs after this 5 years.

Our estimate:

We do not say it with detailed language, but our estimates are that the costs of the benefits for high income people, changes in business depreciation for business, will cost in the neighborhood of $40 billion a year once we get beyond the window of the 5-year-pay-go provisions.

What about what does this amendment do, some of the basic things we are trying to do to get America going again both in the short term and then in long term?

I say, if your interest is research, it gets cut whether it is in NSF, whether it is in energy and seeking to find funding for alternative energy resources in this country. All those programs get cut. If you are concerned about a program like NISTA, trying to make grants to push the technology of this country, cut, a good number of them simply eliminated. Transportation, basic infrastructure of this country for highways and transportation, cut. Operating subsidies, cut. Costs transferred to local units of government. Amtrak, Northeast Corridor, eliminated. Education and training.

As my colleagues know, I did not support NAFTA, but I listened to people who supported NAFTA, and they said, "We know it is going to create some dislocation in our economy. We

are going to have to put special emphasis on training, over 5 years in education, training, employment and social services."

Mr. Chairman, the Kasich amendment cuts education by $53.3 billion in budget authority, close to $45 billion in outlays. Impact aid, eliminated. Guaranteed student loans, changed. So, students have to pay close to $10 billion for over the 5-year period, and it goes on and on, a couple of billion dollars more cut from training programs.

The President's proposal for additional job training, not funded. Health, increased. Research to deal with the vital health issues before this country, cut. And then, of course, we get to Medicare, big, substantial cuts in Medicare, $45 billion, most of it involving not reduction in programs, but transfer of costs from the Government to the elderly, many of the proposals similar to some of the things that the President recommends in his program for comprehensive reform of health care in this country. And to do some of those things in that context, Mr. Chairman, this amendment would cut the knees off that proposal at this point in time.

So, Mr. Chairman, veterans affairs, cut. Administration of justice, cut. It goes on and on.

Mr. Chairman, it is basically an amendment that says we will do something for some middle class families today, but we will hide the fact that we are really passing the big tax cuts for business, for the high income people, and hide it in such a fashion that the costs show up beyond the 5-year window, basically saying, we do not want to readjust, reform, Government as the administration is doing, to cut what Government is doing in our society, but focusing on some of the primary needs of this country in health research, in education, training, in training our work force, in doing a better job of solving our criminal justice system in this country.

So, Mr. Chairman and Members of the House, I would urge the Members of this body to vote no on the Kasich amendment.

Mr. KASICH. Mr. Chairman, I yield myself as much time as I can consume here to respond because it is very interesting what the chairman has said.

First of all, Mr. Chairman, it is interesting to note that they no longer can criticize our budget fundamentally on the basis of the 5 years. Now they have got to reach beyond the 5 years in order to talk about how there is this great loss of revenue.

First of all, every time we have been asked to pay for programs, we have done it. We met the Clinton challenge when he said, "If you don't like our taxes, give us your specifics," and every time we give those folks the specifics, Mr. Chairman, they reject them in favor of more taxes.

Now we also do not believe in the static system, making industry in America more competitive. As my colleagues know, it is the administration that is bashing the Japanese right now, and to some degree with good reason, but do my colleagues know what the capital gains tax is in Japan right now? It is zero I am told by the distinguished ranking member of the Joint Economic Committee, the gentleman from Texas [Mr. ARMEY], and what we are trying to do is to say that people should be protected against inflation.

Mr. Chairman, if a senior citizen sells their home, they bought their home at $50,000, they sell it at $100,000, and there is $30,000 worth of inflation, they should not pay taxes on inflation. Second, small businesses should be given incentive to be able to depreciate plant and equipment, and guess who uses plant and equipment in America? The American worker, to become more competitive.

But what the chairman wants to say is, "Well, we can't get it in the 5 years. We'll get it in the outyears."

First of all, Mr. Chairman, we think we will have a growth. We will have added growth in this country by providing incentives to individuals and businesses that will help this economy; and, No. 2, we will pay for our programs, and it is interesting to note that the administration came up here with their health care plan which the General Accounting Office said turned health care over to the government, and it has disappeared from the budget. Why? Because it explodes the deficit, not only in the short run, but into the long run, almost into the year 2004, and then 2004 and on. I do not think the numbers are very credible.

But let me tell my colleagues a couple of other things that he has said:

So, in other words, we have got some growth elements, we have got family tax relief, we think the one positive element of the Clinton plan the last time were the tax incentives for poor Americans.

We welcomed those. Those are Republican ideas. We want to enhance those. We want to give some relief to the American family by downsizing the Government more than the Clinton administration.

The gentleman talks education, job training programs. My colleagues, the administration wants to invest in Washington bureaucracy. We want to solve the problems of Americans who cannot get job trained. Do my colleagues know what we do? We take 84 bureaucracies. We combine the programs into seven, and we send the money to the States, and we tell the Governors and the county commissioners, we think you are better at training people than a bureaucrat in Washington who does not even know what time zone it is where you live.

And let me tell my colleagues what the General Accounting Office said about the job training programs:

When reviewed individually, the more than 150 programs providing employment training, assistance, have well intended purposes.

My colleagues have good purposes when they want to invest in Washington Bureaucracy. However collectively, and I am quoting the GAO, they create confusion and frustration for their clients and administrators, hamper the delivery of services tailored to the needs of those seeking assistance and create the potential for duplication of effort and unnecessary administrative costs.

□ 1430

We are convinced that a major structural overhaul and consolidation in employment training programs is needed. And we have major restructuring of the programs and we empower local people to fix the problems.

I say to the other side, "No, it is you who want to invest in Washington Bureaucracy. It is you who want to invest in government overhead." What we want to do is we want to trust the people in the States and in the local communities. That is why we developed our WIC-plus program that consolidated all the nutrition programs and send them to the States. It saved $8 billion, and we said to the States, "Double the amount of money for poor women, infants, and children."

We eliminate bureaucracy, and we eliminate redtape. Americans all over this country know that we need to chop the waste, the duplication, the redtape, and the inefficiency, and we need to improve the programs. That is precisely what we have done, and in the course of doing it, we have provided incentives to business so they can hire people. That is paid for.

We decided that it is noble for people to save, so we created IRA's. No, we did not create it. Lloyd Bentsen created the IRA program in our budget, and we decided in the course of downsizing and improving the operation of the Federal Government we will contribute to deficit reduction $150 billion more than the administration, and at the same time we want to give the American family a piece of the savings because it represents some of the money that they send to this town. This town is intent and this administration is intent on maintaining the status quo.

Mr. Chairman, I would say to my colleague that there is not a better definition of the difference between the administration and the House Republicans than this budget proposal.

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

Mr. SABO. Mr. Chairman, before I yield more time, let me yield myself such time as I may consume simply to say this: It is this administration that is using Federal employees by over 270,000 over a period of 5 years. Under this budget the amount of GDP that

the Federal Government consumes by itself in goods and services is at the lowest level since 1948. It is this administration that is doing the hard work of reforming the Federal Government, of making it efficient, of streamlining it, and or turning around the record of the last 12 years of Republican administrations.

Mr. Chairman, I yield 4 minutes to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio, specifically to the draconian cuts that it makes in an area that I have been working on and that I think is important to every American family. I speak today as a microbiologist with a master's degree in Public Health and say quite honestly that the benefits to health research we have achieved over the last 4 years will be destroyed in the Kasich budget.

We remember how hard we worked in this House to get where we are today. I think every American woman is beginning to realize that for years she had been completely ignored in health resources. We found this out first after the aspirin studies became known to us. We were told that an aspirin a day would help men to prevent heart attack or a stroke. We were delighted. We said, "Every man we know shall certainly take this aspirin. Now, how much do we take?" It was then that we discovered that women had been left out of the clinical trials, and that they had no idea if we would benefit.

Over the years during the total neglect of the health care of women in this country, the incidence of breast cancer has risen in the United States while it has fallen in countries that are comparable to ours. As a matter of fact, every woman in this country knows that the statistics are 1 in 8. If we had any other plague that affected 1 in 8 Americans, we would be moving heaven and Earth to make sure we could cure, but not when it came to breast cancer. Only since 1990 have we been able to direct any money in the budget at all and direct it toward breast cancer research.

There are millions of people, men and women, who devote themselves to work on this battle on a daily basis who are going to be angry to find that not only will we lose what we gained, but we are going back below where we used to be: pre-1990.

It has taken us the 6 years I have been here to be able to get older women's mammograms covered by Medicare. We could lose this with Kasich.

We talk about giving peace of mind to American families. How do we give an American family peace of mind when 1 in 8 of them will lose their mother, their daughter, their sister, or their wife. We have successfully tried over the years to pay some attention to the diseases that affect women most that have been ignored like ovarian cervical cancer, osteoporosis, lupus, the diseases related to DES exposure and diseases with special risk factors for women.

We know that every single dollar we spend on health research or on prevention will save us $10. What we may lose here is an investment in the health of our citizens.

There is $30 billion less than our budget recommendation for the discretionary health programs, and that includes AIDS research, AIDS funding, and childhood immunization. We would already, if it were not for Colombia and Haiti, have the worst immunization rates for our children in the Western Hemisphere.

Health research and infant mortality, surely we cannot afford to let these things go unresearched. And what about tuberculosis prevention? That is a disease that is coming back and growing daily.

These investments, as I have said before, are very important. We cannot expect a healthy economy built by an unhealthy Nation. Health must be a top priority for our Government.

As we speak today, more women are dying of breast cancer. I would point out that 46,000 women will die this year of breast cancer, and 300 men will die; this is an incidence in men that doubles almost on a yearly basis.

Mr. Chairman, after so many years of nothing and after 4 years of trying to catch up, I urge my colleagues not to take the risk of putting us back into that abysmal darkness of illness and no hope.

Mr. KASICH. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. ARMEY].

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

Mr. ARMEY. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I just want to respond to the last speaker and point out that while the Clinton budget does increase health care functions by 11 percent, our budget does increase health care functions by 6 percent. So the draconian cuts the gentlewoman from New York is talking about are simply not true. We do understand the need for this kind of research, and we do fund it. We believe there are areas where we can make reductions, but we are not talking about the drastic cuts the gentlewoman suggested we were talking about.

Mr. ARMEY. Mr. Chairman, the gentlewoman from New York should realize that in her district, the 28th District of New York, the Kasich budget promises $56.5 million of family tax relief. I am sure her families will find that nothing to sneeze at.

Mr. Chairman, I have been listening to this debate from some time, and as I listen to the debate, I realize that the American people, when they address the question of the budget, make a singular demand of us, and that is, in the parlance of the street, to "get real." They want us to "get real" and understand that this is a real matter of real consequences in their real lives.

□ 1440

What they do not understand in the real world is that in Washington we have a different standard for reality. In Washington, perception is reality.

Now, I have just listened to another stock-in-trade tirade against the eighties. Mr. Chairman, when will the members of the Democrat Party give up on the eighties? When will they finally give up on trying to tell the American people that what they understand to be their own life's experience for a very important decade in their life is something different than what they know it to have been?

This is an important point. Because if the Democrat spokesman for their budget cannot even tell an accurate story about 10 years in the life experience of the real American family across this whole Nation, if they cannot even understand the reality of life in America for the most recent decade in which we have lived in this country, how then can we expect them to present to us with any degree of reality what it is we are doing now, and what will be the consequences of that in the future?

The fact is the American people made a magnificent economic success of their life during the eighties, especially by contrast to the economic horror of stagflation in the seventies, when in fact we had the only period in the history of this country, from 1976 to 1980, where the rich got richer and the poor got poorer.

During all of the eighties, with the exception of the year 1980, the last year of the Carter presidency, the last year prior to this year in which the Democrats controlled the House, the Senate, and the White House, we had 140 percent of all the decrease in average family income that took place in this country for the period of time 1979 to 1989. In fact, in 1980, only 1 percent, the richest 1 percent of the American people, realized any increase in their average family income. Everybody else lost.

That, ladies and gentlemen, is why Ronald Reagan got elected. And throughout all the eighties, the rich got richer, and the poor got richer. And what galls the Democrats is that the rich got richer and the poor got richer on their own, without Government redistribution programs.

Mr. Chairman, the American people know the reality of their life experience. Why not drop the farce. Leave the eighties alone.

Also, maybe we could do budget work that is a little bit better than good enough for Government work.

Mr. SABO. Mr. Chairman, I yield 3½ minutes to the gentlewoman from Connecticut [Mrs. KENNELLY], a distinguished member of the Committee on Ways and Means.

Mrs. KENNELLY. Mr. Chairman, I rise today in support of the budget resolution and in opposition to the Kasich substitute.

This budget resolution would reduce the deficit to a level that is $115 billion less than it was 3 years ago, representing the smallest share of the U.S. economy since 1979. It would mark the first time since 1969 that discretionary spending would actually fall.

This budget is concrete evidence that the discretionary budget caps are real and they do bite. The Budget Committee even had to cut the President's budget by an additional $3.1 billion to bring it into line with the caps and Congressional Budget Office scoring.

In addition, we are under the entitlement caps set last year. And entitlement spending will be addressed in health care and welfare reform later this year. Both health care and welfare reform will be done on a pay-as-you-go basis. Increases in spending in one area will necessitate cuts in another.

Mr. KASICH, on the other hand, assumes the Republican welfare plan. As I said to the gentleman from Ohio in the committee, the budget resolution, particularly a budget resolution without reconciliation instructions, is not the place to do welfare reform. The Republicans have their plan; the President will submit his sometime around Easter and we will have real debate about this in the Ways and Means Committee.

I agree with the President that welfare ought to be a second chance, not a way of life. I certainly hope that those who vote with Mr. KASICH today are as serious about reinventing welfare when we get down to it in Ways and Means as they purport to be today.

The Kasich substitute also assumes the Republican alternative health care plan.

Again, this is not the place to debate health care. The Ways and Means Health Subcommittee has been in bipartisan markup all week on health care. And Mr. DINGELL and Mr. FORD are talking with Members trying to move a bill in their respective committees.

We may not have a consensus on health care at this point but we do have three major committees hard at work on finding one. I think the one area all three committees would agree on at this point is that there certainly is not a consensus to support the Republican alternative. I can only hope your Members will be as interested in health care when it comes down to specifics in the committees.

The Budget Committee worked hard on this budget to bring it into line with last year's caps using CBO reestimates, but we also worked to increase funding for important programs.

One of the few areas where the President asked for a significant increase was for crime programs. We have increased funds for the crime bill and to move us toward our goal of putting an additional 100,000 police officers on the street. I don't think there is a single person in this body who would disagree with the need to crack down on crime. This funding will be of substantial help in that area.

In addition, the committee added back much of the President's proposed cut in the Low Income Home Energy Assistance Program. Thousands of families in Connecticut rely on this program for help to pay their heating bills. And when you've had a winter like the one we had this year, this funding can mean the difference between life and death.

So we did make hard choices in this budget resolution. Do I personally wish we could have done more in some areas—aid to cities for example—absolutely. But it is not always possible to do everything we would like to do, which brings us to Mr. KASICH's $500-a-child tax credit.

Sure, it sounds great. I wish I could support it, and I'll bet the President does too. But with future deficits projected to be over 160 billion per year, we simply cannot afford it. The President has said, and I support him in this, that to the extent the economy continues to improve and the deficit along with it, he is willing to reexamine this issue. But in the interim, it simply is cruel to hold out hope that this is going to happen any time soon.

The Kasich child tax credit is also a cruel hoax on many hardworking American families. Many moderate income families simply won't even be eligible—families with incomes below $16,000—that is because the credit is not refundable. It simply makes no sense that a family with $150,000 income gets $500 a child and the working family making a whole lot less doesn't.

The Kasich substitute also promises $119 billion in tax cuts and lower deficits over the budget window. But he does it by using a different baseline and manipulating the numbers. In fact, the depreciation piece alone was estimated by Joint Tax to cost $60 billion over 5 years until they manipulated the timing of the deductions—but even with the manipulation, the proposal raises $4 billion in the year but plunges to costing $1 billion in year five. CRS has estimated that outside the budget window, this change would ultimately be more than 10 times as large as the temporary decrease in the deductions in the budget window.

So I would say to my colleagues be realistic, be responsible, oppose Kasich and support the budget resolution. This budget is a good budget, and well rounded. It continues the progress we made last year in attacking the deficit, progress that contributed to the economic rebound in many areas of the country.

Finally, I would like to thank and commend my good friend, the gentleman from Minnesota [Mr. SABO], for his great leadership in shepherding this bill through his committee. He has worked tirelessly on this, and we all owe him a debt of gratitude.

Mr. KASICH. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Colorado [Mr. ALLARD], a member of the committee.

Mr. ALLARD. Mr. Chairman, I would like to thank the gentleman from Ohio for yielding time to me.

Mr. Chairman, in response to the previous speaker, the gentlewoman from Connecticut [Mrs. KENNELLY], it is the Republican budget, it is the Kasich budget, that is really making the tough choices. In addition to making these tough choices, we are providing $500 per child in tax credit for family relief from the tax burden they are already facing. It is a badly needed relief that we should give to the American family.

The basic choice is do you do more for Washington or do you do more for the people back home or for the American family? And I think that the answer is that you do more for the American family. Because when you do that, they are going to put their worth in the marketplace, and that is where real economic growth is going to occur.

Mr. Chairman, today this House debates the budget of the U.S. Government for the years 1995 through 1999.

As we move through this debate it is clear that the Congress has arrived at a fork in the road. We have a choice.

We can go down one fork in the road recommended by President Clinton, or we can go down the other fork recommended by those of us who serve as Republican members of the House Budget Committee.

The road that President Clinton wants us to take promises the American people business as usual as far as the eye can see. Down this road we get bigger government, higher taxes, and nearly $1 trillion more added to the national debt by 1999.

Down the other road, mapped out by JOHN KASICH, and unanimously supported by all his Republican colleagues on the Budget Committee, the American people get change, more for Washington, less for us, the American people.

The Republican budget alternative reduces the deficit by $150 billion more than the Clinton plan.

The Republican alternative provides tax relief for working families in the form of a $500 tax credit for children. It also provides capital gains indexing,

individual retirement accounts, and strong depreciation incentives—all designed to help small businesses create jobs and grow our economy.

The Republican alternative truly reinvents government by transferring Federal land and resources to the States. It also reinvents the Department of Agriculture—restoring it as an agency designed to empower farmers, not bureaucrats.

The Republican alternative includes comprehensive welfare reform, and tough punishment for crime.

The Republican alternative includes a health care reform plan which identifies the problems with our health care system and fixes those problems. Our plan builds on the finest health care system in the world and fundamentally rejects the socialist approach of the Clinton health plan. The Clinton health plan promises all the compassion of the IRS and the efficiency of the post office.

The Republican alternative retains a strong defense to guarantee peace and security in a dangerous world.

The Republican alternative calls for a budget which reflects the massive cost of Federal regulations and redtape, and then sets out to reduce that redtape.

Now, let's contrast this vision of change with Mr. Clinton's budget. The White House would like Americans to believe that the President's budget is a tough budget filled with spending cuts. Unfortunately, many in the media have bought into this deception.

The facts lead to a very different conclusion. According to the President's own budget document, Federal outlays will rise from $1.4 trillion in 1993 to $1.74 trillion in 1998. Only in Washington would a $330 billion increase be considered a tough budget.

Let me point out several specifics which demonstrate the problem with the Clinton budget. As a member of the Budget Committee I was responsible for developing four areas in the Republican budget. These were natural resources, agriculture, energy, and science. Let's compare the difference in these areas with President Clinton's budget.

In just four areas, the Republican alternative achieves $42 billion more in spending reduction over 5 years. This makes it clear why the Clinton budget continues to grow the government.

I would now like to address the issue of health care reform. It is interesting to note that neither the President's original budget submission, or the Democrat budget plan, accounts for the cost of the administration's health reform plan.

Last month, the Congressional Budget Office recommended that the Clinton health plan should be on-budget with the mandated premiums of employers and employers counted as Federal receipts and the expenditures of the health alliances counted as Federal outlays.

Since CBO's view was only advisory, I have found it necessary to pursue this issue and help ensure that any health care reform enacted this year is properly accounted for in the Federal budget.

Last week during the Budget Committee markup of this resolution I offered an amendment making clear that it is the understanding of the Budget Committee that any health care reform relying on mandated payments should be on-budget. I am pleased that this amendment passed and is included in the Sabo budget resolution.

The American people are presented with two dramatically different visions for America in this budget debate. The Democrat-Clinton budget sees America's future in higher taxes, more spending, and bigger government.

By contrast, the Republican plan is a detailed vision of a dramatically scaled down Federal Government, lower taxes, and less control of our lives by Washington.

Mr. Chairman, we have indeed arrived at a fork in the road. For 40 years this House has been controlled by the Democrats. As a result we have continued down the road of bigger government. It is time for a change.

The American people are ready to take the other fork in the road—the fork that leads to less government and more freedom. We need to do less for Washington and more for the American people.

□ 1450

Mr. SABO. Mr. Chairman, I yield 3 minutes and 30 seconds to the distinguished gentleman from North Carolina [Mr. PRICE], a member of our committee.

Mr. PRICE of North Carolina. Mr. Chairman, to anyone who finds the Kasich budget to have a superficial political appeal, all I would say is just read the fine print. I want to concentrate on one aspect of that here today. This is something we hear a lot of talk about in this Chamber, unfunded mandates.

Members protest unfunded mandates all the time, and rightly so, the way we here in Washington sometimes make decisions without any regard for their impact on State and local government. Too often, we just pass the cost along.

Well, to anyone who is concerned about unfunded mandates, I would say watch out for this Kasich budget. Not only does it have unfunded mandates, it has defunded mandates.

We can do this in two ways: We can lay new responsibilities on the States and localities and then let them eat the cost, or we might remove the supports they now have. Unfortunately, this Kasich budget does both.

Let me give a few examples. In the natural resources and environment area, the Kasich substitute takes away $1.9 billion in Federal financial assistance to localities for construction of waste water treatment and drinking water facilities. That is what these communities have to do to comply with the Clean Water Act and Drinking Water Act.

The Kasich budget would simply jerk the props out from under them.

In the transportation area, the Kasich substitute says that the Federal share of mass transit capital grants is going to move from 80 to 50 percent, and there is going to be no assistance, no assistance whatsoever for operating costs.

These transit systems are struggling to comply with the Clean Air Act and with the Americans With Disabilities Act, and the Kasich substitute would simply remove most of their support.

Let us turn to the education and training budget, and consider impact aid. This is what communities that have Federal and military facilities nearby rely on for education assistance.

The Kasich substitute would phase that out completely. How many Members will want to tell that to their local communities that count on that support?

The Kasich substitute consolidates five social service programs into a single discretionary block grant and cuts their funding. Here we are talking about social services block grants, community services, at-risk child care, child care and development, and dependent care planning grants. What kind of deal is that for State and local governments?

Then in health, the Kasich substitute says to the States, "You have got to adopt a Medicaid system that reduces per capita costs by 6 percent." The way we suggest you do that, says the gentleman from Ohio [Mr. KASICH], is to deny fee-for-service medicine to low-income people. Put them all on managed care.

The Kasich budget would require the States to do this, and whether they did it or not, it would cut their Medicaid funding.

What kind of a deal is that for the States? Managed care has its virtues, but to put that kind of mandate on the States and in the meantime to remove funding on which they depend, is the sort of thing we have seen far too much in this Chamber. And there is far too much of it in this Kasich budget.

Mr. Chairman, we had a visit this week from North Carolina's county commissioners. They came up to Washington with unfunded mandates on their mind. They reminded our North Carolina Members from both parties that government should be a partnership. It is irresponsible to brag about economizing in Washington, if we are simply shifting the burden to State and local governments.

Unfunded and defunded mandates are a hallmark of the Kasich budget, and

that is one of the many reasons that it should be rejected.

Mr. KASICH. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, earlier the gentleman from North Carolina gave us a list of all the programs and listed all those programs that the administration was recommending that we cut. We had a chance yesterday to vote on two of those in an authorization on elementary and secondary education, to eliminate two of those the President said that he wanted eliminated. By a vote of 203 voting aye and 213 voting no, we decided not to eliminate the Native Hawaiian Education program. By a vote of 202 voting aye and 220 voting no, we decided not to eliminate the Territorial Education Improvement Program. Those are two that the President of the United States has said we ought to eliminate. This body cannot eliminate the things that their own President says that he wants to eliminate. Let us not listen to the cuts they are talking about. They are meaningless.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. GOODLATTE].

Mr. GOODLATTE. Mr. Chairman, I want to strongly urge support for the Kasich budget, particularly to the previous speaker, my good friend, the gentleman from North Carolina, in the Fourth District, where his constituents would receive, under the Kasich Republican budget, $54.9 million in family tax relief, if he would join us in supporting that budget.

Mr. Chairman, I think lawmakers in Washington are finally beginning to hear the message. The American people want us to significantly cut spending. We will soon vote on several budget resolutions that claim to cut spending. A few actually do, but not the President's plan. I still don't understand how the President can claim that his plan cuts spending when he failed to include funding for his health care reform plan and welfare reform in his budget proposal. Including funding for health care alone would have increased the President's budget by 25 percent and resulted in the largest tax hike in history.

The Republican plan delivers what the President promised, a middle-class tax cut. Through wise and equitable spending reductions, these tax cuts will not increase the deficit. In my Sixth District of Virginia alone, the tax cut will amount to over $52 million dollars of increased personal disposal income.

We have a choice today on more than just budgetary guidelines. We vote today on the need for real change. The Republican plan includes funding for change in how the Government operates; change in health care; change in law enforcement; and change in the tax burden of middle class American families. We have a clear choice. We can enact change for our families or we can vote to continue the status quo and the Washington establishment that has burdened each and every member of our country, not just taxpayers, with an over $17,000 share of our national debt.

We can choose to pass a budget resolution that listens to the demands and acts on the wishes of our constituents, or we can choose a smoke and mirror show that protects the Washington establishment and continues business as usual.

I urge support to the Kasich amendment.

Mr. SABO. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. BAC

Mr. BACCHUS of Florida. Mr. Chairman, I have heard the President of the United States, Mr. Clinton, accused of many things by the Republicans in the past year, rarely have I ever heard him accused by Republicans of being a defender of the status quo.

Mr. Chairman, I rise in opposition to the Kasich substitute. From time to time, I am a fellow traveler of the gentleman from Ohio [Mr. KASICH]. I am an admirer of his. I work with him. I helped write and supported the Penny-Kasich deficit reduction plan last November. I voted for it. I would do so again, if it were on the floor today.

I am sure I will be voting with the gentleman from Ohio [Mr. KASICH] again in the future on other efforts. I am often his fellow traveler. But this time my friend, the gentleman from Ohio [Mr. KASICH] is taking us down the wrong road.

We are on the right road now, the road to real and enduring prosperity. The deficit is down. Jobs are up. We are making the transition at long last that we need to make to compete in the world economy.

The President introduced a training program yesterday, a reemployment program. I am a cosponsor of that.

We have technology initiatives in space and defense reinvestment and other advanced technologies.

□ 1500

The Clinton plan is working, and we need to give it a chance to continue to work. The gentleman from Ohio [Mr. KASICH] would take us on a detour away from recovery and away from prosperity.

Mr. Chairman, I like the $500 per child tax credit in this plan. All of us do. In an ideal world, when we have enough money, we would all vote for that. Perhaps some day we will, but at what price? $108 billion.

Financed by what? Look at the details, as the gentleman from North Carolina [Mr. PRICE] said, look at the fine print. The gentleman from Ohio [Mr. KASICH] is suggesting not tough choices but wrong choices: cuts in Head Start, child nutrition, child care, in many education programs, in student loans. Is that really pro-family?

Mr. Chairman, 34,000 of my constituents have already received a tax cut as part of the Clinton deficit reduction plan through an increase in the earned income tax credit. Only 3,000 got personal income tax increases. I voted for that bill in part because it helped cut taxes for a lot of my constituents. I am certain that a similar number would have received tax cuts in the district of the gentleman from Ohio [Mr. KASICH], had he been willing to vote for that. They did, thanks to the fact that a majority in the House nevertheless did pass the bill.

Also in the fine print the gentleman from Ohio [Mr. KASICH] is cutting worker retraining, transportation, community development, advanced technologies of all kinds. Is that pro growth? I don't think so. Inevitably, I believe these cuts in domestic discretionary spending would doom the space station and much of the space program.

My own view, as the gentleman from Ohio [Mr. KASICH] knows, is that we will be able to achieve all the investments we ever need, public and private alike, all the tax breaks that the middle class definitely needs, and the balanced budget, only if we make some truly tough choices, some truly hard choices. We have to tell the truth to the American people about entitlement spending. We have to means test entitlements.

I commend the gentleman from Ohio [Mr. KASICH] for the fact that he has some means testing for Medicare in his proposal, but we need a lot more. I applaud him for the good that he has done. I am sure I will work with him to do more good in the future, but it is going to take something more than just appeasing the people with phony promises of a phantom tax credit.

Mr. KASICH. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. INGLIS], a member of the committee.

Mr. INGLIS of South Carolina. I thank the gentleman for yielding time to me.

I rise in strong support of the so-called Kasich substitute. I would point out to my colleagues here in this House that contrary to the previous Speaker, there is not calm in the country. In fact, I believe we are on the verge of a revolution. The revolution will not start, though, with any guns. The revolution will start with two implements: one, a calculator, and two, a paycheck stub.

Mr. Chairman, I would encourage the people of America to take out their little calculator and to take out their paycheck stub, and to calculate the percentage of taxes they are paying out of what they make to this bloated Federal Government, to their large State government, and then keep going, add

up the sales taxes that they pay at the grocery store, add the taxes they pay as a result of the Clinton budget last time at the gas pump; add it all up. The national average is, you have 40 cents out of every dollar we make, we pay in taxes. Forty cents out of every dollar we make, State and local taxes, is the national average. In some places it is up to 50 cents.

Mr. Chairman, we have people on the other side who say, "My goodness, we cannot cut anything. My goodness, we cannot give money back to the American family." The previous speaker is actually depriving the people of his district of $51.9 million of tax relief. That is tax relief that families in that gentleman's district need, because they are currently paying 40 cents out of every dollar they make in taxes.

Mr. Chairman, I submit to my colleagues, if we want to stop that revolution from happening, that revolution that is going to be caused by a calculator and that paycheck stub, that we have to offer middle class tax relief. That is what the Kasich plan is about.

Mr. KASICH. Mr. Chairman, I yield 2 minutes and 30 seconds to the gentleman from Cleveland, Ohio [Mr. HOKE].

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

Mr. Chairman, $176 billion is not very much money anymore. If we believe the gentleman from Florida, if we were to do something about reducing that $176 billion deficit any further, we would lose this prosperity that we have all of a sudden engaged in overnight.

Mr. Chairman, I was waiting to hear about a chicken in every single pot that might be also a part of our new prosperity. It seems to me that we are missing the forest for the trees in this debate, and that what is really going on here is a very fundamental difference between whether you believe that we ought to send more money to Washington, to filter it back through these bloated bureaucracies to the local areas, to the places that we come from, or whether we believe that those States, those localities, those municipalities, those cities, those townships, those counties are in a better position to fund that money themselves and to pay for it and to raise the taxes and do with it what they want on a local level.

Mr. Chairman, the problem with the Congress of this country for the past 50 years is that we have gotten so self-important that we feel that we have to do everything through our own congressional mandate, and that that is the best way to spend money. We will tax the citizens of this country more and more, raise more and more money, and then float it through based on political in-fighting and who has the biggest stick politically.

Mr. Chairman, it is just simply not good policy. It is not a good way to run a railroad. It is not a good way to run a country. That is what this debate is all about.

Mr. Chairman, we are going to spend $1.5 trillion next year, in fiscal 1995. The debate is only focusing on the little, nitty-gritty stuff. The fact is that there is something in a budget of $1.5 trillion, or $1.6 trillion, that anybody could find fault with. Clearly there are going to be disagreements, but the underlying philosophical principles have to do with how do we raise this money and how do we spend it, and who is in the best position.

Let me give one simple example. One of the things we were criticized for earlier by the gentleman from North Carolina is that we are going to supposedly eliminate operating subsidies for mass transit.

That is not true. It is simply not the case. What we are in fact doing is we are amalgamating Federal highway funds in such a way that local communities can make their own decisions about how they are going to allocate those funds. We are not going to tell them they have to spend so much on operating subsidies and so much on highway funds. We are going to allow them to make the choices between the two.

It is a tough business. It is hard choices. The question is who do you want spending the money, the people here in Washington, or the people in the localities?

Mr. SABO. Mr. Chairman, I yield myself 15 seconds.

The amendment clearly eliminates operating subsidies, Mr. Chairman.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Chairman, I have a lot of differences with the so-called Kasich substitute. I commend the gentleman for putting together a comprehensive alternative, but I think it has many different faults. There are two that I think are particularly egregious and I want to speak to those.

One, I really wonder whether my friend, the gentleman from Ohio, has thought about his decision to include that portion of the so-called Herger amendment on welfare in his substitute which, for the first time that I am aware of in history, seeks to create a two-tiered system between American citizens and legal American residents of many, many years standing on the question of their eligibility for SSI benefits, for food stamps, for different kinds of Medicaid Programs, for AFDC Programs.

Mr. Chairman, I am not talking about a decision that says the welfare system would work better if we cut people off of welfare for several years. I am not talking about requirements of work. I am talking about looking at where a person was born and whether or not they have naturalized, and deciding whether or not a 69-year-old person is going to get SSI benefits.

A poor low-income 69-year-old would be ineligible under the Kasich proposal simply because of the fact that he had not naturalized, he had not become a U.S. citizen, even if his spouse was a U.S. citizen, and he had come here legally. It seeks to take the public furor over the question of illegal immigration and extend it to cover legal immigration, and create a totally unjustifiable two-tiered system.

□ 1510

It is unconstitutional on its face. It violates the 14th amendment on due process which does not apply only to citizens but applies to persons. It is blatantly unfair. It is morally bankrupt. I think it was not well-considered in its inclusion in the Kasich substitute.

The second point I would like to make is on the question of the huge slash in the foreign assistance program. One-sixth of the purported savings of the Kasich amendment, one-sixth, over 18 percent, comes out of a portion of the budget which amounts to less than 2 percent, and that is the international affairs budget. And where do those cuts come? Mr. KASICH's substitute slashes the Export-Import Bank financing dramatically at exactly the time we are trying to promote U.S. exports and U.S. jobs.

The Kasich substitute substantially cuts the Public Law 480 food program, a program of vital assistance for relief of world hunger and critically important to U.S. farmers.

Then, of course, if Members ask supporters of the Kasich amendment, "Well, Israel and Egypt get a huge portion of that foreign assistance budget," they will say, "Oh, we don't want to cut them." But when you cut as many millions of dollars as the gentleman from Ohio [Mr. KASICH] does out of that budget, to pretend that you are a great supporter of Israel and Egypt and the Camp David process and the peace process, and have no desire to touch them is the height of irresponsibility, and I think people will see through it. This is a disproportionately unfair cut in the international affairs budget. It will have massive effects on the peace process, the Camp David process, and it slashes just the programs that we need for economic strength here at home.

I urge a no vote on the Kasich amendment.

Mr. KASICH. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Georgia [Mr. COLLINS].

Mr. COLLINS of Georgia. Mr. Chairman, I would like to inform that previous speaker that the Kasich budget here would put about $60 million of tax relief for families in his district right back there in California where I know those folks would appreciate it.

I support the Kasich budget because it is crafted after just what the American people have been trying to tell

this body up here every year. We stood here a year ago arguing about budgets, taxes. People keep calling and writing and saying cut spending, no more taxation, and they meant that.

But not only is the Kasich budget crafted to cut spending, but it is actually crafted to create jobs. When we create jobs we create more taxpayers. That is what this system is all about, people working, paying into the system.

Let me just give a couple of examples of what I ran into when I was campaigning in 1992 to come up here and join this body. I was in a little, small town in middle Georgia in a small shop, a TV rental shop. I walked in there and a lady jumped me about taxes and taxation. She said, "You know, I have a little piece of property out here at the edge of town." This was Barnesville, GA, about 13,000 folks in the whole county. She said, "I have a little piece of property out here. I could have sold it three times, but I haven't sold it, and the reason I haven't sold it is because I don't want to pay tax on it. The taxes are too high."

She was talking about capital gains, sir. Do you know what happened when she did not sell the property? Nothing. She did not make a profit, she did not pay any taxes, and the government, neither the State nor the Federal received anything from that property. It is still laying there right now.

Capital gains creates activities, it transfers titles to land, it transfers money, it creates profits and it generates revenue for this government and other governments. That is what capital gains does.

Let us talk about incentives for equipment purchases. I have been in the trucking business for over 30 years, and many of those years there have been incentives to purchase equipment. In 1986 we took away a lot of those incentives. Leasing companies that lease equipment, truckers especially, were rotating their fleets. They were rotating their fleets every 3 years. But after we took away the tax incentive, sir, they started rotating them every 5 years, and some of them did not rotate, but just rebuilt them, and put them back out on the road.

What did that do? It cut down on the production on the assembly lines, which cuts down on jobs. Incentives to invest create jobs that put people to work manufacturing that equipment that people out here like MAC COLLINS will purchase.

I hear people talk about tax cuts, tax cuts, we are giving incentives to business. Well, where in the world do you think businesses get their money from? They collect it through the consumer product that they sell or the service they render. And who pays for it? Working people, working men and women of this country. There is nobody else to pay the bill.

Oh, I hate to hear people talk about giving somebody an incentive or giving someone a break, or giving away something from the government when every time we give away something from this government we have to collect some money from somebody to give it away with. And that somebody is working folks. You folks better wake up and understand that too, because working America is tired of this business up here. Their agenda is a lot different agenda than the agenda of this Congress, and that difference is going to be shown later on this year.

Talking about the $500 a year credit for each child in a family, when we leave that money in the private sector that money rotates, it revolves itself. it will revolve itself some five times, and every time it turns over, money is generated for the government. Why not leave more money in that private sector and let it generate more moneys for us and for local governments, local governments that we keep putting pressure on and causing them to have to raise taxes and spend money? I am all for leaving it out there and letting folks that pay the bill enjoy and reap some of the benefits from what we are doing here.

Mr. Chairman, I would say to the gentleman from Minnesota [Mr. SABO], about a year ago I asked him something about the budget at that time and that budget resolution, and the fact that it looked like we were going to have about 6.289 trillion dollars' worth of debt at the end of that budget cycle, 5 years, 1998. The gentleman said that was right. So I am worried about that, sir. That is not what the American people want. The gentleman said, "I'm worried about it too." And the gentleman also said if interest rates go up any at all we are sunk. Sir, interest rates are going to go up, they are already starting to climb. Based on your comments, we are sunk.

So we ought to leave money out there in that private sector, and leave it in the pockets of the families so that it can rotate and revolve and generate more money for us.

I appreciate this time and I just hope that the Members of this body will adhere to what the folks back home are saying, and that is cut spending and leave more money in our pockets at home to spend on our families and quit taking so much of it to Washington.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. KASICH] has expired.

The gentleman from Minnesota [Mr. SABO] has 3½ minutes remaining.

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

Mr. Chairman, quickly may I ask the gentleman from Minnesota [Mr. OBERSTAR], chairman of the Subcommittee on Aviation, if he has made an analysis of the Kasich proposal on the FAA and what it would result in?

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

Mr. SABO. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I say to the chairman we have laboriously analyzed the position, and to summarize it, the total airline passenger payments that would result from the shifting of costs under this proposal would be the equivalent of a tax of 16½ percent on air travelers compared to 10 percent tax now, and new taxes and fees on an airline industry that has lost $11 billion over the last 4 years.

Mr. SABO. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Chairman, I rise in strong opposition to the gentleman's amendment.

There are many sections of this substitute that I do not agree with—too many to spend time talking about all of them. So I will focus on a valuable program my colleague proposes to eliminate—the Advanced Technology Program under the Department of Commerce.

This program is a cornerstone of President Clinton's competitiveness agenda and a major part of the President's investment initiative in his fiscal year 1995 budget request. Why is this program so important?

Our Nation's technology policy must begin to reflect the reality that both American industry and Government have underinvested in manufacturing technology. We need to work to build our manufacturing capability and increase our competitiveness in the global marketplace.

The Advanced Technology Program will help us to achieve this end. It is market oriented. While Government provides the catalyst, industry conceives, manages, and executes ATP projects. The ATP also emphasizes cost sharing—ATP recipients pay more than half the total cost of the research and development. This helps ensure that companies have a vested interest in the success of projects and in timely commercialization.

Congressman KASICH asserts that if the technology was worth developing, the private sector would do it themselves. This simply is not true. ATP projects focus on precompetitive, generic technologies, those that industry cannot afford to develop on their own, those that they must develop in order to be competitive in the future.

□ 1520

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Chairman, I rise to address one highly publicized point of the Republican plan, the $500 credit for every child for families earning up to $200,000.

I speak to this as perhaps the newest father in this Chamber, because it was only 6 weeks ago that my wife and I went out to National Airport and picked up an infant from Korea that will become our adopted daughter by the end of the year.

The gentleman from Ohio [Mr. KASICH], I want to thank you for being so generous as to think that we might need this $500 tax credit, in fact, that other families in this Chamber might need tax credits, the fact that families earning up to $200,000 per year might need this kind of assistance from the Government.

But I think the assistance can better be directed at the poor, the lowest earning income people in this country, and it is these people to whom you have directed the cuts in your bill.

This is Robin Hood in reverse, taking from the poor and giving to the rich. It just is not fair.

The CHAIRMAN. All time has expired.

Pursuant to the rule, it is now in order to debate the subject matter of amendment No. 3.

The gentleman from Maryland [Mr. MFUME] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. KASICH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland [Mr. MFUME].

GENERAL DEBATE ON AMENDMENT NO. 3

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

Mr. Chairman, the alternative budget that is being offered by the Congressional Black Caucus today and that we hope to have voted on tomorrow represents an aggressive and yet fiscally responsible approach to respond to a number of the problems that are plaguing our Nation today.

The CBC alternative budget stays within the established discretionary caps, and that is a point that I am going to continue to make throughout this debate, because I think clearly it is one that is quite valid.

In addition, our budget deficit is $1.8 billion less than the budget proposed by the House Committee on the Budget, and $2.6 billion less than the budget proposed by the administration.

Every day on the floor of this Chamber we hear speeches about the immense problems that are facing and, indeed, plaguing our Nation. Unemployment, crime, illiteracy, homelessness, despair, the deficit, are just to name a few.

While many of the problems facing America may, in fact, be exacerbated in the inner cities which many members of the Black Caucus represent, the problems we address in our budget are endemic, I would remind this body, throughout our entire Nation, and they threaten each and every one of our States, each and every one of our congressional districts. It is because of these problems and the fact that they are so widespread and so ominous that we have tried over and over again to offer an alternative, and this year have named it a Budget to Rescue America.

First and foremost, Mr. Chairman, our budget proposal is aimed at creating jobs. Our proposal allocates more than $2 billion above and beyond the amounts proposed by the President and by the Committee on the Budget for job training and job creation.

By creating jobs and ultimately training people, we are helping the economy, we are helping to repair our infrastructure, we are in the long term, we believe, helping to prevent crime.

Examples of job-creating programs contained within our proposal include an increase in spending on the Community Development Block Grant Program and the expedited establishment of community development banks.

The alternative currently under discussion also includes funding for many aspects of the Congressional Black Caucus alternative crime bill. The caucus crime bill and, therefore, this proposal focuses on crime prevention, something I mentioned a moment ago, and something I think that goes to the heart of many of our problems.

Now, it is clear that crime prevention is preferable to punishment, as prevention does not result in a victim. Included in this package is funding for the Ounce of Prevention Council, the Community Development Corporations, and the Local Partnership Act.

Another major focus of our proposal is the education of our children, and as I indicated earlier, the retraining of our job force.

The CBC alternative budget calls then for an overwhelming campaign for the improvement of education in all American schools, and at the heart of this education and training proposal is, in fact, an increase of $1 billion for training and employment programs, for health-care-related jobs. Even without health care reform, there is already a shortage of qualified people to deliver a whole spectrum of health care services such as child care and workers, and medical record clerks, practical nurses, and I could go on and on. Other programs within this proposal aimed at improving the state of education in America include an educational infrastructure act which has been debated and talked about on this floor before, designed to provide emergency funds for the repair and renovation of schools and funding to guarantee access for the poor to the information superhighways.

Other budget highlights include the full funding of Federal employee salaries, the income protection and housing of our elderly, and the full restoration of funding for low-income energy assistance programs.

Furthermore, the alternative budget that we offer supports the President and the Committee on the Budget in a number of areas that we feel are important to this Nation and to its people, areas such as the expansion of the earned income tax credit.

Lastly, we support the permanent extension of the targeted jobs tax credit, which we feel is an important tool in promoting employment in the private sector. As I have said earlier, we have managed this in a clear understanding of what we have to work with and what we have to do. We have put the focus on the needs of the American people, while staying within the established discretionary caps. We were able to do this by reducing spending in areas such as defense and intelligence and through a small across-the-board cut in areas such as Federal Government service contracts.

While this budget does recommend $8 billion less than the administration for defense and intelligence, members of the Congressional Black Caucus and the Progressive Caucus and others who have worked on this remain confident that it will not result in compromising the Nation's defense capabilities.

And so the budget being offered by the Congressional Black Caucus and the Progressive Caucus creates an additional set of deficit-reduction tools through a 20-percent Federal tax on the sale of handguns, assault weapons, and ammunition; the ammunition for those particular assault weapons, and so if there is some confusion as we go through this, I want to be very clear about that one individual way to raise revenue.

Mr. Chairman, I am proud of this budget and proud of the Members of this body in both caucuses who have worked hard to put it together. I believe that a thorough review of the document by Members who may be in opposition or Members who have still yet to make up their minds will demonstrate that it is a fiscally sound, responsible, aggressive, and responsive way to deal with many of the problems that are facing our Nation.

Let me stress again before reserving the balance of my time that this particular budget that we offer is $1.8 billion less than the budget proposed by the Committee on the Budget, and it is $2.6 billion less than the budget proposed by this administration.

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

□ 1530

Mr. KASICH. I yield myself 7 minutes.

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

Mr. KASICH. I yield to the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Chairman, I thank the gentleman for yielding, and I rise in strong support of the Kasich Republican alternative and in opposition to the Committee on the Budget's recommended budget.

Mr. Chairman, I rise today in strong support of the Kasich substitute budget and in opposition to the Budget Committee resolution.

In 1992 candidate Clinton promised the middle-class Americans that he would give them tax relief. Instead, President Clinton gave us all a huge tax increase. We would like to help President Clinton to keep the promise that candidate Clinton made to the middle class.

That is why we are offering a $500 per child tax credit. The Republican substitute is a document drafted with the conviction that middle-class families deserve to keep more of the money that they earn. We understand that average Americans can spend their money more wisely and more effectively than the Federal Government can.

The $500 per child tax credit means more money stays in the pockets of the people who go out each day and earn the bread on their table by the sweat of their brow. It means that they have more money for school clothes, for food, for education, or whatever they decide is in their best interests. It is an article of faith with us that the American people know what is best for them and their children.

We also believe that American businesses should be rewarded for investing in new plants and equipment which would make our businesses more competitive and create jobs for American workers. That is why we included the neutral cost recovery plan for business in the Kasich alternative.

American businesses should not be put at a disadvantage in the world market place because their overseas competitors are not handicapped by the antiquated depreciation rules of the IRS Code. Neutral cost recovery will help to level the playing field for Americans.

The Kasich budget not only addresses the need for neutral cost recovery but also removes the impediments in the Tax Code to investment in our corporations by indexing capital gains.

Capital gains indexing is recognized as fair and necessary by economists and businessmen if we are to maintain growth of our businesses and our economy. Capital gains indexing has enjoyed wide bipartisan support in this House in the past and it should be adopted.

The Republican alternative budget is the budget that truly addresses the needs of the American people. Unlike the Clinton budget, as modified by the Budget Committee Democrats, the Kasich substitute provides important funding for welfare reform, health care reform, crime control, and pays for it all.

President Clinton, for all of his big talk about being fiscally responsible simply does not walk the walk. He does not include his budget busting health care plan in his budget, he does not include anything for crime control and he does not include anything on welfare reform. All of those initiatives are missing in action.

On the other hand, we not only pay for our programs, we found enough waste and fat in the Government to pay for the things that we need and still achieve greater deficit reduction than the Democrats.

Mr. Chairman, I suppose that the differences between our Republican budget and the Sabo/Clinton budget say a great deal about our different visions of the country. The Republican budget envisions an America where individuals and families are in charge of their own lives and are free to make decisions about how best to spend their money with the least interference from the Federal Government.

The Republican alternative budget was drafted with an eye toward addressing the big issues that need attention such as welfare reform, crime control, and health care reform and paying for them; something that has become a somewhat radical idea in this institution.

Our budget looks toward a tomorrow where our economy is larger and the Government is smaller and more efficient. That stands in stark contrast to the big Government, Washington-knows-best budget that President Clinton has sent us.

Mr. KASICH. Mr. Chairman, initially I want to pay tribute to the gentleman from Maryland for his efforts. I must tell the gentleman I have not seen the details of the budget yet; we had some folks over last night. But I know, as one who kind of single-handedly back in 1989 and 1990 tried to put something together, know how tough it is.

I do want to compliment the gentleman for what I think has been an impressive, a very impressive performance. And I do not mean performance in the sense of an actor, but I mean it in the highest sense of promoting an agenda for the Black Caucus, and he has done it, and is due kudos from everyone, to force the emergence of an agenda, to be able to be heard above, a lot of times, the roar in this House. I just think the gentleman has done a very fine job as the chairman.

I also want to say that I look forward to the day when I can join with the gentleman and other members of the Black Caucus to sponsor legislation that will remove the terrible class warfare bickering that we have experienced in the period of the eighties into the early nineties. I would say to the gentleman that one of the reasons why this Republican budget alternative has not just deficit reduction, although it has that, the reason why we have got the indexing of capital gains and more-generous depreciation schedules for businesses is because we think that in addition to reducing the deficits, job growth creation using the private sector incentives that have made this country so prosperous are a key element. And when politicians trip themselves up on a debate about class warfare, everybody loses.

I say to the gentleman the issue of enterprise zones, when I was a member of the Ohio legislature, I was the first one to introduce enterprise zones because I recognize the value of trying to wipe out regulation, wipe out taxes, and provide encouragement for the location and creation of jobs in areas of high unemployment.

Our day is going to come, in my opinion, where members of this Republican conference and members of this very, very hard-working Black Caucus are going to be able to come together on a growth agenda. It is going to take both sides, both sides are going to have to move a little bit toward one another. I want to say to the gentleman that we have the same purpose.

I want to just tell you about this issue of job retraining: You see, what we do in our Republican budget on job retraining is we consolidate 80 programs down to 7, and we send them to the States and say—and the gentleman was in the State legislature—we would say, "You deal with it." And you county commissioners, "You figure out the best way to apply these resources."

I do not know if the gentleman has seen the General Accounting Office report. Mr. SHAYS, the gentleman from Connecticut, was in the hearing when the GAO testified. They said that the job training programs of the Federal Government, more than 150 that provide employment training, have well-intended focuses. Collectively, they create confusion, frustration for their clients and administrators. They hamper the delivery of services tailored to the needs of those seeking assistance; create potential duplication of effort, unnecessary administrative costs.

I would say to the gentleman that what we really need to do is we need to figure out a better way to build a mousetrap, a better mousetrap, a better way to train people, a better way to feed hungry people. That is what we do in our WIC proposal, our WIC-plus proposal. We eliminate a lot of bureaucracy. I say to the gentleman—and this is not meant to cast aspersions on Government workers—but when you pass a $20 bill through 10 offices, the handling costs reduce the value of the money that started at the first office.

We have got to open our minds to all of these arguments. We need to send more money to areas of high unemployment, of high crime, high poverty. We are going to have to do that, and we are going to have to work with the gentleman to streamline this bureaucracy, to index capital gains and not get tripped up on something that has existed for so long.

And I want to say I wish the gentleman from North Dakota [Mr. POMEROY] was still here. He has got about 143,800, almost 144,000 children in his district who would qualify for our middle-income tax credit and would be able to take almost $80 million back to his district for family tax relief. Do you know what he accused us of? Class warfare.

I want the gentleman from Maryland to recognize that the family tax credit that the Republicans have in their budget which provides $500 per child, per family up to $200,000—and I must tell you that the President himself said that we should provide $1,000 in tax credit per child per family with no means testing, with no means testing, before the election. We put a means

test at $200,000, but I want to show you the impact—90 percent of the benefits of this proposal go to people whose income is under $75,000; only 10 percent of this proposal goes to families who qualify over $75,000. But I would say to the gentleman from Maryland: Is that really the issue, the means testing? Is that the issue? Is that really the issue, or is the issue whether it is possible to restructure, reshape, privatize, reduce the deficit and at the same time give the American family a little piece, a little refund of all the money they send to Washington?

And then we want to get tripped up into a class warfare debate?

I say to my friend, we have got to move beyond this class warfare. It does not work. It does not serve the least prosperous people in our society.

But I want to say to the gentleman I look forward to the time when we can work together because I think it will be a productive period for all Americans, rich and poor. Again, as I complimented the gentleman from California [Mr. DELLUMS] on his effort, this gentleman has done a fine job.

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

Let me say to the gentleman from Ohio, whose words I appreciate and whose sincerity I understand and I feel that I genuinely respect the gentleman's efforts in fashioning his budget, I think also and hope and pray also that one day we get to the point in this House where we are not divided by party label, divided by race, divided by region, but we recognize on some issues at least there ought to be a coming together, a galvanizing, if you will, of the heart, mind, spirit, and energy of this body to move forward based on what is right and what may not be politically popular to do at any one given time.

I compliment the gentleman from Ohio [Mr. KASICH] for his remarks, his sincerity. He certainly believes in what he says and does. I would suggest, also, that perhaps the time of looking at indexing capital gains, if in fact it spurs development, economic development in our cities across this Nation, may not be that far off, and that the Congressional Black Caucus has been considering that and will stay very much open on the idea. The bottom line for us is being able to help people.

Mr. Chairman, at this time I yield 3 minutes to the distinguished gentleman from Vermont [Mr. SANDERS], who heads the Progressive Caucus and has worked very hard on helping to shape this budget alternative.

□ 1540

Mr. SANDERS. Mr. Chairman, I rise in strong support of the alternative budget developed by the Congressional Black Caucus in coalition with the House Progressive Caucus offered today as the Mfume substitute. Frankly, Mr. Chairman, I do not support every single line of this budget. I would have gone further in the direction of shifting some of the tax burden which for a dozen years was transferred to working people and the middle class back to the upper class and to the wealthy so that they can finally begin to pay their fair share of taxes. But there is no question but that this budget is far preferable to the administration's budget and far, far preferable to the Republican budget, and once again, as it has been the case in many years in the past, this budget becomes the conscience of the U.S. Congress.

Mr. Chairman, I think there is no doubt, there should be no doubt, as to what has happened to America in the last dozen years. I heard reference a moment ago to the issue of class warfare, and it is true, in fact, that that is precisely what has been going on in this country over the last dozen years, and the headlines of today's newspapers reflect that reality. What has gone on is that the wealthiest people in this country have become much wealthier, the middle class has shrunk, and today we have a significant increase in poverty, and for our poorest people we now have some 2 million Americans sleeping out on the street, and we have 5 million children in this country who are hungry, and I must say to my colleagues in the House that it should be an absolute national disgrace that we should work to resolve every day, that the United States, with 22 percent of its children living in poverty has by far the highest rate of poverty among children in the industrialized world.

When we talk about priorities, Mr. Chairman, maybe we should not be worrying about spending a hundred billion dollars a year defending Western Europe and Asia. Maybe we should not be talking about space stations, and supersonic colliders and more nuclear weapons. Maybe we should say that tomorrow we are going to end the disgrace of childhood hunger in America, end the disgrace of 2 million people sleeping out on the streets.

The gentleman from Ohio [Mr. KASICH] talked about class warfare, and let us refer to the fact that while the children grow hungry the number of billionaires in this has grown. Let us talk about the fact that the chief executive officers of the largest corporations now make 157 times more than the workers of those corporations. If that is not class warfare, what is class warfare?

Mr. Chairman, let me simply conclude by urging the Members of the House to support the Congressional Black Caucus budget. It begins to move us in the right direction. It offers some sane priorities in terms of how the U.S. Congress should go.

The people of America are hurting. They are upset about the inequality in wealth. They are upset about the hunger that our children are facing. Let us change the priorities of America. Let us support the Congressional Black Caucus budget that was prepared in coalition with the Progressive Coalition.

Mr. SHAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. HOBSON].

Mr. HOBSON. Mr. Chairman, I would like to point out to the gentleman from Vermont [Mr. SANDERS] that there are 124,330 children in his district that would get $62,200,000 in the family tax relief item which would go somewhat toward solving some of the problems that exist. It is certainly not enough, and certainly a lot of us share his concerns that we get on with some of the very difficult choices in this country.

In looking at the budget of the Congressional Black Caucus which I have just gotten, Mr. Chairman, I would like to talk a little bit about health care.

I respect the gentleman from Maryland [Mr. MFUME] very much. I serve on the Committee on Standards of Official Conduct with him, and I think he brings a great strength to the cause that he speaks for in the manner in which he does address that cause, and I think the gentleman from Ohio [Mr. KASICH] expressed much of my sentiments.

In the area of health care, Mr. Chairman, there are a number of good things that I see in here, certainly on immunization, certainly on HIV, certainly in the three million funds, enhanced family community violence and stopping things of that sort. Certainly we all share those concerns.

One of the things I am having difficulty in is looking at the budget and seeing whether health care is funded, whether the Clinton proposal is in there or not. On our side we tried to take the Republican alternative health care plan and put it in here. It is not a perfect plan, but we think it begins to meet many of the needs that the gentleman is discussing. The mental health block grants program they have, I think that is a very strong component in their program.

But I think one of the things that we need to look at, as we look toward this health care program, and the problem we all have is that we need to look at each of the proposals, but we have a proposal that is based very much upon the ability of the private sector to solve the health care problems that are out there with some assistance from the Government. I cannot tell exactly how this program is put together, but I can tell my colleagues that those of us on the Committee on the Budget, many of us, and the gentleman from Connecticut [Mr. SHAYS] is probably going to talk later more forcefully on this, share many of the concerns that the gentleman has in the health care arena, and I think one of the things that we have to do is to make sure that

none of us, and I am not saying they are not in this at all, but we have very real problems that we can expand health insurance to, and health coverage and access to everyone as we look forward into this area as we move forward. We cannot allow though a lot of programs to go out and have people feeling that they are betrayed because we cannot deliver in the future on some of these things. We on the Committee on the Budget struggled very much on our side in trying to come up with a program that we thought was realistic.

Mr. Chairman, there are things that can be added, and I say to my colleagues, "Certainly, if you look at the Medicaid Program that we have in there that would expand and allow States to use Medicaid in a managed care situation, that would be very helpful, and it would also help in the kind of programs you're looking for."

So, Mr. Chairman, we look forward to working with the gentleman on that, but I have a problem with the budget as we have seen it so far, and I would urge that the program offered by the gentleman from Ohio [Mr. KASICH] be the one that we adopt.

Mr. MFUME. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Chairman, the Congressional Black Caucus offers this alternative as an amendment in the nature of a substitute to the House Budget Committee Resolution.

The proposed CBC budget for fiscal year 1995 represents a serious and responsible alternative to the budget proposed by the President, by the House Budget Committee, and by the House Republicans.

The CBC alternative budget stays within established discretionary caps while providing $2.6 billion more in deficit reduction than does the President and $1.8 billion more than the House Budget Committee.

The focus of the CBC alternative budget this year, as it has been in years past, is to address the numerous problems facing our constituents and indeed the Nation.

Specifically, our budget:

Creates jobs—while we appreciate the efforts being made by the President and the House Budget Committee to address the serious unemployment problems facing this nation, we are nevertheless concerned that their attempts to adequately address the problem fall short. The CBC budget, therefore, includes more than $2 billion in funding for job training and job creation. In addition to resolving some of the intractable unemployment problems facing our Nation, the programs that receive this funding will help us rebuild our cities and our infrastructure.

Combats crime—included within the CBC budget proposal is the CBC alternative crime package. Our package focuses on crime prevention. Included in our budget is funding for the Ounce of Prevention Council, the community development corporations, and the Local Partnerships Act. The CBC alternative budget promotes the concept that the best way to stop crime is to eliminate many of the factors that create this explosive environment.

Educates our children and retrains our work force—included in the CBC is funding for an intense and much-needed program to help educate all of our Nation's children from the very young through post-secondary education, including continuing education.

Other highlights of our budget include the full funding of Federal employee salaries, the protection and housing of our elderly, and the full restoration of funding for the Low-Income Home Energy Assistance Program.

The CBC alternative budget also agrees with the President and the House Budget Committee on the amount allocated for the earned income tax credit, which the CBC was pleased to see expanded in last year's reconciliation legislation.

The CBC budget also includes a permanent extension of the targeted jobs tax credit.

As I indicated earlier, the CBC alternative budget also includes additional revenues to be dedicated to deficit reduction. This money is gained through a Federal tax on guns and ammunition, and through the assumption, based on Joint Economic Committee estimates, that every 1 percent of additional employment created by the budget generates an additional $1 billion to the Federal budget.

The reductions made in defense and intelligence are calculated to maintain a strong defense and enhanced security for us and our allies. The proposed amounts for reduction in spending is $8 billion.

The CBC alternative budget accepts the economic forecasts and projections advanced by the Congressional Budget Office. The numbers contained within the budget are calculated against the CBO baseline reestimates of March 2, 1994.

Mr. Chairman, members of the committee, I thank you again for your time and patience and I hope that you will, as you have in past years, allow our caucus this opportunity to offer to the House a budget that we feel best addresses the pressing problems facing our Nation today.

□ 1550

The CBC alternative budget promotes the concept that the best way to stop crime is to eliminate many of the factors that create this explosive environment.

It educates our children and it retrains our work force. Included in the CBC budget is an intense and much-needed program to help educate all of our Nation's children.

There are many other highlightes of our budget, including the full funding of Federal salaries, the protection of housing for our elderly, and the full restoration of the Low-Income Home Energy Assistance Program. Our budget also agrees with the President and the Committee on the Budget of the House on the amount allocated for the earned income tax credit, which the CBC was pleased to see expanded in last year's reconciliation legislation.

The CBC budget also includes a permanent extension of the targeted jobs tax credit. As I indicated earlier, the CBC budget also includes additional revenues to be dedicated to deficit reduction. This money is gained through a Federal tax on guns and ammunition and through an assumption based on Joint Economic Committee estimates that every 1 percent of additional employment created by the budget generates an additional $1 billion to the Federal budget.

Mr. Chairman, this is a serious budget. This alternative budget deserves to be considered seriously.

Mr. SHAYS. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I want to congratulate, as well as my colleagues, the Congressional Black Caucus and the gentleman from Maryland, Mr. KWEISI MFUME, for the tremendous work he has done in this Congress over a number of years and congratulate him for a very thorough and, I think, extraordinarily comprehensive plan.

We basically have 4 plans before us. We have the Democratic plan brought out by the Committee on the Budget; we have the Kasich Republican plan that is presented by the Republican members of the Committee on the Budget and endorsed by most members of the Republican caucus; we have the Solomon plan; and we have the Black Caucus plan.

I would submit to the Members that the Kasich plan is far superior to any of the other three, but I would say that if the choice were between the Black Caucus plan and the Democratic proposal, I would go with the Black Caucus plan.

What I find of concern, though, in general, is that we have simply ignored the fact that when the plan passed last year by just 2 votes in the House and a tie vote in the Senate broken by the Vice President, that plan simply has allowed the national debt to grow too far. If the national debt is going to grow by $1.6 trillion in the next 5 years, we are not going to have a lot of money in the years to come to deal with many of the problems that are in the Black Caucus plan. There is going to be such a need in the future, because all we are doing is postponing the inevitable.

What I am struck with is that a year ago we had the Speaker come on the

floor of the House wrapping up this debate, getting all the Members he could to support it, and he promised us this—and I am going to quote him—he said, "The most important thing to note with this plan tonight is that it will not by itself accomplish what we need to do. We must do more," the Speaker said. And he said, "We must cut more spending, and we will, we must reallocate our priorities and we will, we must continue the process of deficit reduction, and we will."

The bottom line, though, is that we have not, and the plan presented by the Democrats out of the Committee on the Budget does not do it. It does not reduce the deficit. It does not cut any spending, and as the President said when he spoke on the floor in the State of the Union address, "Basically, we must stay the course."

We cannot stay the course. The Republican plan changes the course we are headed in. It provides $152 billion of additional deficit reduction. It provides an extraordinary $500 tax credit per child limited to families below $200,000. It has job creation and economic growth through changes in our Tax Code. It has welfare reform, it has crime control, and it has a basic reform of government operations and consolidation. We put in our budget health care reform as well.

I would just say to the Members of Congress that we did not do what the Speaker said we would do, that we are staying the course when we should change the course, and that this Republican plan makes major changes.

But I would submit—and maybe not all my Republican colleagues would join me in this—that the Black Caucus plan in fact reduces the President's plan by $2 billion and makes significant major changes that I support. I will vote for the Black Caucus plan over the Democratic package.

Mr. Chairman, I congratulate my colleague [Mr. MFUME] for the work he has done.

Mr. MFUME. Mr. Chairman, my thanks to the gentleman from Connecticut [Mr. SHAYS] for those kind and gracious remarks.

Mr. Chairman, I yield 4½ minutes to the distinguished gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I thank the gentleman very much for yielding this time to me.

Mr. Chairman, I rise in strong support of this Congressional Black Caucus/progressive caucus alternative budget. I commend Chairman MFUME and all the other members who have worked hard to shape this important budget alternative.

The yearly budget debate focuses our attention on budget choices. Despite a modest economic recovery, millions of Americans continue to be left behind. The Federal budget does not yet come close to meeting the demand for social investment and economic development that could make a significant difference in the lives of many Americans. More than any other budget before us, the CBC alternative budget would do just that.

Many communities in America are in crisis. For the third straight year in 1992, poverty rates increased to 14.5 percent—up from 14.2 percent in 1991. This rate of poverty is higher than at any time during the 1970's. It represents the highest number of Americans living in poverty—38.6 million—since 1962. Since 1989, the number of poor people in America has risen by 5.4 million.

Tragically, poverty among children is the highest of any age group. Child poverty stands at 21.9 percent; 14.6 million children live in poverty. One in every four children under the age of 6 lives in poverty. It is hard to rejoice at the good economic news, when so many American children, teenagers and adults remain unaffected by the economic recovery.

This budget grapples with the tragic social deprivation which strangles millions of Americans. Our cities seethe with anger, despair, and hopelessness. Joblessness continues at unacceptable levels. Unemployment remains at 6.5 percent. Approximately 50 percent of out-of-school young Americans—those age 16 to 24—without a high school degree are not employed. And more than 70 percent of young African-American high school dropouts are not employed.

This budget increases the education and training function by $1.2 billion over the Budget Committee proposal, including $75 million for Youth Fair Chance, a stipend-based job training program and $75 million for alternative recreation, gang prevention programs.

Mr. Chairman, a rising tide clearly does not lift all boats—that is why the Federal Government must invest in programs that will spur economic development, job creation, and crime reduction. That is the central purpose of the CBC budget. More than any other, the CBC budget would reduce joblessness, prevent crime and revitalize communities.

Our budget increases the community and regional development function by $550 million, transportation programs by $900 million, community development banks by $600 million, and funds neighborhood infrastructure programs at $750 million. These job creating programs would leverage billions in private sector investment, create hundreds of thousands of jobs, and dramatically reduce the underlying social tension in society.

There has been a lot of rhetoric about crime during this session of Congress. While some of the hysteria is misdirected, there is certainly a desperate need for a serious effort to reduce violent crime in America.

While overall crime has come down over the past twenty years, violent crime is up 24 percent since 1973. In 1992, nearly 2 million violent crimes were committed. There were 750,000 arrests for violent crimes and 410,000 prisoners held for violent crimes. Twenty-three percent of American families were touched by crime—violent or otherwise—in 1992.

The CBC budget increases direct crime prevention programs by $1.2 billion. These programs, combined with the substantial investment in job creation and economic development would go a long way toward solving the social problems this institution spends so much time discussing.

This budget tackles the underlying social problems which lead to crime. It invests in long-term crime reduction strategies, not short-term political ones.

Today's deficit reduction momentum takes place at a time when the Federal budget has been cut severely, and State and local funds are often more restrained still. While most public officials applaud the progress that has been made reducing the deficit, we may be losing sight of the purpose of Federal investment—namely encouraging job growth and creation, and lending a helping hand to those who the private sector leaves behind.

The CBC budget resolution proves it is possible to invest in our communities, responsibly fund the military and reduce the budget deficit. The CBC alternative does not resort to robbing-Peter-to-pay-Paul among important domestic programs.

This budget presumes that job training and job creation is a short-term investment that will pay long-term economic dividends. If we train and employ our young today, the cost to government tomorrow will be greatly reduced. Additionally, by giving idle youth and young adults alternatives—especially in inner cities—crime will come down dramatically. Most of us understand this principle, but this budget backs up the principle with the necessary resources.

The CBC budget rejects the notion that no serious social investment is possible within the discretionary budget caps. On the contrary. With targeted reductions in unnecessary spending, this budget puts real money in programs that many Members support, but which the other budgets underfund. This budget is the best one presented. It is real. It would make a difference. I urge support for the CBC alternative budget.

□ 1600

Mr. SHAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, let me first say that I join with the gentlewoman from California [Ms. WATERS] in being concerned about children, and point out that her district,

the 35th of California, would receive $58 million for children under the Kasich bill.

Mr. Chairman, I have been listening most of the day. I do not intend to talk about details. The gentleman from Maryland [Mr. MFUME] talked about helping people, and I agree with that. And I suppose everyone here wants to help people.

The question is, how do we do that? How do we best do that? It seems to me that is the great debate. There is no one here that does not want to help people.

So budgets, I think, are predicated on what you want to do, where you want to go, what it is you want to achieve. And that is what budgets ought to be about. And there is a legitimate difference of view.

I think we ought to talk about philosophy. How much government do we expect to have, how much taxes do we expect to charge, where do we see the role of the Government. I think these are legitimate philosophical questions that make it much easier to decide what budget you really support.

What do you think about the size and the scope of government? Do you want more? Do you want less? Do you think the Government is involved enough in our lives, or should there be indeed something less. I will wager most of us go home and say we will have less government and come here and vote for more. Legitimate questions.

Taxes. Do we want more? Do we want less? Obviously, if you are going to have more programs, you have to have more taxes. That is the way that works. I have listened to endless numbers of programs today that we simply could not get along without. I doubt that. It seems to me local government could well do it if we would leave the money there. That is a legitimate question. Do you want more taxes or less.

The role of the private sector. We are all about solving problems. Many problems can be solved better in the private sector, better at local government. Do you want more emphasis on the private sector, or less?

Individual freedom. That is part of it. If we have more government, we have less freedom. With freedom goes some responsibility. We have to do that.

So, Mr. Chairman, these are legitimate questions that we ask. And the budget drives the answer. The budget drives the answer. It makes it fairly clear to me that the Kasich budget is the one to support to have less government, to solve problems in the private sector, to deal with problems, have more freedom, more responsibility. If you believe that, the Kasich budget is the one to support. And I believe that.

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

Mr. SANTORUM. Mr. Chairman, I rise in strong support of the Kasich budget because it is the only budget on the floor today or tomorrow that will be real reform in Washington, DC, that sets out real programmatic changes. That I think is what the American people are calling for.

One such change is a welfare reform bill that was placed in the Kasich budget that is supported by 162 of the 175 members of the Republican caucus. It is the only bill out there trying to bring the Clinton administration to the table on welfare reform, something he promised as a candidate.

One key aspect of the reform we are calling for in the welfare system is SSI, supplemental security income. Just to give you an illustration of what the Kasich bill will do, of what the welfare reform bill will do, and what our proposal accomplishes, and the absolute abuse that is going on in the SSI and the welfare system, let us look at the explosion of drug addicts receiving SSI.

These are people who are addicted to drugs so badly that we give them money. They are unable to work because they are addicted to drugs, so we give them money to help them with their addiction.

In 1985, we had about 5,000 people who were drug addicts receiving SSI. Today, 80,000 people in America are so badly drug addicted that we give them $450 a month, at least, in some States more, in cash benefits, drug treatment, and Medicaid.

Now, this sounds terrible. This is a lot of money. This is over $300 million a year to drug addicts on SSI.

Now, that sounds bad. There is a requirement, however, that these people be in treatment. So when the Social Security Administrator came before our subcommittee the other day, I asked her, what percentage of these people are in drug treatment as required under the law?

Her answer, under 10 percent. Under 10 percent. I said well, what are you doing with these other 91, 92 percent? She says I do not know. We just send them the money. We just send them the money.

Now, that sounds bad too, doesn't it? It gets even worse. Who do we send the money to? The Social Security Administration figured out you don't send cash to drug addicts. They figured that out. We give them a big point for that one. So who do they send it to? They send it to a representative payee, someone appointed to manage the money for the drug addict. And who did the General Accounting Office testify before the subcommittee is in increasing numbers becoming the representative payee? The drug dealer. Of course. We are sending money to the drug dealer to take are of the drug addict's habit.

In some cases we send it to the bartender. There is a case in Denver where there is a Denver bartender who received over $10,000 a month in SSI checks to take care of the alcoholics who frequent his bar.

Now, this is a ridiculous situation. This is something that the Kasich budget solves. By the way, this is the tip of the iceberg. I talked about 80,000 drug addicts. Those 80,000 drug addicts are in three States. You say how can 3 States have 60 percent of the 80,000 drug addicts? The reason is because the Social Security Administration came up with a great idea. They came up with the idea that these people are sick and we need to help them, so we have to find them and get them in the system.

So they instituted outreach centers in Detroit and in Chicago and in Los Angeles, and they go out and find drug addicts and sign them up so they can receive benefits. That is why these three States have the most.

Just in January they decided to set up an outreach office in the District of Columbia to find alcoholics and drug addicts who were so disabled that we have to help them.

Well, what they found out is in the District of Columbia, of the 80,000 drug addicts nationwide, 38, only 38, are in the District of Columbia. You can find 38 alcoholics and drug addicts within 5 blocks of the Capitol. The fact of the matter is this is an addiction program that is broken. How do we solve it? We solve some of it by drug testing. We say to people if you have an illegal substance in your body, we are no longer going to give you cash assistance. You can stay on drug treatment. We will help you. We will give you an opportunity to rise back in society and get your life together, but we are no longer going to pay for something we do not want in our society.

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

I would ask the distinguished gentleman from Pennsylvania, surely he does not suggest that the things he found reprehensible are part of the Congressional Black Caucus' budget?

Mr. SANTORUM. Mr. Chairman, if the gentleman will yield, this is part of the existing system that Mr. FORD and Mr. JACOBS just had a hearing on about 3 or 4 weeks ago. The Subcommittee on Human Resources and the Subcommittee on Social Security had this hearing, and that is why we proposed this solution in the Kasich budget.

Mr. MFUME. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I thank the gentleman, and would like to extend my congratulations to those members of the CBC that prepared this budget, and say that in the Congressional Black Caucus budget, we have the only budget which clearly refuses to accept the President's doctrine of no further cuts in defense. That is a major blunder, and we should have corrected it in all of the budgets.

The American people need to know that we are still spending enormous amounts of money for defense, when it is not needed. We can fund the programs we need to fund in education, we can fund the programs in health care and in job training that we need to fund, and we do not have to raise taxes for anybody.

□ 1610

All we have to do is stop spending money on worthless weapons systems. We have to stop funding overseas bases in Germany and Japan, where if they need bases, they can pay for their own bases. We have to stop funding Star Wars and weapons systems that we are never going to use. Defense is where the money is. But we have refused to do that, and thus we do not have the money to spend for education and for job training and for health care that we need.

In this budget, the theme that education and employment has been vitally needed in our big cities runs through the entire budget. We have a disaster in most of our big cities. We have an education and employment disaster. We appropriated $8 billion for an earthquake disaster in California recently. Last year we appropriated $6 billion for a flood relief disaster in the Midwest. Before that, we appropriated about $6 billion for hurricane disaster relief in Florida. Those were stimulus packages for those parts of the country. I have no problem with helping people who need help.

But in the northeast we have a jobs disaster and, we have had a jobs disaster for the last 12 years. We need relief. We need education and employment disaster relief. We need programs for job training. We need programs for education.

At the heart of this budget is a program which would do that. We have programs in here which will help to rebuild our schools. The Education Infrastructure Act will provide emergency funds for the repair and renovation of schools, for asbestos and lead poisoning abatement, and other needs.

We have a family learning center program for libraries to guarantee access for the poor to the information superhighway which we hear so much about, but nobody is planning to allow poor people to be a part of that. We have opportunity to learn, incentive grants proposed to encourage selective local education agencies and to match their proposals for curriculum content improvements and increased testing with some concrete proposals for improvements in the education delivery system.

We have a school-based building construction training program to expand the model which is already developed by the youth build experimental program which employs young teenagers, trains them, and employs them in the actual renovation and rebuilding of buildings that are located in their own community and then their families get the first opportunity to occupy those buildings.

We need relief in the Northeast. We need relief in New York, inner city communities. We need relief in Chicago. Any census track that has unemployment above the national level for the last 12 years ought to be declared a disaster area. It ought to be eligible for extensive amounts of funds for job training and for employment.

It is only fair. We have given it to the earthquake areas, to the disaster flood areas. God created those disasters. But the disaster in our cities was created by man, and the victims of that disaster deserve help as much as any other victims of other disasters.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. LAZIO], a very distinguished new Member of Congress.

Mr. LAZIO. Mr. Chairman, I thank the gentleman from Connecticut for yielding time to me.

Mr. Chairman, I rise in support of the Kasich substitute and urge my colleagues to support it.

Mr. Chairman, budget resolutions are many things to many people and the nature of budget resolutions has changed over time. They have evolved to contain policy guidance of a highly specific nature.

I prefer the traditional concept of a budget resolution. I think of budget resolutions as highly aggregated blueprints for fiscal policy, intended to offer broad guidance to Congress as Congress sets out to put in place a coherent fiscal plan. Any specifics—for example, which programs to cut, eliminate, or even increase, or which taxes to cut, raise, or revise—should, quite properly be left to the committees of actual jurisdiction for these programs.

This said, the Kasich substitute, unlike the Democrats' resolution, contains a high level of specifics, and I doubt if any of my Republican colleagues support each and every provision. I know I do not—I am not happy with several of the entitlement changes, especially those in health programs. Nor do I support the large cuts in the foreign assistance. And, rather than repealing Davis-Bacon, I support reform which enjoys widespread bipartisan backing.

But just because a Member disagrees with some provisions of a complicated budget resolution is not sufficient reason to vote against. As former New York Congressman Barber Conable said in this context, "there's always something for somebody to hate."

Voting against a budget resolution simply because there are some disagreeable provisions is, in my view, an excuse to duck the important issue of fiscal policy.

I support the Kasich substitute because it offers a clearly preferable fiscal policy path for our country. Compared to the Democrats' resolution, it has significantly greater deficit reduction—$150 billion more over 5 years—and, in my view, the long-term benefits of deficit reduction outweigh the short-term pain of program reductions.

Moreover, the Republican substitute is more honest than the Democrats'. Unlike the Democrats', the Republican budget includes health policy reform. It also provides for welfare reform and for fighting crime. Mr. Chairman, it is nothing short of disingenuous for my Democratic colleagues to criticize these provisions of the Kasich substitute when their resolution is silent on these three important issues.

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

Mr. SHAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER], a member of the Committee on Appropriations and a very strong fiscal conservative.

Mr. PORTER. Mr. Chairman, I thank my able colleague for yielding time to me.

Mr. Chairman, I want to talk a minute about budget priorities. The First Lady, Hillary Rodham Clinton, recently—in a speech at the National Institutes of Health, in Bethesda—following, I think, very good advice by Secretary Donna Shalala, spoke about the National Institutes of Health being one of our national treasures. And, Mr. Chairman, it is fascinating to understand how biomedical research results in cost savings in health care.

The amount of money saved by just one discovery, the discovery of the Salk polio vaccine, amounts to the entire funding cost of NIH throughout its history. What that means to health care cost savings in the future is almost incalculable.

Yet last year the administration put out a budget that would have provided a 1-percent increase for NIH below inflation, resulting in actual cuts in 9 of the 17 Institutes. We on the Appropriations Committee and the Subcommittee on Labor-Health and Human Services-Education ended up raising that to 6 percent in the House and 5.2 percent in the final conference, all within the budget, because we considered NIH one of our true priorities.

This year the President's budget puts NIH at an increase of $517 million or 4.7 percent. Even if we take out the forward funding, it is $417 million or 3.8 percent. However, the House Committee on the Budget, on the opposite side of the aisle, provided an increase in their budget document of only $259 million or 2.3 percent. This puts NIH, again, below inflation and shows that they do not make the agency a priority at all.

The Republican Kasich substitute supports the President's view that NIH is a high priority and puts it in at 4.7 percent or $517 million. Although this

bill made cuts overall, it makes a priority choice to fund biomedical research at NIH.

Mr. Chairman, NIH biomedical research in America is the envy of the entire world. If we provide funding on a downward slope, we are going to lose an entire generation of research scientists who are dedicating themselves to finding cures or preventions for AIDS, cancer, and diabetes, and Parkinson's disease as well as all the afflictions that affect us as human beings. This research is a priority.

The Kasich substitute is so much better in this area than the Democratic budget. Support the Kasich substitute.

Mr. MFUME. Mr. Chairman, I yield 2½ minutes to the distinguished gentlewoman from the District of Columbia [Ms. NORTON].

□ 1620

Ms. NORTON. I thank the gentleman for yielding to me.

I ask my colleagues to give a very serious look at the CBC budget this year, a year when we can afford this budget.

Mr. Chairman, in the 1980's we saw a massive transfer of funds from the domestic side of the budget to the military side of the budget. If we look for a theme in the CBC budget this year, it is giving something back from that side of the budget where we have been largely successful to the domestic side of the budget, once again. Mr. Chairman, we are paying for the transfer and we are paying dearly.

As we look at the crime in our streets, Mr. Chairman, we know that the causes are multiple, but is there a person in this body who would not concede that the cities did not profit from the transfer from one side of the budget to the other? Look at what our budget would do in education, training, and social services.

We are asking for nearly $2 billion more than the $19 billion that is already in the budget. Is that a lot of money, Mr. Chairman? The money would go for job training, for Pell grants, for job creation in the health care industry, for example.

Something has begun to happen to me in the streets of the District of Columbia. Over and over again, young black men, in particular, come up to me say what I have not heard them say directly to my face before, "Congresswoman, I need a job," over and over again. I don't know if this is being orchestrated, but they are young black men.

I do know this: Last week on the front page of the New York Times we were told there were 5 percent fewer black men going to college in the 1990's than went in the 1980's. That ought to send the strongest conceivable message to us.

The notion that has driven us during the new administration has been, to put it pejoratively, "It is the economy, stupid." By paying attention to the economy, we have seen some gains with the best economy since 1989 and the best deficit reduction ever in the shortest amount of time.

The theme for this coming year surely will be not "It is the economy, stupid," but "It is jobs, stupid." It is jobs that, instead of leading the recovery, have been following the recovery. A substantial amount of the recovery, indeed, has come at the expense of jobs, as businesses continues to become lean at the expense of its own workers.

Mr. Chairman, unemployment went down in the country in the last cycle. It went up in the black community. What kind of perverse ratio is that? The burden is now on us to show that the upturn in the economy can have the only payoff that counts, an upturn in jobs, and we will not get that without the substantial amount of effort we have put into improving the economy itself.

If we go for 5 years driven entirely by deficit reduction without substantially more investment in our people, we may be closer to a balanced budget at the end of that time, but much further away from the balanced allocation of resources that we need.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. SMITH]. One of the reasons why the gentleman from Ohio [Mr. KASICH] has been so successful is because of the good work of this gentleman.

Mr. SMITH of Michigan. Mr. Chairman, I rise today in support of the Republican budget alternative. As chairman of the Republican Physical Capital Working Group on the Budget Committee, reviewing commerce and housing credit (370), transportation (400), and economic development (450) functions, we met for over 1,000 hours over the past several months compiling the recommendations included in this budget alternative.

These changes are good policy. We consolidate several economic development programs into a single economic development block grant. We propose the privatization of the nonsafety-related functions of the Federal Aviation Administration. We support an innovative "risk-sharing" initiative in the Federal Housing Administration to reduce the risk to the Federal Government in housing guarantee programs.

For each of these initiatives, we have talked with the experts to address their concerns. We met with Secretary Cisneros of HUD, Secretary Pena of Transportation, and other experts at CBO and CRS. These ideas not only save money, they make good policy sense.

Mr. Speaker, this budget alternative is not perfect, but responds to the American people's request that we reduce spending and increase efficiency in the Federal Government.

Mr. Chairman, I thank the gentleman very much for the nice words.

Mr. Chairman, I would say to the gentlewoman from the District of Columbia [Ms. NORTON], as we look at how much the District of Columbia would get, our tally is $48.1 million from the $500 child tax credit.

Does anybody know what we have done in the last year in terms of increasing the debt of this country? For the last year, we have gone into debt an additional $1 billion a day, $361 billion that we have added to the debt of this country. We are mortgaging our kids' futures.

What I am encouraged about is that I think we have turned the corner. The gentleman from Maryland [Mr. MFUME] last year led an effort to balance the budget with his proposal. The gentleman from Ohio [Mr. KASICH] this year is leading an effort, that we are coming to a lower deficit in 1996, for example, than we have come since 1982.

We have added in this so-called Kasich proposal some tax changes that we need. We are saying to business for the first time, "Look, you can consider that new machinery and equipment that is going to help your productivity and jobs, you can consider that as a business expense, and you can take it off your income tax, you can deduct it from your income tax, expensing."

We have said not only the $500 child tax credit, but we have said to the self-employed that, "Look, we are going to start being fair to you in terms of you being able to have 100 percent deductibility for health care costs."

I think the $150 billion extra that we cut spending in this budget is a giant step forward. We take $150 billion more than the Democrat proposal that we will be voting on later.

If there are 263 of us that can sign a petition to put a balanced budget amendment on the floor, it seems reasonable that there should be at least 219 of us that are willing to say, "Yes, let us take the first step."

Mr. MFUME. Mr. Chairman, I yield 2½ minutes to my colleague, the distinguished gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would like to offer first my congratulations to the gentleman and other Members in the caucus that worked so hard in putting this Black Caucus alternative budget together.

Mr. Chairman, I rise in strong support of that budget, because I think it offers to those of us in Congress some real options, some real choices, as to how we want to spend the money of the American taxpayer.

In the first instance, we say in order to fund increased spending, we have to make realistic cuts, so the Black Caucus alternative budget starts with that premise, and, in fact, does make cuts in defense spending reflective of the new age in which we live.

Second, we say we have to have certain important priorities. I want talk about two: education and economic development. In the first instance, in terms of education, it is widely accepted that we are not going to prosecute

our way out of this crime problem. Prevention is the key, and the catchword for prevention is education. We have to educate young people and provide them with hope and other options, if we hope over the long-term to respond to the crime problem.

Yes, Members can say, "Put a Band-Aid on it and build some prisons," but we cannot afford to keep building prisons and spending $20,000 per-year-per-inmate.

Let me suggest that the Black Caucus budget is the preferable alternative. It says, first, let us work with young people in the Chapter 1 Program, and the Black Caucus Program adds $2 billion to the Chapter 1 Program to work with at-risk and disadvantaged young people.

It says, second, let us put some money into college training, so it adds another $2 billion for Pell grants, so that young people who are disadvantaged can go to college instead of going to prison.

It says, third, let us provide support services to those disadvantaged college students, many of whom are first generation college students, and it provides money for that. It addresses the problem of at-risk youth, and fighting gang warfare early in the process, and it provides money for job training and education and life skills.

On the other side of the coin, it says the key to economic development is job creation. So the Black Caucus budget includes $650 million for Community Development Banks. That is almost double what the administration put in for this same project.

If we want poor communities, urban communities, poor rural communities to prosper and create jobs, we have to have access to capital and banking services. The Community Development Bank Program in the Black Caucus budget accomplishes that.

Second, it includes $6 million for minority business development within the Commerce Department. Again, minority businesses are an engine for creating jobs in the minority community. That is another way to fight crime.

An additional $3 million is for minority and small business assistance.

Putting together a budget is about making choices. The choices are the administration budget or the far more progressive Black Caucus budget. I urge the Members' acceptance of the Black Caucus alternatives.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER], a leader of the House and a member of the Committee on Armed Services.

Mr. HUNTER. Mr. Chairman, I thank the gentleman from Connecticut [Mr. SHAYS] for yielding this time to me.

Mr. Chairman, I thank the Republican team that put together the so-called Kasich budget, and I want to also thank the Black Caucus for the efforts they have undertaken here.

Let me just address my friends in the Black Caucus with respect to something I think they should consider very strongly. One thing we have done correctly in the last 10 to 12 years, one of our constitutional duties to all of our people is to protect them. We have done a darned good job of it.

□ 1630

We rebuilt national defense in the 1980's. At the time when I came to Congress we had about 1,000 petty officers a month getting out of the Navy because they could not make enough money. We had a lot of our military personnel on food stamps. We had equipment that would not work. Fifty percent of our aircraft were not mission-capable, and we had enemies round the world taking advantage of this perceived American weakness.

But we rebuilt national security in the 1980s, and as a result of that we brought down the Berlin Wall, and it brought about the dissolution of the Soviet Empire.

That action has allowed us to reduce the defense budget by billions and billions of dollars, and in real terms since about 1985, the defense budget has come down in excess of 40 percent. So if we look at the $300 billion budgets we were funding in the mid-1980s, and put a pencil to that, it means that there are tens of billions of dollars available now that we have plugged into other aspects of the budget, the domestic side of the budget because we were strong, because we maintained peace through strength.

Let me now say we now have a world that is dangerous in different ways. It is a world in which North Korea is acquiring a nuclear weapon. We are not sure exactly what we can do about that. We are sure there is nothing we can do immediately about that problem. China is moving into the South China Sea with some force. They are taking the place of the Soviet Union as the next superpower, I think. We have a cauldron in the Middle east. We have the Balkans exploding. We have a dangerous world in different ways than the world in which the Soviet Union and the United States were the chief protagonists.

We have a duty to our men and women in uniform to keep them safe and to keep them secure and to keep them well-equipped. We can only do that with a good budget, and the Kasich budget has the minimum amount of money we should be spending on national security.

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

Mr. SHAYS. Mr. Chairman, I yield myself the remainder of our time.

Mr. Chairman, we would like to conclude by just once again emphasizing the extraordinary need to get our fiscal house in order. We have a national debt that is going to go up $1.6 trillion in the next 5 years, and the Democratic package that passed out of the Budget Committee simply allows that to continue to happen.

The President says we need to stay the course, and yet staying the course means we are going to have one of the largest increases in the national debt in my 5-years period happening under his presidency. The Republican budget initiative was just formed around some basic, major Republican principles such as federalism, block granting, real reform in health care, welfare reform and immigration reform. We are also in our package reforming the organization of Government. We attempt to privatize and we attempt to have smaller Government.

We asked ourselves a basic question: Who do we want to help, the people in Washington or the people back home? The people back home need our help. We have to get our financial house in order.

There are going to be four basic budget packages, including a small one by the gentleman from Massachusetts [Mr. FRANK], which makes a fifth. But there is the Democratic plan, there is the Kasich Republican plan, there is the Solomon plan, there is the Black Caucus plan.

I would submit that the Kasich plan deals with major reform, and addresses so many of the problems we need to address today. I would submit, however, that the Black Caucus reform is certainly better than the Democratic package that passed out of the House Budget Committee last week.

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

Mr. MFUME. Mr. Chairman, I yield myself the remainder of our time.

Mr. Chairman, in conclusion let me just state again that the budget being offered today by the Congressional Black Caucus, which we will again debate tomorrow, represents an aggressive and yet fiscally responsible approach to a number of our problems in our society.

Again let me remind Members that our budget deficit is $1.8 billion less than the budget proposed by the House Budget Committee and still $2.6 billion less than the budget proposed by the administration.

I want to thank the Members of the House Progressive Caucus who have worked in conjunction with us in shaping this document. Clearly we want to thank the staff. My thanks to the gentleman from Ohio [Mr. KASICH] and the gentleman from Connecticut [Mr. SHAYS], both of whose visions and whose sincerity I appreciate in this very difficult process, and both of whom I suspect will have an opportunity to debate again tomorrow, and neither of whom I think could have put together this package without a sincere understanding at least in their perspective of what they wanted to do.

And I appreciate that, and I speak on behalf of the members of the Congressional Black Caucus and the Progressive Coalition who have worked to shape our proposal.

Having said that, Mr. Chairman, I look forward to tomorrow's continuation of this debate.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the concurrent resolution is considered as having been read for amendment under the 5-minute rule.

The text of House Concurrent Resolution 218 is as follows:

H. CON. RES. 218

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1995.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1995, including the appropriate budgetary levels for fiscal years 1996, 1997, 1998, and 1999, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: $977,800,000,000.
Fiscal year 1996: $1,031,200,000,000.
Fiscal year 1997: $1,079,700,000,000.
Fiscal year 1998: $1,136,400,000,000.
Fiscal year 1999: $1,190,200,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $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 1995: $100,300,000,000.
Fiscal year 1996: $106,300,000,000.
Fiscal year 1997: $111,900,000,000.
Fiscal year 1998: $117,800,000,000.
Fiscal year 1999: $123,700,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1995: $1,246,800,000,000.
Fiscal year 1996: $1,308,400,000,000.
Fiscal year 1997: $1,374,400,000,000.
Fiscal year 1998: $1,447,800,000,000.
Fiscal year 1999: $1,531,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,225,500,000,000.
Fiscal year 1996: $1,284,700,000,000.
Fiscal year 1997: $1,356,500,000,000.
Fiscal year 1998: $1,419,000,000,000.
Fiscal year 1999: $1,495,000,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1995: $247,700,000,000.
Fiscal year 1996: $253,500,000,000.
Fiscal year 1997: $276,800,000,000.
Fiscal year 1998: $282,600,000,000.
Fiscal year 1999: $304,800,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,968,300,000,000.
Fiscal year 1996: $5,293,800,000,000.
Fiscal year 1997: $5,640,100,000,000.
Fiscal year 1998: $5,996,200,000,000.
Fiscal year 1999: $6,367,300,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998, are as follows:

Fiscal year 1995:
(A) New direct loan obligations, $26,700,000,000.
(B) New primary loan guarantee commitments, $199,700,000,000.

Fiscal year 1996:
(A) New direct loan obligations, $32,100,000,000.
(B) New primary loan guarantee commitments, $174,400,000,000.

Fiscal year 1997:
(A) New direct loan obligations, $33,800,000,000.
(B) New primary loan guarantee commitments, $164,600,000,000.

Fiscal year 1998:
(A) New direct loan obligations, $35,700,000,000.
(B) New primary loan guarantee commitments, $164,100,000,000.

Fiscal year 1999:
(A) New direct loan obligations, $37,800,000,000.
(B) New primary loan guarantee commitments, $163,500,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:
(A) New budget authority, $263,300,000,000.
(B) Outlays, $270,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1995:
(A) New budget authority, $19,200,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1995:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $4,900,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,900,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,300,000,000.
(B) Outlays, −$8,500,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
(E) New secondary loan guarantee commitments, $130,000,000,000.
Fiscal year 1996:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,900,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,500,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,600,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1999:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$1,900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,100,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $43,900,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,700,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.

(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,000,000,000.
(B) Outlays, $53,400,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,000,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,600,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $61,800,000,000.
(B) Outlays, $60,800,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $123,400,000,000.
(B) Outlays, $122,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $136,600,000,000.
(B) Outlays, $135,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $150,900,000,000.
(B) Outlays, $149,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $166,600,000,000.
(B) Outlays, $165,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $182,900,000,000.
(B) Outlays, $181,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,200,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $219,800,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,500,000,000.
(B) Outlays, $229,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,100,000,000.
(B) Outlays, $242,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,000,000,000.
(B) Outlays, $253,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,200,000,000.
(B) Outlays, $264,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.

(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $16,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,700,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $22,800,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1995:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $267,200,000,000.
(B) Outlays, $267,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $282,800,000,000.
(B) Outlays, $282,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $298,500,000,000.
(B) Outlays, $298,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $315,800,000,000.
(B) Outlays, $315,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1995:
(A) New budget authority, −$800,000,000.
(B) Outlays, −$1,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$3,600,000,000.
(B) Outlays, −$2,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$3,600,000,000.
(B) Outlays, −$2,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$2,900,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,400,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,100,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$31,200,000,000.
(B) Outlays, −$31,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$31,600,000,000.
(B) Outlays, −$31,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

SEC. 4. HEALTH CARE REFORM.

(a) If health care reform legislation is reported (including by a committee of conference), budget authority, outlays, and new entitlement authority shall be allocated to committees, and the total levels of budget authority, outlays, and revenues shall be adjusted, to reflect such legislation if the legislation in the form in which it will be considered would not increase the total deficit for the period of fiscal years 1995 through 1999.

(b) Upon reporting of legislation described in subsection (a) and again upon submission of a conference report on such legislation, the chairman of the Committee on the Budget shall publish in the Congressional Record revised allocations under section 602(a) of the Congressional Budget Act of 1974 and revised levels of total budget authority, out-

lays, and revenues to carry out this section. Such allocations and totals shall be considered as the allocations and aggregates under this resolution.

SEC. 5. SENSE OF THE CONGRESS.

It is the sense of Congress that the following legislation should be enacted:

(1) Legislation providing enforceable limits to control the growth of entitlement or mandatory spending.

(2) Amendments to the Budget Enforcement Act of 1990 to establish a regular procedure to provide assistance for disasters and other emergencies without adding to the deficit.

(3) Legislation granting the President expedited rescission authority over appropriations measures, as provided by H.R. 1578, as passed the House.

SEC. 6. SENSE OF COMMITTEE ON THE BUDGET ON SCORING HEALTH REFORM.

It is the sense of the Committee on the Budget that all financial transactions associated with the President's health reform legislation or similar health reform legislation relying on mandated payments to a Government entity be treated as part of the Federal budget, including premium payments by individuals and employees to health alliances (which should be treated as receipts) and payments by health alliances to providers (which should be treated as outlays), for all purposes under the Congressional Budget Act of 1974.

SEC. 7. SENSE OF COMMITTEE ON THE BUDGET.

(a) The Committee on the Budget is troubled by the Federal Government's failure to enforce immigration laws and secure United States borders from illegal immigration. The Government has also failed to investigate and prosecute Federal wage and hour violations, thus creating incentives to hire persons illegally in the United States and exacerbating the problem of illegal immigration.

(b) The Committee on the Budget recognizes that the Federal Government has an obligation to help fund increasing State and local government costs directly resulting from ineffective Federal enforcement efforts in this area. Therefore, the Committee assumes that adequate funding in this resolution will be used to reimburse States and local governments for both authorized program costs and legally binding obligations associated with providing:

(1) Elementary and secondary education for undocumented children in the public schools.

(2) Emergency medical assistance to undocumented persons.

(3) Law enforcement resources and personnel to incarcerate and supervise parole of criminal aliens. This funding can either be used by the Federal Government to take into custody and incarcerate criminal aliens or to reimburse States and local governments for their associated costs.

(4) Services incidental to admission of refugees under the Refugee Admission and Resettlement program.

SEC. 8. SENSE OF THE CONGRESS REGARDING RESERVE FUNDS FOR EMERGENCIES.

It is the sense of Congress that—

(1) the emergency designation under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 has repeatedly been invoked to circumvent the discretionary spending limits for other than emergency purposes;

(2) amounts for emergencies should be set aside within a reserve fund and subject to the discretionary spending limit;

(3) the reserve fund shall total 1 percent of annual budget outlays; and

(4) emergency funding requirements in excess of amounts held in the reserve fund should be offset by a reduction in appropriations.

SEC. 9. SENSE OF THE CONGRESS REGARDING UNFUNDED MANDATES.

It is the sense of Congress that—

(1) the Federal Government should not diminish the fiscal autonomy of State and local governments over their own sources of revenue;

(2) the Federal Government should not shift the costs of administering Federal entitlements to State and local governments;

(3) the Federal Government's share of entitlement programs should not be capped without providing States authority to amend their financial or programmatic responsibilities to continue meeting the mandated service; and

(4) Congress should develop a mechanism to ensure that the costs of mandates are considered during deliberations on authorizing legislation.

SEC. 10. SENSE OF THE CONGRESS REGARDING BASELINES.

(a) FINDINGS.—The Congress finds that—

(1) the baseline budget shows the likely course of Federal revenues and spending if policies remain unchanged;

(2) baseline budgeting has given rise to the practice of calculating policy changes from an inflated spending level; and

(3) the baseline concept has been misused to portray policies that would simply slow down the increase in spending as spending reductions.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the President should submit a budget that compares proposed spending levels for the budget year with the current year; and

(2) the starting point for deliberations on a budget resolution should be the current year.

The CHAIRMAN. No amendments are in order except the amendments printed in House Report 103–429, which shall be considered in the order printed in the report and by the named proponent or a designee, shall be considered as read and shall not be subject to amendment.

Each amendment will be debatable for 1 hour, equally divided and controlled by the proponent and an opponent of the 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 and reported back to the House.

At the conclusion of consideration of the concurrent resolution for amendment, there will be a final period of general debate which shall not exceed 10 minutes, equally divided and controlled by the chairman and ranking minority member on the Committee on the Budget.

It is now in order to consider amendment No. 1 printed in House Report 103–429.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. 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 is as follows:

Amendment in the nature of a substitute offered by Mr. FRANK of Massachusetts:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1995.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1995, including the appropriate budgetary levels for fiscal years 1996, 1997, 1998, and 1999, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: $977,800,000,000.
Fiscal year 1996: $1,031,200,000,000.
Fiscal year 1997: $1,079,700,000,000.
Fiscal year 1998: $1,136,400,000,000.
Fiscal year 1999: $1,190,200,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $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 1995: $100,300,000,000.
Fiscal year 1996: $106,300,000,000.
Fiscal year 1997: $111,900,000,000.
Fiscal year 1998: $117,800,000,000.
Fiscal year 1999: $123,700,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1995: $1,246,800,000,000.
Fiscal year 1996: $1,308,400,000,000.
Fiscal year 1997: $1,374,400,000,000.
Fiscal year 1998: $1,447,800,000,000.
Fiscal year 1999: $1,531,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,225,500,000,000.
Fiscal year 1996: $1,284,700,000,000.
Fiscal year 1997: $1,356,500,000,000.
Fiscal year 1998: $1,419,000,000,000.
Fiscal year 1999: $1,495,000,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1995: $247,700,000,000.
Fiscal year 1996: $253,500,000,000.
Fiscal year 1997: $276,800,000,000.
Fiscal year 1998: $282,600,000,000.
Fiscal year 1999: $304,800,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,968,300,000,000.
Fiscal year 1996: $5,293,800,000,000.
Fiscal year 1997: $5,640,100,000,000.
Fiscal year 1998: $5,996,200,000,000.
Fiscal year 1999: $6,367,300,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998, are as follows:

Fiscal year 1995:

(A) New direct loan obligations, $26,700,000,000.

(B) New primary loan guarantee commitments, $199,700,000,000.

Fiscal year 1996:

(A) New direct loan obligations, $32,100,000,000.
(B) New primary loan guarantee commitments, $174,400,000,000.
Fiscal year 1997:
(A) New direct loan obligations, $33,800,000,000.
(B) New primary loan guarantee commitments, $164,600,000,000.
Fiscal year 1998:
(A) New direct loan obligations, $35,700,000,000.
(B) New primary loan guarantee commitments, $164,100,000,000.
Fiscal year 1999:
(A) New direct loan obligations, $37,800,000,000.
(B) New primary loan guarantee commitments, $163,500,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):
Fiscal year 1995:
(A) New budget authority, $260,900,000,000.
(B) Outlays, $270,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $255,300,000,000
(B) Outlays, $261,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):
Fiscal year 1995:
(A) New budget authority, $19,200,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):
Fiscal year 1995:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1995:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $4,900,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,900,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,300,000,000.
(B) Outlays, −$8,500,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
(E) New secondary loan guarantee commitments, $130,000,000,000.
Fiscal year 1996:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,900,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,500,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,600,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1999:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$1,900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,100,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $43,900,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,700,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,000,000,000.
(B) Outlays, $53,400,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,000,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,600,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $61,800,000,000.
(B) Outlays, $60,800,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $123,400,000,000.
(B) Outlays, $122,300,000,000.
(C) New direct loan obligations, $0
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $136,600,000,000.
(B) Outlays, $135,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $150,900,000,000.
(B) Outlays, $149,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $166,600,000,000.
(B) Outlays, $165,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.

(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $182,900,000,000.
(B) Outlays, $181,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,200,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $219,800,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,500,000,000.
(B) Outlays, $229,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,100,000,000.
(B) Outlays, $242,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,000,000,000.
(B) Outlays, $253,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,200,000,000.
(B) Outlays, $264,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $16,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,700,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $22,800,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1995:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $267,200,000,000.
(B) Outlays, $267,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $282,800,000,000.
(B) Outlays, $282,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $298,500,000,000.
(B) Outlays, $298,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $315,800,000,000.
(B) Outlays, $315,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1995:
(A) New budget authority, $1,600,000,000.
(B) Outlays, −$1,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$3,600,000,000.
(B) Outlays, −$2,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$3,600,000,000.
(B) Outlays, −$2,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$2,900,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,400,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,100,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$31,200,000,000.
(B) Outlays, −$31,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$31,600,000,000.
(B) Outlays, −$31,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

SEC. 4. HEALTH CARE REFORM.

(a) If health care reform legislation is reported (including by a committee of conference), budget authority, outlays, and new entitlement authority shall be allocated to committees, and the total levels of budget authority, outlays, and revenues shall be adjusted, to reflect such legislation if the legislation in the form in which it will be considered would not increase the total deficit for the period of fiscal years 1995 through 1999.

(b) Upon reporting of legislation described in subsection (a) and again upon submission of a conference report on such legislation, the chairman of the Committee on the Budget shall publish in the Congressional Record revised allocations under section 602(a) of the Congressional Budget Act of 1974 and revised levels of total budget authority, outlays, and revenues to carry out this section. Such allocations and totals shall be considered as the allocations and aggregates under this resolution.

SEC. 5. SENSE OF THE CONGRESS.

It is the sense of Congress that the following legislation should be enacted:

(1) Legislation providing enforceable limits to control the growth of entitlement or mandatory spending.

(2) Amendments to the Budget Enforcement Act of 1990 to establish a regular procedure to provide assistance for disasters and other emergencies without adding to the deficit.

(3) Legislation granting the President expedited rescission authority over appropriations measures, as provided by H.R. 1578, as passed the House.

SEC. 6. SENSE OF COMMITTEE ON THE BUDGET ON SCORING HEALTH REFORM.

It is the sense of the Committee on the Budget that all financial transactions associated with the President's health reform legislation or similar health reform legislation relying on mandated payments to a Government entity be treated as part of the Federal budget, including premium payments by individuals and employees to health alliances (which should be treated as receipts) and payments by health alliances to providers (which should be treated as outlays), for all purposes under the Congressional Budget Act of 1974.

SEC. 7. SENSE OF COMMITTEE ON THE BUDGET.

(a) The Committee on the Budget is troubled by the Federal Government's failure to enforce immigration laws and secure United States borders from illegal immigration. The Government has also failed to investigate and prosecute Federal wage and hour violations, thus creating incentives to hire persons illegally in the United States and exacerbating the problem of illegal immigration.

(b) The Committee on the Budget recognizes that the Federal Government has an obligation to help fund increasing State and local government costs directly resulting from ineffective Federal enforcement efforts in this area. Therefore, the Committee assumes that adequate funding in this resolution will be used to reimburse States and local governments for both authorized program costs and legally binding obligations associated with providing:

(1) Elementary and secondary education for undocumented children in the public schools.

(2) Emergency medical assistance to undocumented persons.

(3) Law enforcement resources and personnel to incarcerate and supervise parole of criminal aliens. This funding can either be used by the Federal Government to take into custody and incarcerate criminal aliens or to reimburse States and local governments for their associated costs.

(4) Services incidental to admission of refugees under the Refugee Admission and Resettlement program.

SEC. 8. SENSE OF THE CONGRESS REGARDING RESERVE FUNDS FOR EMERGENCIES.

It is the sense of Congress that—

(1) the emergency designation under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 has repeatedly been invoked to circumvent the discretionary spending limits for other than emergency purposes;

(2) amounts for emergencies should be set aside within a reserve fund and subject to the discretionary spending limit;

(3) the reserve fund shall total 1 percent of annual budget outlays; and

(4) emergency funding requirements in excess of amounts held in the reserve fund should be offset by a reduction in appropriations.

SEC. 9. SENSE OF THE CONGRESS REGARDING UNFUNDED MANDATES.

It is the sense of Congress that—

(1) the Federal Government should not diminish the fiscal autonomy of State and local governments over their own sources of revenue;

(2) the Federal Government should not shift the costs of administering Federal entitlements to State and local governments;

(3) the Federal Government's share of entitlement programs should not be capped without providing States authority to amend their financial or programmatic responsibil-

ities to continue meeting the mandated service; and

(4) Congress should develop a mechanism to ensure that the costs of mandates are considered during deliberations on authorizing legislation.

SEC. 10. SENSE OF THE CONGRESS REGARDING BASELINES.

(a) FINDINGS.—The Congress finds that—

(1) the baseline budget shows the likely course of Federal revenues and spending if policies remain unchanged;

(2) baseline budgeting has given rise to the practice of calculating policy changes from an inflated spending level; and

(3) the baseline concept has been misused to portray policies that would simply slow down the increase in spending as spending reductions.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the President should submit a budget that compares proposed spending levels for the budget year with the current year; and

(2) the starting point for deliberations on a budget resolution should be the current year.

The CHAIRMAN. Under the rule, the gentleman from Massachusetts [Mr. FRANK] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. KASICH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

PARLIAMENTARY INQUIRIES

Mr. FRANK of Massachusetts. Mr. Chairman, before we begin the debate, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FRANK of Massachusetts. Mr. Chairman, it is my understanding that the Government Printing Office in printing their report for this bill, misprinted two numbers in my amendment. The original copy of the report submitted to the printing office by the Rules Committee had the correct figures.

Am I correct that it is the numbers which were submitted by the Rules Committee and not those printed erroneously which are the numbers that will be governing this amendment?

The CHAIRMAN. It is the Chair's understanding that there is a printing error in the Rules Committee report. The correct version of the amendment is now pending at the desk.

Mr. FRANK of Massachusetts. A further parliamentary inquiry: That means Members who may have read the report might have been misled in the effect of this amendment I am offering, which would be to reduce the total budget authority by $2.4 billion. The report suggests that it would be taking $2.4 billion and moving it into the allowances function, but in fact under the ruling that the Chair has just given me, adopting this amendment would have the effect of reducing the total budget authority by $2.4 billion and not increasing the allowances function at all. Is that correct?

The CHAIRMAN. The Chair cannot rule on the effect of the amendment, but the Chair agrees with the initial inquiry.

Mr. FRANK of Massachusetts. Let me further inquire then, Mr. Chairman, am I correct that the numbers submitted, which were that the allowances function would remain the same, and the BA function would be reduced by $2.4 billion, that that will be what will govern if the amendment is adopted?

The CHAIRMAN. The amendment is at the desk available for any Member who wishes to read the amendment as it reads now with the correct numbers.

Mr. KASICH. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KASICH. Mr. Chairman, is the amendment at the desk inaccurate as well as the one the gentleman from Massachusetts [Mr. FRANK] has been talking about here?

The CHAIRMAN. The amendment at the desk is accurate.

Mr. FRANK of Massachusetts. If the gentleman will yield to me, the amendment at the desk is accurate and the amendment at the desk reflects that the BA is reduced by $2.4 billion.

Mr. KASICH. They said they had the amendment printed, and I cannot figure out whether the Government Printing Office has printed it right or wrong, or which one is up here.

Mr. FRANK of Massachusetts. If the gentleman will yield, he could figure it out if he was trying seriously, frankly, to deal with this. The Chair has just ruled and made it clear that the error by the Government Printing Office does not govern, that it is governed by the numbers that are there.

Mr. KASICH. I was just making a parliamentary inquiry with the gentleman who is known to have a good sense of humor. But I appreciate what the gentleman is saying.

Mr. Chairman, am I right in saying that the gentleman from Massachusetts' amendment calls for reductions in the authorizing amounts for the Department of Defense, not an increase like it was spelled out? I think everybody should be clear on that.

Mr. FRANK of Massachusetts. If the gentleman will yield, why does not the Clerk read the amount that is before us in only that one appropriate part, since the amendment is technically the whole budget?

The CHAIRMAN. The Clerk will read the corrections that were made in the amendment.

The Clerk will report the corrections.

The Clerk read as follows:

Corrections to amendment offered by Mr. FRANK of Massachusetts:

Section 2, paragraph (2), strike $1,246,800,000,000 insert $1,244,400,000,000.

Section 3, paragraph (19), strike $1,600,000,000 insert −$800,000,000.

□ 1640

Mr. KASICH. Mr. Chairman, I ask unanimous consent that the amendment be laid at the Clerk's table. I would also say that I think it is pretty clear what the amendment does. In an effort to try to accommodate the gentleman from Massachusetts [Mr. FRANK], I ask unanimous consent that the amendment be considered as read and laid there for Members to read.

Mr. FRANK of Massachusetts. I appreciate the gentleman's request.

The CHAIRMAN. Under the rule, the amendment has been considered as read. The Clerk was reading the corrections in the amendment.

PARLIAMENTARY INQUIRY

Mr. BROWDER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROWDER. Mr. Chairman, the gentleman from Massachusetts made a parliamentary inquiry just a minute ago and received a ruling from the Chair. Then the gentleman from Massachusetts attempted to explain the ruling from the Chair.

Would the chair, please, repeat the ruling on the parliamentary inquiry from the gentleman from Massachusetts?

The CHAIRMAN. The initial parliamentary inquiry asked about the report. The Chair stated that the understanding was that a printing error in the Committee on Rules report did exist and that the correct version of the amendment is available as it is at the desk.

Mr. BROWDER. I thank the Chair.

Mr. FRANK of Massachusetts. I will proceed then, Mr. Chairman.

That is the number that the Clerk then read?

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] is recognized for 30 minutes.

Mr. KASICH. Mr. Chairman, I wish to claim the time in opposition to the amendment, but I want to yield 12 minutes to the gentleman from South Carolina [Mr. SPENCE], the ranking member of the Committee on Armed Services, and 18 minutes to my distinguished colleague, the gentleman from Alabama [Mr. BROWDER], and before we begin, I ask unanimous consent that they then be permitted to yield time.

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

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 30 minutes.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

The gentleman is lucky the Government Printing Office did not have to print that up for him.

Mr. Chairman, what we have now is an amendment that would reduce the total budget authority in this bill by $2.4 billion.

The reason it is submitted is that many of us on the Committee on the

Budget and elsewhere in the House thought it was a mistake for the President to propose last December a change in the budget agreement that we had adopted only a few months before. We adopted a budget agreement, and it had some tight spending controls.

The Pentagon alone decided that it could not live with those controls. No one was happy with them. The Pentagon then succeeded, as part of the earthquake emergency, in getting an additional billion two over and above the budgeted amount. That is behind us now. Remember, they did get for this fiscal year $1,200,000,000 under the emergency procedures to add on to what was voted in the appropriations process last time.

Now, we have a Presidential request, and this is the first part of it, which would over the remaining 4 years of this 5-year agreement give the Pentagon an additional $11.4 billion. We cannot be sure whether this would be an add-on to the deficit, a subtraction for domestic programs, or, as is likely, some combination thereof.

But giving the Pentagon an additional 11.4 or 11.7 billion is clearly the first breach in the budget wall adopted last year.

All departments have had problems. All departments have been told to absorb inflation. All departments have been told to absorb pay raises. All departments were living within that.

If we set the precedent of giving the Pentagon the first of a 5-year increase, we set a precedent that other departments will follow.

Today, I simply offer an amendment that would reduce total budget authority, and for that reason, it is supported by the National Taxpayers' Union, supported by the Citizens Against Government Waste. They said it was the least deficit reducing, but it was still under the gun, so it reduces total spending authority.

In future years, there would be an outlay effect to this, and we could deal with that. This year, since that additional request came with no additional outlay request, it is simply a budget-authority request.

The question is: Do we begin the process today of saying that the Pentagon gets an $11-billion-plus increase from the budget agreement, an increase that will come either by adding onto the deficit as it did during the earthquake emergency bill or by coming out of other programs?

I believe that there are many places where the Defense Department can continue to save money. I think it would be an error for us to begin the process of breaking down the budget discipline by giving them this exemption.

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

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

Mr. Chairman, it is important for us to understand what's going on here with this amendment. Or, more importantly, let's focus on what's not going on here! Exactly what does this amendment not do?

In the first place, this amendment does not shift our priorities from a cold war defense to a post-cold war budget. As you can see from the charts in the well, which I requested from the Secretary of Defense who used them in his testimony before our congressional committees, that shift is already taking place. Defense spending is going down dramatically. The question posed by amendments like this is whether we pursue a rational, managed defense downsizing over the years or whether we gut our national security and our economy. As President Bill Clinton said in a letter yesterday to Budget Committee Chairman MARTY SABO, "The committee has done a careful job in balancing the needs of the Nation, and I am prepared to work with you to oppose any cuts in the level of defense funded in the resolution."

Second is deficit reduction. Despite promises in some "Dear Colleague" letters being circulated for this amendment, there is no deficit reduction in the amendment. It absolutely does not reduce budget outlays or the deficit numbers. The Frank amendment includes the exact same budget outlay and deficit figures as the Budget Committee resolution. This amendment simply "squirrels away" $2.4 billion this year and $11.4 billion over the next 5 years for spending somewhere else sometime in the future.

I urge my colleagues to support the President's and the Budget Committee's budget resolution and to oppose the Frank amendment.

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

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I rise today in opposition to the amendment offered by the gentleman from Massachusetts. To suggest that supporters of this amendment are being disingenuous in their comments on the amount allocated for national defense in the budget resolution would be kind. By suggesting that the $2.4 billion at issue here today represents an increase in the Defense budget is to ignore basic simple facts about the Federal budget in general and the Defense budget in particular.

Defense spending as percentages of the Federal budget and of gross domestic product reached their peaks in 1985. Since then, it has declined steadily. The Armed Forces are shrinking; the amount of the Defense budget spent on the actual procurement of weapons has declined by 67 percent over the last 10 years; military careers, many of them exemplary, are being cut short; readiness is degrading; recruiting is suffering. To suggest, as supporters of the Frank amendment do, that Defense has not been reduced and reduced substantially is, Mr. Chairman, simply not correct.

The $2.4 billion in question is the fiscal year 1995 share of a 2.6-percent active duty pay raise Congress passed last year. It does not represent an increase in the Defense budget. The future years Defense plan proposed by the administration was being underfunded in its own budget request by, depending on who you believe, from $30 billion to $50 billion. The proposed $11 billion added back to the Defense budget over the next several years was not an increase in Defense spending so much as a reduction in the amount being underfunded.

Mr. Chairman, I invite supporters of the Frank amendment to venture out into the field to visit with the men and women who serve in the Armed Forces of the United States. These are people who risk their lives in an often harsh, austere environment while separated from their families for long periods of time, all the time knowing that they may return from 6 months at sea or from an extended deployment in a far away desert to discover they are being separated from the service against their wishes. I urge the supporters of the Frank amendment to compare the 2.6-percent pay raise with the amount of locality pay recently provided for Federal civilian employees.

It is just plain wrong to suggest that the Defense budget is receiving preferential treatment because a $30 to $50 billion budget shortfall is being marginally reduced to cover the cost of a 2.4-percent pay raise. No other part of the Federal budget has seen the decline that the part allocated for national Defense has. Yes, I know that the cold war is over. I also know that the military has seen more action—at the behest of its civilian leadership—since the end of the cold war than any time after Vietnam.

Mr. Chairman, I urge my colleagues in the House to reject this cynical attack on a Defense budget already in steep decline. Oppose the Frank amendment.

□ 1650

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 30 seconds to myself in order to refute the inaccurate statement of the gentleman from Alabama [Mr. BROWDER] when he said this money was being squirreled away. The only thing squirrely about that is the logic. The fact is this amendment reduces budget authority. It does not squirrel it away, it does not put it anywhere else, it reduces budget authority by $2.4 billion. That is $2.4 billion less than would be available for the Appropriations Committee when they do it. The budget deals with outlays, but the

appropriations process, which deals with budget authority, will receive $2.4 billion less. That is why both the National Taxpayers Union and Citizens Against Government Waste sided with me.

Mr. Chairman, I yield 4 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman for yielding to me.

Let me add a few more things. The prior speaker said that folks had intimated that the Defense budget had not come down. I do not think anyone on our side has said the Defense budget has not come down. But the other side, then, what are you saying? That it can never come down? There is no reason for it to come down?

The issue is the Defense budget in every other country in the world has come down like an elevator with its cable cut. If you add the total amount that we are spending on Defense, it is more than all the rest of the countries on the planet combined.

So I really find it rather shocking to see people standing up and saying if you take $2.4 billion out of an over $2.6 billion budget, it will be the end, as we know it; people will be really left out there, hanging out there with nothing to defend themselves. That really does not pass the giggle test. This is even—it is about 1.5-percent cut, and it was a cut that was not supposed to have been there in the first place. This was an add-on over what we agreed to last year after, as the gentleman from Massachusetts has pointed out, many other add-ons have happened.

So let us put this straight and let us be really honest about this. Here is a chance to save some money, real money.

Let me just point out some of the things that we could cut out of the budget, I think. I am just reading from my own little part of defense bill. How about the tractor rose problem, or the tractor hip problem, or the tractor field problem or the tractor flop problem, the tractor pump problem, the tractor hike problem, the tractor hole, tractor dirt, tractor red, tractor rose, tractor hip again, and here is tractor cage, tractor tread, tractor dump comes back again, tractor dirt, and tractor dirt. That is in the armed services for the Army. That is for research and development.

If you want to get into the Navy, that is an interesting situation: pilot fish, retract juniper, chalk eagle, chalk coral, link hazel—we know these are very important things that we had better have—link hazel, retract maple, link plumeria, chalk weed, retract elm, and chalk poinsettia. You know, if we cut this out, I do not know what we are going to possibly do.

If you also look into the Defense budget, you realize all three branches have their own separate chaplains school. I guess each of them have a different God—I am not quite sure I understand. I never understood why they did not have one chaplain school for the three services.

They have three engineering schools. You would hope engineering for each of the services would be similar.

They have got three different legal schools. Again, you would hope the law would be the same in the different services.

I mean I can go on if you wanted me to. I could find all sorts of stuff in here that does not make any sense that I think we could do without, and we would still have all sorts of money left over.

Let us look at other things. When you look at how every other agency has suffered, no other agency has been able to come out and add to their budget in each supplemental, and they have not been able to add in this year when we have such tight budgets. I certainly think if you can come forward and tell us exactly why you needed this $2.4 billion, why the $260 billion that was decided upon last year was not enough, why we absolutely had to have it, why we are getting ready to spend another $11 billion, I think everyone would listen. But I think this generic talk about, "Oh, my, it is already going down," that does not do it. We know that, but it is going down everywhere. The threat is going down.

I think the taxpayers are due much more than that.

So I salute the gentleman from Massachusetts' amendment, and I would hope all of us would stand up and say we are going to treat each agency equally and if they have something they need to add, we are going to be very critical about it rather than just saying, "We don't want it," and we certainly would not want to deny it.

Mr. BROWDER. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. DICKS], a member of the Subcommittee on Defense Appropriations.

Mr. DICKS. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Massachusetts.

The President, in his State of the Union speech emphasized:

> There are still dangers in the world—rampant arms proliferation, bitter regional conflicts, ethnic and nationalist tensions in many new democracies.
>
> * * * Last year I proposed a defense plan that maintains our post-Cold War security at a lower cost. This year many people urged me to cut our defense spending further to pay for other government programs. I said, no. The budget I send to Congress draws the line against further defense cuts. It protects the readiness and quality of our forces.
>
> * * * We must not cut defense further. I hope the Congress without regard to party will support that position.

President Clinton has reaffirmed his commitment in a letter sent yesterday to Budget Committee Chairman SABO by stating:

> I want to emphasize my opposition to any cuts in the defense budget below the level provided in the resolution.

We have already cut Defense significantly since its peak level in 1985 in recognition of the dramatically changed military threat. The cumulative change to date from 1985 will exceed 35 percent in real terms. During the 1990's, mandatory spending will go up 38 percent in real terms, domestic discretionary will go up 12 percent while defense outlays will decline 38 percent under the President's budget plans.

In order to keep his pledge, and avoid a return of hollow forces, the President approved a modest adjustment in defense spending plans over the 5-year period that restores about one-eighth of the additional cuts that President Clinton proposed beyond the Bush planned reductions. I view this as the absolute minimum that can be accepted. It is still very unclear whether this modest adjustment will meet the identified shortfall below the requirements of the Bottom-Up Review.

Anyone who thinks that Defense cuts are not producing real hardship should visit southern California and talk to unemployed aerospace workers, go to Charleston, SC, and discuss the impact on the community of base closures, or to go to any base in the country and talk to sergeants about the impact of training cuts on his troops.

We had 18 active Army divisions in 1990, we will have only 10 by 1999. Naval ship battle forces have declined from 546 to 1990 to 373 today, and ultimately will go to 346. Air Force active fighter wings have already been cut nearly in half from 24 to 13. Planned bomber cuts are from 315 to 107. Active military manpower has declined by more than half a million, or 32 percent. Defense civilians are going down 330,000 or 29 percent. Even reserve forces will be 20 percent lower than they were in 1990.

There has been some claim that this amendment promotes deficit reduction. But it does not lower discretionary spending caps, and in any event involves no outlays at all.

In addition, the author makes no secret that he views the amendment as a statement of congressional intent to make further adjustments totaling $11.7 billion in additional Defense cuts over the next 5 years. As stated in his dear colleague in support of the amendment "Stopping new spending now will free up resources for domestic priorities in the coming years * * *"

Do not jeopardize the lives of American troops, lead us back to hollow forces and make it impossible for the President to fulfill his pledge. Oppose the Frank amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, I rise today to voice my strong opposition to the Frank amendment.

In my view, the President's defense budget for fiscal year 1995 was totally inadequate as originally proposed. The Secretary of Defense is clearly on record as stating that the administration's budget submission already underfunds the force structure specified by the Bottom-Up Review by some $20 billion. This is the force structure that we have repeatedly been told is the absolute minimum acceptable force necessary to fight and win two major regional contingencies.

The amendment that is now pending before the House would impose a cut of a further $2.5 billion this year and $11.7 billion over 5 years on the Defense Department budget. In my view, that is totally irresponsible. The President's budget already represents a reduction in real defense funding of nearly 34 percent from the peak we reached in 1985, and 43 percent by 1999.

For me, the question is simple: Are we going to ask our soldiers, sailors, airmen and Marines to put their lives on the line behind an inadequate force structure? Are we going to rob them of the training and the systems that they need to help secure our national security goals?

I urge this body to defeat the Frank amendment.

□ 1700

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. FRANK] for yielding this time to me.

Mr. Chairman, I did bring my own chart. It was not prepared at great expense by the Department of Defense. It is a little smaller, but there is a point to be made here.

Are we going to overwhelm our enemies with wasteful spending and big charts? Are we going to overwhelm them by being the leanest and meanest military in the world?

Here is the opposition down here.

The question is: Should the United States spend 10 times more than all of its potential enemies combined without any allies? Should we spend 15 times? How much is enough to overwhelm our potential foes?

Here is the United States spending; here is our allies. Add these two up. That is 20 times more than the potential of all the bad guys that the Pentagon can identify.

The Frank amendment is so modest, Mr. Chairman, it is amazing that the fiscal conservatives around here cannot see through the smokescreen that is coming out of the Pentagon. We are talking about $2.4 billion out of a $260 billion-plus budget. My colleagues already heard some examples of some of the extraordinarily frivolous programs that are being funded by this.

If my colleagues do not believe us, how about Lawrence Korb? How did this happen? First, instead of reinventing the Pentagon, the Pentagon reinvented the threat and downplayed the contributions, very considerable, of our allies. The service chiefs convinced Mr. Aspin and Mr. Perry that the regional threats from countries like Iraq and North Korea, whose military spending is less than 20 billion a year, are almost equal to that posed by the Soviet Union which spend $200 billion a year before its collapse. That is Lawrence Korb, my colleagues.

We have finally got to say that we have spent more than enough. We are burying them in dollar bills. We are burying them in contracts. We are burying them in charts. We beat them at real war. Now it is time to get ready for the conflict of the next century, which is economic, and if this country spends itself into bankruptcy, that is the war we are going to lose, the real war, the real conflict of the next century, the economic conflict with our allies, and ex-enemies and the like.

Mr. BROWDER. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. SKELTON], chairman of the Subcommittee on Military Forces and Personnel.

Mr. SKELTON. Mr. Chairman, may I ask that the chart that we had here be replaced?

Mr. Chairman, those who would cut into this military budget have not read the history of this country. After every major conflict and threat that we have had we have substantially reduced our military capability. We paid for it not in dollars, as the previous gentleman spoke of, but we paid for it with the blood of young Americans, Task Force Smith, the Kasserine Pass, other places where we did not have enough, did not have the proper materiel, did not have the proper training. Let us not make that mistake in our day.

Mr. Chairman, the President of the United States correctly in his letter of March 9 to the Honorable MARTIN SABO, the chairman of the Committee on the Budget, stated that, and I read from his letter:

> I want to emphasize my opposition to any cuts in the defense budget below the level provided in the resolution. As pointed out in my State of the Union Address, I am fully committed to the principle that our military must be the best equipped, the best trained, the best prepared in the world.

Mr. Chairman, when was the last time that our defense establishment hit rock bottom, and I speak to my side of the aisle. The last time, sadly, was when the Democratic administration did so. The President, this President, is determined not to repeat that sad experience, and I support him in that effort.

Mr. Chairman, I urge us to defeat this Frank amendment. My colleagues, we are going through the hearing process now dealing with the bottom-up review. Frankly the bottom-up review cannot fulfill, in my opinion, the two major regional conflicts. We also see the Navy coming in with 16 less ships than what was in the bottom-up review, the Air Force coming in with 70-some-odd bombers less. We must maintain what is in this budget.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Massachusetts [Mr. FRANK] to reverse Congress' decision to provide sufficient funding for military pay raises in fiscal year 1994. What we have learned over the past generation is that readiness in a capable and motivated all-volunteer force is, first and foremost, about people. Our young men and women in uniform are the heart and soul of military readiness.

Mr. Chairman, I am at a loss to explain why the President has proposed for the second year in a row to send the wrong signal to the troops by proposing a cut in pay from levels endorsed by Congress less than 6 months ago. Today U.S. military personnel are working harder, deployed away from home longer and remain underpaid relative to their civilian contemporaries. If the President's pay proposals were to be enacted, within 2 years military pay would be a staggering 17 percent below comparable civilian pay. One result would obviously be a worsening of the already troubling trends becoming apparent in recruitment and retention. Today, for example, an E–1, a private, makes $832 a month. That is only slightly above the federally defined poverty level. We have got people in our military on food stamps.

Mr. Chairman, military pay is a key issue. The Frank amendment will only hurt more of our young men and women in uniform.

To its credit, Mr. Chairman, Congress rejected the President's budget last year on the issue of military pay, and I suspect it will do so again this year. Defeating the Frank amendment is an important first step in this process. The Frank amendment would undo what we did last year. The $2.5 billion that the gentleman from Massachusetts [Mr. FRANK] proposes to cut from the fiscal year 1995 defense top line was added to the budget by the administration late last year for the express purpose of funding the military pay raise Congress mandated last year.

I say to my colleagues, "Let's don't pull the rug out from under our troops. Vote no on the Frank amendment."

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. WOOLSEY], a member of the Committee on the Budget.

Ms. WOOLSEY. Mr. Chairman, first, I want to say that the budget reported by our committee points the Nation in the right direction in almost every way. I would like to thank the gentleman from Minnesota [Mr. SABO] for his hard work in looking out for President Clinton's priorities—Head Start; child nutrition; job training and job creation.

However, there is one number in this budget which is dead wrong. In a post-cold-war age when we have to focus on our urgent domestic needs, it is criminal Mr. Chairman that the Pentagon is asking for $263.3 billion in defense spending—a $2.4 billion increase over last year.

Mr. Chairman, it is therefore with great frustration that I join the gentleman from Massachusetts [Mr. FRANK] and my other colleagues in offering an alternative which eliminates this $2.4 billion increase in military spending.

When I was first named to the Budget Committee, just over a year ago, if you had told me that military spending would go up by $2.4 billion in 1995, I would not have believed you. This has been quite a wake-up call for a first-term Member of Congress.

This Member was hired by the people of Marin and Sonoma Counties to work for them here, in Washington, to make education our Nation's No. 1 priority and part of this job is to make sure that the military budget reflects post-cold-war reality.

This amendment changes only one part of the budget—military spending—and it does not change it much. But, this is a very important vote. Make no mistake—passage of this amendment will send a clear message that Congress is finally ready to move away from the cold-war budgets of the past, and ready to step up to the challenges of the future—which are: Education, health care, crime, welfare, and deficit reduction.

Mr. Chairman, the President has sent us a budget which begins to step up to these challenges. But we cannot meet them without a post-cold-war military budget that eliminates the unnecessary programs we are funding today. I urge my colleagues to support the Frank amendment.

Mr. BROWDER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise today to oppose the Frank substitute budget resolution which seeks to cut $2.5 billion in defense spending from the fiscal year 1995 budget resolution. I am not a Member who says—no, never cut the defense budget. Like many others, I have tried to keep our Nation's best interest and national security needs at the forefront of decisions regarding changes in our defense needs. However, I feel strongly that on this occasion we should support our President and his pledge to avoid further reductions in defense spending at this time.

With the cold war over, I can understand the desire of some of my colleagues to bring about additional reductions in spending. We should, however, remember that each major attempt we have made at downsizing our military has gone too far. Given the number of volatile situations, such as the civil war in the former Yugoslavia, which have emerged around the world and the uncertainty of future threats, such as the nuclear hopes of North Korea and others, we must remain vigilant.

I urge my colleagues to remember that defense spending has been reduced by 33.7 percent in real terms since 1985 and by 1999 the real cut will be 43 percent. In 1999, defense spending will be at its lowest post-war levels in terms of its share of GNP, 3 percent, and as a share of Federal outlays, 13.2 percent.

Further reductions in defense spending at this time risk even further damage to an already fragile defense industrial base. The Nation is already dealing with the effects of reductions made thus far. In my own State of Connecticut, thousands of skilled defense workers have been displaced because of a shrinking defense budget. Military personnel levels have also declined by more than half-a-million since 1985. If this $2.5 billion is deleted from the fiscal year 1995 defense budget, the Department of Defense will be forced to seek the funds elsewhere in its budget. This could amount to further reductions in personnel, elimination of weapons systems critical to our future security and a continued erosion in our readiness.

There is yet another side to this question of military expenditures. A further reduction in budget authority in the fiscal year 1995 defense budget translates to a further reduction in budget outlays in the out years. Approving the Frank substitute would force the Appropriations Committee to stretch an already shrinking budget to dangerously thin levels in coming years. Such a shortage could prevent our military from maintaining necessary personnel level or make procurement of needed future weapons system extremely difficult.

I urge my colleagues to follow the Clinton administration in managing our defense needs and urge my colleagues to oppose the Frank substitute.

Mr. BROWDER. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. MCCURDY] the chairman of the Mainstream Forum.

Mr. MCCURDY. Mr. Chairman, I rise in opposition to the Frank amendment. I appreciate and respect my colleague, but we do have a disagreement on his provisions in this amendment.

President Clinton has rightfully cited three pillars for an effective foreign policy: A strong economy, support for democracy, and a strong national defense. He has also stated as his priorities within defense policy and goals to preserve the quality of the forces, the quality of technology, and preserve readiness.

During the Presidential campaign when he was outlining his policy for how to reduce the defense budget while preserving these important priorities, he proposed a reduction of $60 billion on top of what President Bush had recommended. But when he came into office, he found out that the deficit was larger, and therefore he doubled that request and actually cut it $120 billion.

By cutting $120 billion though, he created a serious challenge for the Department of Defense, and that is how do you reduce the overhead, the bases, the infrastructure, the overhead of the Department of Defense, and at the same time not sacrifice the quality of the force, the readiness, and creating a hollow force.

What he has found is that in doing this, and by having such a rapid pace of decline, those very things that he is arguing to protect are being threatened today. That is why after a number of us met with the President and Vice President expressing our concern about readiness, that he decided in his judgment to recommend this offset.

This is $2.4 billion for the pay raise and to adjust somewhat for the increased estimate of inflation.

My colleagues, there is a serious threat in the world today as the changes in Russia are occurring. This is different than when the President first proposed the budget. North Korea is highly unstable and dangerous. My colleagues are still asking for action in Bosnia. We see the changes throughout the world.

I believe that this is a modest adjustment, it is fair, it continues with I think the priorities of the administration, and I think we ought to defeat the Frank amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Chairman, I rise today to oppose strongly this amendment and respectfully disagree with my colleague from Massachusetts. My concern with the amendment before us is the impact it will have on the readiness and capability of our armed forces.

I support President Clinton's statement that we cannot cut defense further than the cuts that President Clinton has recommended. The defense budget has been cut over 33 percent in real terms since 1985. That is right, every year since 1985, the defense budget has been cut.

While we all celebrate the end of the Soviet Union, we now face a different, smaller, and in some ways more complicated threat. As the tension of a bipolar world has decreased, instability in the world has increased. There are now more than a handful of dictators armed with ballistic missiles and other weapons of terror who feel free to make mischief, especially in the Mideast.

If opponents of democracy again rise up, who will defend our interests? Who will we send to join our allies in the region to fight aggression and terror?

It is ironic that at a time when our women and men in uniform are being asked to shoulder more and more responsibilities, such as humanitarian and peacekeeping missions on top of their first responsibility of defending U.S. interests, that some want even deeper cuts in our defense budget than even President Clinton does.

Mr. Chairman, I urge my colleagues to reject this shortsighted amendment and support keeping our women and men in uniform prepared.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentlewoman from Hawaii [Mrs. MINK], a member of the Committee on the Budget and former national security official of the United States at the State Department.

Mrs. MINK of Hawaii. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the issue that this House must face is the integrity of the decision that we made in August. It was a difficult decision, hard to come by, just barely met, in which the progress of this country was determined. The economy has bolstered, the recession has just about disappeared, people have been put back to work, the confidence of this Nation was established by that budget resolution.

We were committed under that budget resolution to certain targets. We believed in the integrity of that decision. And yet now this House is being asked to violate that compromise which was made in all quarters, painfully for many of us. Many of us felt that there were certain cuts that were made against the disabled and the elderly and the children of our country that should not have been made, but we stuck by the necessity for that resolution.

Today what we are faced with is a violation of that commitment. We are being asked, without any defense or explanation, for an increase of $2.4 billion in the defense budget. I ask this House to consider not the amount of money that is involved here, but the principles which we are being asked to violate, which we established in August. And I think that that is a very, very important point.

Why do we allow the Defense Department alone to come before this House and get an increase of $2.4 billion in budget authority? No other function has been allowed such discretion. Where is the justification? Every other department is being asked to suffer cuts in their payroll, cuts in the number of personnel.

Two hundred fifty-two thousand individuals in all of the departments all across this country are being cut. They are being asked to absorb those deficits. They are being asked to absorb all the other stringent requirements that the budget resolution laid before each of the departments, except for the Department of Defense.

Mr. Chairman, it seems to me that is wrong. The budget resolution ought to be truthful and faithful to the commitment that it made this country in August of last year. I ask this House to support the Frank substitute to the budget resolution.

Mr. BROWDER. Mr. Chairman, might I inquire how much time I have left?

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] has 15 minutes left, the gentleman from Alabama [Mr. BROWDER] has 9 minutes left, and the gentleman from South Carolina [Mr. SPENCE] has 4½ minutes left.

Mr. BROWDER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. MURTHA], the chairman of the Subcommittee on Defense Appropriations.

Mr. MURTHA. Mr. Chairman, let me say that over the last 15 years, the Defense Department budget has been cut by over $150 billion. I do not think anybody can match the record of cuts in defense in any other area of the government. Secretary Perry projects a $20-billion shortfall in the defense budget over the next 5 years. I project the shortfall could be $40 to $50 billion.

What concerns me is in 1980 we could not pull off Desert One. We had the same number of troops in 1991, and we pulled off Desert Storm. Readiness was the key, and we are going to lose that edge and will have a hollow force if we do not provide the money for defense.

The reduction of $2.4 billion is for the pay increase. They are absorbing the outlays, but the budget authority is for extra pay for the troops. The troops are deployed twice as much as they have been in the past years.

The tempo of operation is even greater than when they had a large force. So it is absolutely essential that we defeat the Frank amendment, which has good intentions, but which would destroy the readiness of the Armed Forces.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank our ranking member for yielding.

Mr. Chairman, I wanted to reiterate what the gentleman who preceded me just said. The Frank amendment will destroy readiness.

My friends, let me give you a couple of facts. Since Desert Storm, we have flown twice the sorties over Iraq than we flew during Desert Storm.

□ 1720

The airlift in Bosnia has now gone on longer than the Berlin airlift. We are talking about 28 sorties a day. We are spending a ton of money in fees keeping missions around the world, and the military is taking it out of their hide.

We have cut now our fighter force by 50 percent in the military. We have cut, the gentlewoman said we are going to cut 270,000 civilians, where is the cut for the military?

The military, I would say to my colleague from Hawaii, has cut over 500,000 positions since they started downsizing, over twice what the civilian population is taking.

The last issue is credibility. We stay strong and we maintain a strong position in this world because of our credibility.

We have over 30,000 people in Korea whose lives are protected by the credibility of America's strength. If we cut our defense and we have to have another so-called peacekeeping operation, we will spend $2.5 billion, $3 billion in a matter of a couple weeks. This is the worst decision we could possibly make to support the Frank amendment. It is bad. It is bad for readiness. It is bad for the men and women who wear the uniform.

Let us vote it down. Let us be rational. Let us keep America strong.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MEEHAN], who serves on the Committee on Armed Serves.

Mr. MEEHAN. Mr. Chairman, if any other department wanted to break the budget caps so they could have an extra couple of billion dollars to cover the cost of salary increases, they'd be ridiculed. I'm amazed that the Department of Defense can keep a straight face, when they argue that they should get an extra $2.4 billion for pay raises.

This has nothing to do with the pay raise and everything to do with the fact that the military has to learn to live within the budget. During the early 1980s, the armed forces spent money like drunken sailors, and Congress congratulated them for it. I guess it shouldn't be surprising that the military thinks it's above the budget law, but we have a duty to tell them they're wrong.

The United States continues to spend more on defense than our NATO partners, Russia, Iraq, and a dozen other countries put together. Communism is dead. There's no reason to spend more on defense than all our potential allies and enemies combined.

Some of my friends on the other side of the aisle who would not vote for the President's deficit reduction package, because it did not cut spending enough, and they would not vote for any increases in taxes. And next week they will be here to say they want more spending on defense. They do not want to touch entitlements, but they are for a balanced budget.

If we can't fight and win two regional conflicts at once, maybe the problem is that we're spending too much on the wrong things. A lot of people who complain about hollow forces want money for expensive modernization programs, not O&M. I'm all for supporting adequate levels of readiness, but no one should use a professed concern about readiness as an excuse to support pork in uniform.

The Frank substitute would not cut defense beyond the levels mandated by last year's deficit reduction package. It would simply force the DOD to set priorities like everyone else. Let's make the budget agreement stick.

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

Mr. MEEHAN. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, there are a lot of sailors in my district. I find that none of them use alcohol any worse than anybody else in society.

Mr. MEEHAN. Mr. Chairman, that was an expression to use for the fact that the military spent money in the early 1980's. It has nothing to do with alcohol, and the gentleman probably knows that.

Mr. BROWDER. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY], the chairman of the Committee on Veterans' Affairs and vice-chairman of the Committee on Armed Services.

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to the Frank amendment. Between 1989 and 1999, we will bring down the spending and strength level of the active forces by 36 percent, and we will bring down the spending and the forces of the National Guard and reserve by 20 percent. Really, is that not enough?

Since 1991, some of my colleagues have already lost their active bases in their communities because of the drawdown. In most cases, we have been able to protect the National Guard and Reserve armories and flying units.

If the Frank amendment is adopted, no question about it, National Guard units will have to be cut more than they have been cut.

As I said earlier, we have been able to protect the Guard flags and Reserve flags in our communities. If we adopt the Frank amendment, we are going to have to close these armories, and they are there for the community to help in natural disasters and also national crises.

I ask Members to vote against the Frank amendment to protect the reserve units.

Mr. SPENCE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I rise in opposition to the Frank amendment. I thought everyone knew by now that we are cutting too much from defense. We are doing irreparable harm not only to our national security but also to our economic security.

We have already closed more than 200 bases in this country, and over 600 bases and facilities abroad.

We are in the painful process of base closures, and we have another round of closures coming up next year. We are cutting back too quickly and too deeply.

We have already lost more than one million jobs from our active duty military, reserves, civilian employees, and private sector defense industrial base workers. I suspect that every Member's district in this country has been affected one way or another by these defense cutbacks. I know everyone in this Chamber is aware of and sensitive to the problems being created by the jobs being lost.

We are losing thousands of defense jobs every month, hundreds of thousands a year, and have been since the late 1980's. We have a national defense strategy that was developed by this administration called the Bcttom-Up Review.

The Bottom-Up Review, which was meant to address potential threats that this country might face, is currently underfunded according to administration spokesmen, by at least $20 billion. Some estimates put the shortfall closer to $100 billion.

Even President Clinton, the "mother" of all defense cuts, is opposed to this amendment. I urge Members to vote against the Frank amendment.

Mr. FRANK of Massachusetts. I yield 2 minutes to the gentlewoman from Oregon [Ms. FURSE], who is on the Committee on Armed Services, as I contemplate the reference to the President as the "mother of all defense cuts."

Ms. FURSE. Mr. Chairman, the amendment before us today is about choices. We can choose to reduce the deficit, or we can choose to increase the defense budget.

I support a strong military. But I am opposed to wasting taxpayer dollars. Giving an additional $2.4 billion to the Defense Department is truly wasteful spending. This is not about a hollow force. Just listen to some of the things defense contractors charge the Pentagon for: A California defense firm charged the Pentagon more than one-half a million dollars for employee conferences in Jamaica, Hawaii, Mexico, and the Grand Cayman Islands.

And a Massachusetts military contractor let its employees use its 46-foot fishing boat for their personal enjoyment and charged the Pentagon $62,000, calling it overhead for Government contracts.

Taxpayers in my home State of Oregon, as well as those from around the country should be outraged. I know my constituents would rather pay for more cops on the beat than defense contractors' fun in the sun.

I quote my colleague, Mr. FRANK, we must also choose whether we are Uncle Sam or Uncle Sucker. The rest of the world invests in their own economies while U.S. taxpayers pick up the tab for their defense. I say it's time to stop being Uncle Sucker.

The Children's Defense Fund has endorsed our amendment. Because of poverty or lack of services American babies are at risk.

Mr. Chairman, I choose to help American children grow up in safe and healthy communities. I call on all of my colleagues to answer the following question: Do taxpayers in your district want to pick up the tab for waste and frivolous trips? If the answer is no, then you must support the Frank amendment. The 1994 level of spending appropriated for defense is quite enough.

□ 1730

Mr. BROWDER. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. HARMAN], my colleague on the Committee on Armed Services.

Ms. HARMAN. Mr. Chairman, the act of budgeting is about finding balances.

In that regard, I rise to oppose the Frank amendment and to support the committee-reported budget resolution.

Our job is to balance our Nation's critical needs with available resources. As a member of the Armed Services Committee, I know that we have struggled to find the proper balance in the defense budget—to build a military adequate to meet current and future threats during a time of shrinking defense dollars. As President Clinton said during his State of the Union speech, we must "draw the line against further defense cuts."

Though the fiscal atmosphere calls for tough decisions, both the administration and the Budget Committee have managed to retain a strong defense budget and stay within the discretionary spending caps. Taking an additional $2.4 billion out of defense would place our industrial base at risk, and force the Defense Department to make cuts that would leave our military vulnerable. The defense question would change from "How do we best meet global and regional threats?" to "Which threats will go unmet?"

As the representative of the aerospace center of California, I know what is at risk. And it is not pork.

The balance achieved in the committee budget resolution reflects the tough budget choices we made last year, enacting the largest deficit reduction package in history—nearly $500 billion over 5 years. Included in that package was a proposal I coauthored with several of my colleagues to create a deficit reduction trust fund to ensure that net revenue increases and spending reductions included in the package go toward deficit reduction—not new spending.

This discipline has paid off. The deficit is lower than it has been at any point in the 1990's. We have a growing economy, a falling jobless rate, historically low interest rates and negligible inflation. Our direction is sound, and the committee budget resolution keeps us on this fiscal path, and keeps Federal spending within the caps that the Congress enacted last year.

In contrast to maintaining the balance, the Solomon and Kasich alter-

native budgets compromise the investments we need to secure a productive future. The Solomon proposal cuts the technology development associated with the space station; it cuts wastewater treatment, land conservation, job training, education, and law enforcement. The Kasich proposal cuts energy research, including renewable energy research; it cuts environmental cleanup, civilian technology research, transit, student loans, and high speed rail development. And these are cuts beyond the substantial scale-back of discretionary spending under which we are now operating.

That is not to say that additional balanced deficit reduction cannot still be achieved. During the coming months, many of us will be fighting for specific cuts during the appropriations process. We need further tools to ensure that those cuts stick. That is why I have joined with a bipartisan group of colleagues in drafting a Deficit Reduction Lock Box. This lock box will mandate that cuts made in appropriations bills go to deficit reduction instead of simply freeing up the funds for future spending. We need the lock box to make sure that the deficit reduction momentum we have started can continue.

I commend the work of the Budget Committee in adhering to the difficult standards of last year's reconciliation bill and finding the proper balance between necessary investments and necessary cuts. I urge this House to continue to fight for responsible spending in the weeks and months ahead.

Mr. SPENCE. Mr. Chairman, I yield our remaining 30 seconds to the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Chairman, I thank the gentleman for giving me this time. I will just take a minute.

This afternoon we had a hearing in the Armed Services room concerning the Bottom-Up Review, and we had about four academics from different think tanks and other things, and three of them really were opposed to the Bottom-Up Review, and one was pro. And I asked them a very simple question at the end. I said, "It's so simple that all I need is a yes or no." I said, "On July 31 of 1990, would you have predicted that we would have 500,000 uniformed people 8,000 miles away in the desert by Christmas time?" And they all shook their head and said no. I said, "How can a bottom-up review predict where the next conflagration will be?"

Believe me, we need to defeat the Frank amendment and to keep our military strong.

Mr. FRANK of Massachusetts. I yield 2 minutes to the gentleman from Illinois [Mr. DURBIN] a member of the Committee on Agriculture and the Committee on Appropriations.

Mr. DURBIN. Mr. Chairman, as I listened to this debate, from time to time it sounded like a prayer meeting. Those who spoke critical of the Frank amendment kept using the familiar prayerful chant, "Hallowed be thy Army". And yet the simple fact of the matter is if the United States has any other nation in the world which is a threat, we are outspending that nation by at least 10 to 1. And if we combine all of the nations which we fear, the so-called rogue nations, all of their defense spending combined, the United States outspends them by a margin of almost 15 to 1.

This comes down to some pretty tough choices, as budget debates will. Which is more important to America, the defense of Japan or the defense of American families against crime? Which is more important to America, building President Reagan's cold war relic, the Star Wars Program, or building a health care system which protects millions of uninsured working families? Which is more important to our future, better schools or better Trident missiles?

Why in the world should we cut money to be spent on medical research so that we can turn around and give the Department of Defense the only increase over the budget deficit agreement of last year?

Many argue that these are false choices. I disagree. As the chairman of an Appropriations subcommittee, I am facing a freeze in spending. It is not pleasant. I think the Department of Defense should be up against the same kind of a standard.

Let me close by saying this: Next week we will have a vote on the balanced budget amendment. We will hear some of the most soaring rhetoric in the world about cutting spending. Take a close look at this roll call and find out how many of these balanced budget warriors are going to sign up today to actually cut $2.5 billion in spending.

Mr. BROWDER. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. STENHOLM], my colleague on the Committee on the Budget.

Mr. STENHOLM. Mr. Chairman, I rise in opposition to the Frank amendment. I do so because of my growing concerns, now supported by this administration, that to cut defense further could unnecessarily jeopardize our Nation's security.

There has also been a great deal of confusion as to whether or not the Frank amendment reduces the deficit. Let me begin by saying that the gentleman from Massachusetts has been very honest insofar as not reallocating the $2.4 billion in budget authority which he removes from function 050, the National Defense function. Where I differ with Mr. FRANK is in his claim that this simple lack of reallocation will cause deficit reduction.

In my opinion, none of the facts of the amendment support such a claim. First, you will note that while the defense BA has been reduced by $2.4 billion, there is no reduction in defense outlays. As we all know, the deficit is an outlay number. If you compare the deficit numbers of the Sabo committee bill with the deficit numbers of the Frank amendment, you will note that they are identical. I do not understand how a deficit reduction claim can be made when the amendment itself shows precisely the same deficit number.

Second, if Mr. FRANK were committed to his new-found conversion to deficit reduction, he would have included in his amendment a lowering of the spending caps. As you will recall from last year's Penny-Kasich vote, the reason those of us who supported that amendment could claim deficit reduction was because we not only made the specific spending cuts, but we also lowered the caps. Only by lowering the discretionary caps is there an iron-clad guarantee of deficit reduction.

In truth, Mr. FRANK, as always, has been very honest about his hopes for these defense savings. His hope is that ultimately it will be the desire of this Congress to reduce the amount our Nation spends on defense and increase the amount we spend on domestic programs. That's a perfectly legitimate position for him to take and I support his right to take it. While I, too, want to reduce discretionary spending, where I differ is that I believe we must invest not in today's programs but in tomorrow's generations by removing the weight of our irresponsible spending from their shoulders.

I am encouraged by my friend's steps toward budget cutting and I hope that in the future we will be able to count on him to join the deficit reduction army.

I urge my colleagues to oppose the Frank amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. BLACKWELL], a member of the Committee on the Budget.

Mr. BLACKWELL. Mr. Chairman. I rise in support of the amendment.

The amendment would strike the $2.5 billion increase in defense spending contained in the budget resolution. By implication, the amendment also rejects the proposed $6.4 billion increase in the substitute.

I support the amendment, Mr. Chairman, because I believe it is more important to fund certain, key domestic programs than it is to escalate the production of weapons.

When the Congressional Budget Office scored the President's fiscal year 1995 budget proposal, it found $3.1 billion in overspending. The major part of this overspending was due to an unexpected, proposed increase in defense spending.

Faced with this overspending, the budget committee sought to preserve the increases in defense spending, while

finding reductions in domestic spending to meet the spending caps.

In my view, however, it is more important to fund drug free schools and communities than it is to fund nuclear weapons testing. In this budget, we spend almost twice as much on nuclear weapons testing than on drug free schools.

We spend $818 million for the B-2 Stealth bomber, an amount in excess of half the funds needed to fund the Low Income Home Energy Assistance Program at the fiscal year 1994 level.

We spend two and a half billion for the F-22 advanced tactical fighter. The cost of one of those planes, $134 million, would be more than enough to fund the Impact Aid Program for military dependents.

The list of defense spending goes on and on, while the list of domestic reductions goes on and on. It is time, Mr. Chairman, to put our priorities in order. I urge support for the Frank amendment.

Mr. BROWDER. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. TANNER] my colleague on the Committee on Armed Services.

□ 1740

Mr. TANNER. It is an old axiom that the only certainty in this world is uncertainty. I do not think anyone here, no matter how you are going to vote on this amendment, can seriously argue that we are not cutting defense in an orderly manner.

What we need is certainty in this downsizing. We can downsize the military in this country. We can do it safely without jeopardizing national security, but we must be left to do that job.

This approach, this amendment, is wrongheaded.

May I suggest to you that some had mentioned about pay. There are 20,000 military households that now qualify for food stamps. That is not anything to be proud of, because we asked these young men and women in uniform, and will, remembering that the only certainty is uncertainty, we will ask them again to go to some foreign land at some unknown hour, some unknown day, at some unknown week, some unknown month and year in the future, and lay down their lives for this country.

What we are talking about here is a wrongheaded approach to letting us on the committee downsize in a rational, logical manner.

Please, defeat this amendment.

Mr. BROWDER. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, I rise to express my opposition to the Frank amendment.

Since 1985, we have been cutting the defense budget. And we will continue to cut in the future. By the year 1999 the defense will be only 2.8 percent of GDP—the lowest since before World War II.

What this means is the Army will lose 45 percent of its divisions, the Navy will lose 37 percent of its battle force ships and the Air Force will lose almost 40 percent of its attack aircraft.

If we are to continue to have the world's best equipped, best trained, and best prepared fighting forces—we must not undermine our Armed Services by accepting this amendment.

Again, I urge my colleagues to vote against the Frank amendment.

Mr. BROWDER. Mr. Chairman, I yield 30 seconds to the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS of Texas. Mr. Chairman, I keep hearing we should not give the Department of Defense special treatment. But the truth is if every Federal agency had been cut like the Department of Defense, we would not even have a deficit problem.

The Frank amendment will not reduce the deficit by one dime. What it will do is cut military training, COLA's, housing, and possibly even health care to open the door for pork-barrel politics.

Above all, $2.4 billion in extra cuts would mean we are willing to put the lives of our military personnel at greater risk in future conflicts. We have no right to do that.

Vote "no" on the Frank amendment.

Mr. BROWDER. Mr. Chairman, I yield 30 seconds to the gentleman from Georgia [Mr. BISHOP].

Mr. BISHOP. Mr. Chairman, I rise reluctantly to oppose the Frank amendment.

Cutting the 1995 defense budget by $2.5 billion, as proposed in the amendment, cannot be made without serious disruptions.

The demands on the Department of Defense for peacekeeping, disaster relief, environmental cleanup continue to increase while defense resources decrease, exacerbating the impact of any additional cut to defense.

There are no easy cuts left. The choice is either to cripple readiness or debilitate the modernization program. Maintaining readiness of our forces is the first priority, and we have got to maintain it.

I submit that we must oppose the Frank amendment.

Mr. BROWDER. Mr. Chairman, I yield 15 seconds to the gentleman from Kansas [Mr. SLATTERY].

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 15 seconds to the gentleman from Kansas [Mr. SLATTERY].

The CHAIRMAN. The gentleman from Kansas is recognized for 30 seconds.

Mr. SLATTERY. Mr. Chairman, I thank my friend, the gentleman from Massachusetts, and my friend, the gentleman from Alabama, for yielding me this time.

I rise in opposition to the Frank amendment. I do so because it was the Commander-in-Chief, our President, who spoke to all of us earlier this year who said it is time for us to draw the line on further defense cuts.

As far as I am concerned, it is the Commander-in-Chief who has the responsibility to defend American interests around this dangerous world, and it is critically important for us not to undermine the judgment of the President of the United States in terms of what his needs are to defend this country.

So I urge my colleagues to oppose the Frank amendment and to support the committee position on defense spending.

Mr. BROWDER. Mr. Chairman, I yield 15 seconds to the gentleman from Florida [Mr. HUTTO], chairman of the Subcommittee on Readiness.

Mr. HUTTO. Mr. Chairman, as chairman of the Readiness Subcommittee, I can tell you if we are going to have this tremendous drawdown, we are going to have to have ready forces. We cannot, if we have this kind of cut.

We have to give them the proper ops tempo, the number of flying hours, the steaming hours, the tank hours that they need. The drawdown is already too severe.

If we are going to have a strong national defense, we cannot tolerate this kind of cut.

Please, vote "no" on this amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself the remainder of my time.

First, I have to differ with my friend, the gentleman from Texas [Mr. STENHOLM]. He has been a consistent and principal supporter of deficit reduction. When he said the amendment I am offering does not guarantee defense reduction, he was right, but I must say I think he overspoke when he suggested that it was unrelated to deficit reduction.

You cannot in the budget resolution repeal statutory caps. I concede that. What I can do is to do away with budget authority. Budget authority is what this process cedes to the appropriations committees to make binding future spending commitments. When you reduce budget authority by $2.4 billion, as this does, you take away $2.4 billion in future spending commitments.

That is why the National Taxpayers' Union and Citizens Against Government Waste have endorsed this, because it greatly advances the cause of deficit reduction.

Let us now talk about the reductions that have already held. Several Members here eloquently refuted a statement that no one has made. No one has suggested that there have not been cuts in defense spending. The question is: Have they been appropriate?

Yes, there have been cuts in defense spending. Partly that is because during

the early 1980's, when we had a Commander in Chief named Ronald Reagan, defense spending was bloated. Beyond that, however, there has been a change in the reality that the Defense Department confronts.

I guess I should have had some charts. I would have had one chart which would have talked about reductions in the Warsaw Pact threat, except the chart would have gone down into the first floor.

Ten years ago we were told that one of the major reasons we were spending money in defense was to prevent the Eastern Europeans behind the Soviet Union in a land invasion of Western Europe. NATO was created for that. We were spending tens and tens of billions of dollars to protect Western Europe against an attack in which the Soviet Union led the Warsaw Pact countries to the West.

There is no Soviet Union. There is no Warsaw Pact. And several of those countries do not exist anymore.

No agency of the Federal Government has seen external reality change for the better as much as the Defense Department.

Yes, there are threats in the world. But let us not pretend they are new. People said, "Well, we have these other threats, Iraq and Iran." Iraq and Iran are menacing countries, but they are not new. What were Iraq and Iran in 1984? Disney World?

There has been a substantial drop in the nature of the threat we face. The capacity of the Soviet Union to damage us in nuclear war has been substantially diminished, although not totally abolished, and the Warsaw Pact has completely disappeared. The significant threat is gone.

So, of course, we have made some reductions. It would have been nuts not to.

The question is: Have we made enough? People say, "Well, there is a shortfall in defense." No doubt from the standpoint of the people who run that agency, there is a shortfall, but we have got some other shortfalls. We have a shortfall in police protection in this country. We have promised and promised and promised again more police protection, but you will spend it up when the Pentagon says, "We need it first."

We have shortfalls in education, shortfalls in health research at the NIH, shortfalls in environmental cleanup, shortfalls in health care for people. Yes, there are shortfalls.

The nature of Government in a time of limited resources is to try to do the best you can to deal with shortfalls, but there are people here who get scared politically and who will tell you that the one area where we must immunize them against the threat of shortfall is the Pentagon.

Where we are talking national defense, that is one thing. But we are talking more than national defense. We are talking about the greatest charity program in the history of the world, the one by which the taxpayers of the United States subsidize again and again and again the richest nations in the world in Western Europe.

Our Western European allies spend a small fraction of what we spend as a percentage of national wealth, but that is because there are people in this body who believe it is somehow the American taxpayer's obligation to subsidize France, Norway, Belgium, Germany, Italy, and other countries, because subsidize them we do.

They will cut their military budgets. They will provide greater services for their own people. And we will take up the slack for them.

No one doubts that we are by far the strongest Nation in the world with a considerable margin of superiority over everyone else. Of course, we should be. The question is whether we will continue when the rest of the world gets richer and when the threat gets smaller to spend disproportionately on defense.

There are plenty of places in this function that they can find $2.4 billion. We have intelligence. The intelligence agencies are the only ones who, when they screw up, say they need more money. When they do not do well, that is an argument for giving them more money.

We have the burdensharing where we carry Western Europe. We have weapons systems there. And is it a coincidence, or was there a high correlation between those who came and spoke for the budget and those who have defense money spent in their districts?

□ 1750

Now, the Defense Department, like any other department, has a mission and it also has goodies to hand out. It also has people who benefit from it. Some of my friends on the other side talked again about the jobs we would lose. One of the great inconsistencies in this country is that conservatives who tell you that the Government is a detractor from jobs, the Government hurts the economy, when the Government spends, it doesn't hurt anything—except for defense. Where defense is concerned, suddenly they become Harold Ickes's and Harry Hopkins. Defense, for them, is the WPA.

Defense spending ought to be treated the same as any other. Yes, it has dropped some from the days when it was way too high, but the threat has also dropped. If we do this for the Defense Department today, it comes either out of the deficit or out of other domestic programs. I think that is an unnecessary restriction to place upon ourselves.

The CHAIRMAN. The gentleman from Alabama [Mr. BROWDER] has 2 minutes remaining.

Mr. BROWDER. Mr. Chairman, I yield the balance of my time to the majority leader, the gentleman from Missouri [Mr. GEPHARDT], who will urge our Members to support the budget resolution recommended by the President and the Committee on the Budget.

Mr. GEPHARDT. Mr. Chairman and members of the committee, I rise with great respect of the author of this amendment and the argument he has made. On many occasions I have voted with him on issues like this because of my belief that we have had to cut our defense budget because we live in a different world today than we lived in a few years ago.

But I also believe that we have to pay attention to our President, who has made a decision and asked us to stand behind that decision. I would read from his letter, which has probably been read from before, where he said on March 9:

> As I pointed out in my State of the Union Address, I am fully committed to the principle that our military must be the best equipped, best trained, and the best prepared in the world. My fiscal year 1995 defense budget was based on a careful, bottom-up review of our defense requirements. It funds the forces required to meet our national defense strategy.

I think we should stick with that judgment. I understand and sympathize with many of the arguments that have been made. I think that not only because our strategists in the Pentagon feel we have to be prepared to fight a war or 1½ wars or whatever it is, but because I think in the world we are in we are beginning to take on a lot of peacekeeping responsibilities. We have been peacekeeping in Somalia, we have peacekeepers in Somalia. We have peacekeepers in Macedonia. We are likely to have some more there. We are likely to have some more in Bosnia if we can get a peace treaty in Bosnia. We are likely to be committing peacekeepers in the Middle East if we are fortunate enough to get a treaty in the Middle East.

It is a new world, but it is not a world that is without danger and it is not a world without needs for us to keep the peace. That takes defense dollars as well as dollars in other areas.

I urge Members to consider all of this as they vote on this amendment. I think what the Budget Committee did was appropriate. I think what the President asked for was right, and I hope the Members will stick with the President's budget, and I reluctantly speak against my friend's amendment.

Mrs. LLOYD. Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Massachusetts.

My colleagues, I am a member of the Armed Services Committee. Over the years I have become intimately familiar with the issues surrounding our national defense. I have studied programs affecting readiness, personnel, and acquisition. We on the committee

have attempted to change our defense budget priorities to reflect the end of the cold war and the changing threats that we may face.

The administration also has presented Congress with its view of defense spending and posture for the next 5 years. Defense spending is being cut significantly. I have expressed concerns that we may be cutting too much too fast. But I really must caution the membership against supporting any further cuts beyond the 5-year plan envisioned by the administration in the bottom-up review. We are pushing the envelope here.

The Frank amendment cuts $2.5 billion from our defense budget for fiscal year 1995. This is beyond the cuts asked for by the administration or the Budget Committee and clearly beyond any good judgment.

Mr. Chairman, we on the committee are about half way through our budget hearings. We have heard from all the services. If one walks away from those hearings with anything, it is the notion that we are getting perilously close to the hollow force of the 1970's. Readiness and operations and maintenance is being called into question. Make no mistake about it, this type of budget situation has a direct impact on the men and women who serve in the military. We have a responsibility to provide these men and women with the best equipment, training, and benefits we can. The Frank amendment and any further cuts, I believe, jeopardizes that commitment.

My colleagues, sadly, we continue to have a problem with sexual harassment in the military. Efforts so far to remedy this situation have fallen short. Further resources may be needed to develop the type of programs that will educate the military about this issue and hopefully eradicate sexual harassment of any kind from the military. I could go on and on about other areas that need funding to keep the military at a minimum level of readiness.

Please vote "no" on the Frank amendment.

Mrs. MALONEY. Mr. Chairman, I rise in strong support of the Frank amendment to the budget resolution.

We've all seen the graphs and heard the figures—next year the United States plans to spend as much on defense as the rest of the world combined, over $260 billion. In real dollars that's more than Richard Nixon's administration spent on defense at the very height of the cold war 20 years ago. Today the Soviet Union is gone and the Russian military is only a shadow of its former self. The Pentagon, however, insists that it still needs as much money as it had when the Soviet threat was real. The bottom-up review starts from the premise that the United States must be able to fight two Gulf War type conflicts simultaneously. Even given that dubious assumption, I fail to understand why this country must spend 23 times more than Iraq and North Korea combined.

I also find specious the argument that we must vote this increase to offset the pay raise that Congress mandated last year. The size of the military is decreasing—and many experts argue that we should downsize as much as 25 percent.

Mr. Chairman, three decades ago President Eisenhower warned the American people against the "conjunction of an immense military establishment and a large arms industry" and "the acquisition of unwarranted influence * * * by the military-industrial complex." His warning is one we should be heeding, especially at a time when our national security interests need to involve deficit reduction as a high priority. Congress courageously took the first important steps along that path last year, and now is no time to backtrack.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Massachusetts [Mr. FRANK].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 105, noes 313, not voting 20 as follows:

[Roll No. 51]

AYES—105

Abercrombie
Ackerman
Andrews (ME)
Barca
Barrett (WI)
Becerra
Beilenson
Berman
Blackwell
Brown (OH)
Bryant
Cardin
Clayton
Collins (MI)
Conyers
Coyne
Danner
de Lugo (VI)
DeFazio
Dellums
Duncan
Durbin
Engel
English
Eshoo
Evans
Farr
Fields (LA)
Filner
Flake
Foglietta
Ford (MI)
Frank (MA)
Furse
Gordon
Hamburg
Hinchey
Hoke
Inslee
Jacobs
Johnson (SD)
Johnston
Kennedy
Kildee
Kleczka
Klein
Klug
LaFalce
Lambert
Leach
Lewis (GA)
Maloney
Margolies-Mezvinsky
Markey
McDermott
McKinney
Meehan
Mfume
Minge
Mink
Moakley
Morella
Nadler
Neal (MA)
Norton (DC)
Nussle
Oberstar
Olver
Owens
Payne (NJ)
Penny
Peterson (MN)
Petri
Poshard
Rahall
Rangel
Roukema
Roybal-Allard
Rush
Sanders
Sangmeister
Schroeder
Schumer
Sensenbrenner
Serrano
Shays
Shepherd
Slaughter
Stark
Stokes
Studds
Synar
Towns
Unsoeld
Upton
Velazquez
Vento
Waters
Watt
Waxman
Woolsey
Wyden
Wynn
Yates
Zimmer

NOES—313

Allard
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barlow
Barrett (NE)
Bartlett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Carr
Castle
Chapman
Clay
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Combest
Condit
Cooper
Coppersmith
Costello
Cox
Cramer
Crapo
Cunningham
Darden
de la Garza
Deal
DeLauro
DeLay
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doolittle
Dornan
Dreier
Dunn
Edwards (TX)
Ehlers
Emerson
Everett
Ewing
Faleomavaega (AS)
Fawell
Fazio
Fields (TX)
Fingerhut
Fish
Fowler
Franks (CT)
Franks (NJ)
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hilliard
Hoagland
Hobson
Hochbrueckner
Hoekstra
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Istook
Jefferson
Johnson (CT)
Johnson (GA)
Johnson, E.B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kennelly
Kim
King
Kingston
Klink
Knollenberg
Kolbe
Kreidler
Kyl
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Lehman
Levin
Levy
Lewis (FL)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Mann
Manton
Manzullo
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McHale
McHugh
McInnis
McKeon
McNulty
Meek
Menendez
Meyers
Mica
Michel
Miller (FL)
Mineta
Molinari
Mollohan
Montgomery
Moorhead
Moran
Murphy
Murtha
Myers
Neal (NC)
Obey
Ortiz
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Peterson (FL)
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Reed
Regula
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Romero-Barcelo (PR)
Ros-Lehtinen
Rose
Rostenkowski
Roth
Rowland
Royce
Sabo
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Scott
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sundquist
Swett
Swift
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Traficant
Tucker
Underwood (GU)
Valentine
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Young (AK)
Young (FL)
Zeliff

NOT VOTING—20

Andrews (NJ)
Andrews (TX)
Brooks
Collins (IL)
Crane
Dooley
Edwards (CA)
Ford (TN)
Gallo
Gutierrez
Hastings
Kopetski
Lewis (CA)
McMillan
Miller (CA)
Natcher
Pelosi
Reynolds
Torricelli
Washington

□ 1817

Messrs. OBERSTAR, STOKES, and HOKE changed there 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 103–429.

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

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

The CHAIRMAN. The Clerk will designate this 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. SOLOMON:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1995.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1995, including the appropriate budgetary levels for fiscal years 1996, 1997, 1998, and 1999, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: $977,800,000,000.
Fiscal year 1996: $1,031,200,000,000.
Fiscal year 1997: $1,079,700,000,000.
Fiscal year 1998: $1,136,400,000,000.
Fiscal year 1999: $1,190,200,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $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 1995: $100,300,000,000.
Fiscal year 1996: $106,300,000,000.
Fiscal year 1997: $111,900,000,000.
Fiscal year 1998: $117,800,000,000.
Fiscal year 1999: $123,700,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1995: $1,185,600,000.
Fiscal year 1996: $1,215,000,000.
Fiscal year 1997: $1,255,700,000.
Fiscal year 1998: $1,313,900,000.
Fiscal year 1999: $1,360,100,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,187,600,000,000.
Fiscal year 1996: $1,183,000,000,000.
Fiscal year 1997: $1,218,000,000,000.
Fiscal year 1998: $1,245,700,000,000.
Fiscal year 1999: $1,288,700,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1995: $209,500,000,000.
Fiscal year 1996: $151,400,000,000.
Fiscal year 1997: $140,500,000,000.
Fiscal year 1998: $108,900,000,000.
Fiscal year 1999: $98,100,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,939,300,000,000.
Fiscal year 1996: $5,200,900,000,000.
Fiscal year 1997: $5,453,400,000,000.
Fiscal year 1998: $5,862,500,000,000.
Fiscal year 1999: $6,193,900,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998, are as follows:

Fiscal year 1995:
(A) New direct loan obligations, $26,000,000,000.
(B) New primary loan guarantee commitments, $196,500,000,000.

Fiscal year 1996:
(A) New direct loan obligations, $30,400,000,000.
(B) New primary loan guarantee commitments, $170,300,000,000.

Fiscal year 1997:
(A) New direct loan obligations, $31,900,000,000.
(B) New primary loan guarantee commitments, $160,600,000,000.

Fiscal year 1998:
(A) New direct loan obligations, $33,700,000,000.
(B) New primary loan guarantee commitments, $159,800,000,000.

Fiscal year 1999:
(A) New direct loan obligations, $35,900,000,000.
(B) New primary loan guarantee commitments, $160,800,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:
(A) New budget authority, $263,700,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $258,600,000,000.
(B) Outlays, $256,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $265,000,000,000.
(B) Outlays, $257,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1995:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $17,000,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $13,600,000,000.
(B) Outlays, $14,000,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $17,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $14,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $17,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $14,100,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $17,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,200,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $17,000,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:
(A) New budget authority, $15,100,000,000.
(B) Outlays, $15,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $15,100,000,000.
(B) Outlays, $15,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $15,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $15,700,000,000.
(B) Outlays, $15,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1995:
(A) New budget authority, $5,000,000,000.
(B) Outlays, $4,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $4,800,000,000.
(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $4,500,000,000.
(B) Outlays, $3,600,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $4,100,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $3,900,000,000.
(B) Outlays, $2,600,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $18,100,000,000.
(B) Outlays, $20,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $16,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $11,400,000,000.
(B) Outlays, $11,200,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $6,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $9,900,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $8,400,000,000.
(D) New primary loan guarantee commitments, $4,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $10,000,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $8,500,000,000.
(D) New primary loan guarantee commitments, $4,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $10,700,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $8,500,000,000.
(D) New primary loan guarantee commitments, $4,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $10,300,000,000.
(B) Outlays, $9,200,000,000.
(C) New direct loan obligations, $8,800,000,000.
(D) New primary loan guarantee commitments, $4,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $6,700,000,000.
(B) Outlays, −$10,200,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
(E) New secondary loan guarantee commitments, $130,000,000,000.
Fiscal year 1996:
(A) New budget authority, $4,650,000,000.
(B) Outlays, −$13,050,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $103,100,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1997:
(A) New budget authority, $3,100,000,000.
(B) Outlays, −$6,200,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1998:
(A) New budget authority, $3,200,000,000.
(B) Outlays, −$6,200,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $96,600,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1999:
(A) New budget authority, $3,400,000,000.
(B) Outlays, −$5,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $32,500,000,000.
(B) Outlays, $33,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $33,400,000,000.
(B) Outlays, $34,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $34,900,000,000.
(B) Outlays, $34,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $36,700,000,000.
(B) Outlays, $34,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $37,500,000,000.
(B) Outlays, $35,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $14,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $9,200,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $9,300,000,000.
(B) Outlays, $10,400,000,000.

(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,800,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $9,800,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $50,900,000,000.
(B) Outlays, $50,900,000,000.
(C) New direct loan obligations, $5.500,000,000.
(D) New primary loan guarantee commitments, $19,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $49,800,000,000.
(B) Outlays, $47,900,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $50,300,000,000.
(B) Outlays, $48,500,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $51,200,000,000.
(B) Outlays, $49,800,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $51,800,000,000.
(B) Outlays, $50,400,000,000.
(C) New direct loan obligations, $16,900,000,000.
(D) New primary loan guarantee commitments, $11,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $118,800,000,000.
(B) Outlays, $118,100,000,000.
(C) New direct loan obligations, $0
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $124,500,000,000.
(B) Outlays, $123,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $131,800,000,000.
(B) Outlays, $130,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $140,400,000,000.
(B) Outlays, $138,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $151,100,000,000.
(B) Outlays, $149,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $151,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,400,000,000.
(B) Outlays, $153,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,400,000,000.
(B) Outlays, $167,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,500,000,000.
(B) Outlays, $179,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,100,000,000.
(B) Outlays, $193,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $207,200,000,000.
(B) Outlays, $213,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $208,700,000,000.
(B) Outlays, $210,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $218,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $232,600,000,000.
(B) Outlays, $220,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $228,200,000,000.
(B) Outlays, $229,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9.000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $36,600,000,000.
(B) Outlays, $36,500,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $36,200,000,000.
(B) Outlays, $34,900,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $36,100,000,000.

(B) Outlays, $36,100,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $25,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $35,600,000,000.

(B) Outlays, $35,600,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $25,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $35,500,000,000.

(B) Outlays, $35,700,000,000.

(C) New direct loan obligations, $1,500,000,000.

(D) New primary loan guarantee commitments, $25,300,000,000.

(E) New secondary loan guarantee commitments, $0.

(16) Administration of Justice (750):

Fiscal year 1995:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $15,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(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.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $15,100,000,000.

(B) Outlays, $14,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $15,300,000,000.

(B) Outlays, $15,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $15,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1995:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $12,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $11,100,000,000.

(B) Outlays, $11,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $10,500,000,000.

(B) Outlays, $11,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $9,900,000,000.

(B) Outlays, $10,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $9,500,000,000.

(B) Outlays, $9,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(18) Net Interest (900):

Fiscal year 1995:

(A) New budget authority, $242,900,000,000.

(B) Outlays, $242,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $258,300,000,000.

(B) Outlays, $258,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $266,800,000,000.

(B) Outlays, $266,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $273,700,000,000.

(B) Outlays, $273,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $285,700,000,000.

(B) Outlays, $285,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Allowances (920):

Fiscal year 1995:

(A) New budget authority, −$11,900,000,000.

(B) Outlays, −$4,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$13,400,000,000.

(B) Outlays, −$9,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$13,600,000,000.

(B) Outlays, −$11,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$14,000,000,000.

(B) Outlays, −$12,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$14,500,000,000.

(B) Outlays, −$13,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1995:

(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.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$30,600,000,000.

(B) Outlays, −$30,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$30,700,000,000.

(B) Outlays, −$30,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$31,700,000,000.

(B) Outlays, −$31,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$32,200,000,000.

(B) Outlays, −$32,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

SEC. 5. SENSE OF THE CONGRESS REGARDING BASELINES.

(a) FINDINGS.—The Congress finds that—

(1) the baseline budget shows the likely course of Federal revenues and spending if policies remain unchanged;

(2) baseline budgeting has given rise to the practice of calculating policy changes from inflated spending levels; and

(3) the baseline concept has been misused to portray policies that would simply slow down the increase in spending as spending reductions.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the President should submit a budget that compares proposed spending levels for the budget year with the current year; and

(2) the starting point for deliberations on a budget resolution should be the current year.

SEC. 6. ADJUSTMENT OF PAY-AS-YOU-GO SCORECARD.

It is the sense of the Congress that upon enactment of a reconciliation bill pursuant to section 4, the Director of the Office of Management and Budget shall reduce the balances of direct spending and receipts legislation applicable to each fiscal year under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 by an amount equal to the net change in the deficit achieved through the enactment in that Act of direct spending and receipts legislation for that year.

SEC. 7. SPENDING REDUCTIONS.

Nothing in this concurrent resolution on the budget commits the Congress to making the specific spending reductions used as assumptions in deriving the appropriate budgetary levels in this concurrent resolution, with the full understanding that the Congress may make comparable spending reductions in other areas to arrive at the same appropriate budgetary levels.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. SOLOMON] will be recognized for 30 minutes, and a Member opposed, the gentleman from Minnesota [Mr. SABO] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

MODIFICATION TO AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I ask unanimous consent to modify the Solomon amendment.

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

Mr. SABO. Mr. Chairman, reserving the right to object, and I will not object, I do so in order that the gentleman from New York may explain his modification.

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Mr. SOLOMON. Mr. Chairman, if the gentleman will yield, because the Congressional Budget Office was unable to complete scoring of the Solomon substitute and others, we were unable to have the exact figures we have. We had plugs in what we had offered. We are now asking to have the corrections submitted at the desk.

Mr. SABO. Mr. Chairman, I withdraw my reservation of objection.

The text of the amendment in the nature of a substitute, as modified, offered by Mr. SOLOMON, is as follows:

Modification to amendment in the nature of a substitute offered by Mr. SOLOMON:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1995.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1995, including the appropriate budgetary levels for fiscal years 1996, 1997, 1998, and 1999, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: $975,683,000,000.
Fiscal year 1996: $1,028,844,000,000.
Fiscal year 1997: $1,079,570,000,000.
Fiscal year 1998: $1,136,278,000,000.
Fiscal year 1999: $1,190,049,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $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 1995: $100,300,000,000.
Fiscal year 1996: $106,300,000,000.
Fiscal year 1997: $111,900,000,000.
Fiscal year 1998: $117,800,000,000.
Fiscal year 1999: $123,700,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1995: $1,154,722,000,000.
Fiscal year 1996: $1,176,157,000,000.
Fiscal year 1997: $1,222,353,000,000.
Fiscal year 1998: $1,279,873,000,000.
Fiscal year 1999: $1,324,885,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,176,773,000,000.
Fiscal year 1996: $1,173,966,000,000.
Fiscal year 1997: $1,211,781,000,000.
Fiscal year 1998: $1,239,458,000,000.
Fiscal year 1999: $1,281,851,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1995: $201,090,000,000.
Fiscal year 1996: $145,122,000,000.
Fiscal year 1997: $132,211,000,000.
Fiscal year 1998: $103,180,000,000.
Fiscal year 1999: $91,802,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,924,400,000,000.
Fiscal year 1996: $5,150,300,000,000.
Fiscal year 1997: $5,363,000,000,000.
Fiscal year 1998: $5,547,900,000,000.
Fiscal year 1999: $5,713,800,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998, are as follows:

Fiscal year 1995:
(A) New direct loan obligations, $26,000,000,000.
(B) New primary loan guarantee commitments, $196,500,000,000.

Fiscal year 1996:
(A) New direct loan obligations, $30,400,000,000.
(B) New primary loan guarantee commitments, $170,300,000,000.

Fiscal year 1997:
(A) New direct loan obligations, $31,900,000,000.
(B) New primary loan guarantee commitments, $160,600,000,000.

Fiscal year 1998:
(A) New direct loan obligations, $33,700,000,000.
(B) New primary loan guarantee commitments, $159,800,000,000.

Fiscal year 1999:
(A) New direct loan obligations, $35,900,000,000.
(B) New primary loan guarantee commitments, $160,800,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:
(A) New budget authority, $267,433,000,000.
(B) Outlays, $274,301,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $260,977,000,000.
(B) Outlays, $267,033,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $259,878,000,000.
(B) Outlays, $263,928,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $267,416,000,000.
(B) Outlays, $265,068,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $275,866,000,000.
(B) Outlays, $266,899,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1995:
(A) New budget authority, $13,260,000,000.
(B) Outlays, $16,299,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $17,000,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $10,177,000,000.
(B) Outlays, $13,613,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $17,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $9,604,000,000.
(B) Outlays, $12,404,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $17,500,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $8,890,000,000.
(B) Outlays, $11,346,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $17,500,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $8,200,000,000.

(B) Outlays, $10,630,000,000.

(C) New direct loan obligations, $2,400,000,000.

(D) New primary loan guarantee commitments, $17,000,000,000.

(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:

(A) New budget authority, $14,666,000,000.

(B) Outlays, $15,601,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $14,655,000,000.

(B) Outlays, $14,734,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $14,946,000,000.

(B) Outlays, $14,770,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $14,935,000,000.

(B) Outlays, $14,942,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $15,223,000,000.

(B) Outlays, $15,131,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1995:

(A) New budget authority, $3,294,000,000.

(B) Outlays, $2,551,000,000.

(C) New direct loan obligations, $1,400,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $3,000,000,000.

(B) Outlays, $2,529,000,000.

(C) New direct loan obligations, $1,500,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $2,500,000,000.

(B) Outlays, $1,848,000,000.

(C) New direct loan obligations, $1,500,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $1,885,000,000.

(B) Outlays, $629,000,000.

(C) New direct loan obligations, $1,500,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $1,453,000,000.

(B) Outlays, $381,000,000.

(C) New direct loan obligations, $1,500,000,000.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1995:

(A) New budget authority, $14,700,000,000.

(B) Outlays, $18,729,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $14,700,000,000.

(B) Outlays, $16,691,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $11,899,000,000.

(B) Outlays, $12,998,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $12,258,000,000.

(B) Outlays, $12,244,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $11,853,000,000.

(B) Outlays, $11,784,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1995:

(A) New budget authority, $7,734,000,000.

(B) Outlays, $7,722,000,000.

(C) New direct loan obligations, $9,900,000,000.

(D) New primary loan guarantee commitments, $6,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$254,000,000.

(B) Outlays, −$1,408,000,000.

(C) New direct loan obligations, $8,400,000,000.

(D) New primary loan guarantee commitments, $4,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $3,829,000,000.

(B) Outlays, $2,590,000,000.

(C) New direct loan obligations, $8,500,000,000.

(D) New primary loan guarantee commitments, $4,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $4,275,000,000.

(B) Outlays, $2,488,000,000.

(C) New direct loan obligations, $8,500,000,000.

(D) New primary loan guarantee commitments, $4,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $3,484,000,000.

(B) Outlays, $2,397,000,000.

(C) New direct loan obligations, $8,800,000,000.

(D) New primary loan guarantee commitments, $4,600,000,000.

(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

Fiscal year 1995:

(A) New budget authority, $3,537,000,000.

(B) Outlays, $−11,074,000,000.

(C) New direct loan obligations, $2,800,000,000.

(D) New primary loan guarantee commitments, $117,900,000,000.

(E) New secondary loan guarantee commitments, $130,000,000,000.

Fiscal year 1996:

(A) New budget authority, $935,000,000.

(B) Outlays, $−14,664,000,000.

(C) New direct loan obligations, $2,800,000,000.

(D) New primary loan guarantee commitments, $103,100,000,000.

(E) New secondary loan guarantee commitments, $110,000,000,000.

Fiscal year 1997:

(A) New budget authority, $−238,000,000.

(B) Outlays, $−8,215,000,000.

(C) New direct loan obligations, $2,800,000,000.

(D) New primary loan guarantee commitments, $95,900,000,000.

(E) New secondary loan guarantee commitments, $110,000,000,000.

Fiscal year 1998:

(A) New budget authority, $−779,000,000.

(B) Outlays, $−8,506,000,000.

(C) New direct loan obligations, $2,800,000,000.

(D) New primary loan guarantee commitments, $96,600,000,000.

(E) New secondary loan guarantee commitments, $110,000,000,000.

Fiscal year 1999:

(A) New budget authority, $−1,139,000,000.

(B) Outlays, $−7,888,000,000.

(C) New direct loan obligations, $2,800,000,000.

(D) New primary loan guarantee commitments, $99,500,000,000.

(E) New secondary loan guarantee commitments, $110,000,000,000.

(8) Transportation (400):

Fiscal year 1995:

(A) New budget authority, $28,110,000,000.

(B) Outlays, $30,831,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $28,747,000,000.

(B) Outlays, $30,537,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $29,932,000,000.

(B) Outlays, $30,037,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $31,379,000,000.
(B) Outlays, $30,069,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $31,810,000,000.
(B) Outlays, $30,007,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $8,321,000,000.
(B) Outlays, $13,941,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $8,474,000,000.
(B) Outlays, $12,049,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,577,000,000.
(B) Outlays, $9,863,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,260,000,000.
(B) Outlays, $9,203,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,032,000,000.
(B) Outlays, $9,156,000,000.
(C) New direct loan obligations, $2,000,000,000.
(D) New primary loan guarantee commitments, $2,800,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $50,304,000,000.
(B) Outlays, $50,670,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $49,551,000,000.
(B) Outlays, $47,677,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $50,441,000,000.
(B) Outlays, $48,689,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $51,921,000,000.
(B) Outlays, $50,576,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $53,883,000,000.
(B) Outlays, $52,537,000,000.
(C) New direct loan obligations, $16,900,000,000.
(D) New primary loan guarantee commitments, $11,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $118,701,000,000.
(B) Outlays, $118,116,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $122,861,000,000.
(B) Outlays, $121,787,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $130,082,000,000.
(B) Outlays, $128,786,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $138,587,000,000.
(B) Outlays, $137,091,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $149,089,000,000.
(B) Outlays, $147,493,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $161,599,000,000.
(B) Outlays, $153,661,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $178,555,000,000.
(B) Outlays, $167,028,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $196,607,000,000.
(B) Outlays, $180,463,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $215,309,000,000.
(B) Outlays, $193,254,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $238,147,000,000.
(B) Outlays, $202,479,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $197,875,000,000.
(B) Outlays, $207,863,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $201,872,000,000.
(B) Outlays, $207,237,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $211,513,000,000.
(B) Outlays, $215,134,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $227,128,000,000.
(B) Outlays, $218,039,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $224,967,000,000.
(B) Outlays, $227,998,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,760,000,000.
(B) Outlays, $9,360,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,255,000,000.
(B) Outlays, $9,355,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,250,000,000.
(B) Outlays, $11,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,940,000,000.
(B) Outlays, $12,240,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,730,000,000.
(B) Outlays, $13,030,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $36,388,000,000.
(B) Outlays, $36,413,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $36,058,000,000.
(B) Outlays, $34,772,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $36,030,000,000.
(B) Outlays, $36,174,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $35,939,000,000.
(B) Outlays, $35,921,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $35,724,000,000.
(B) Outlays, $35,906,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $15,491,000,000.
(B) Outlays, $15,830,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $15,461,000,000.
(B) Outlays, $15,692,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $15,428,000,000.
(B) Outlays, $15,241,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $15,693,000,000.
(B) Outlays, $15,478,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $14,155,000,000.
(B) Outlays, $15,274,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1995:
(A) New budget authority, $10,260,000,000.
(B) Outlays, $11,742,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $9,870,000,000.
(B) Outlays, $10,710,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $9,339,000,000.
(B) Outlays, $9,947,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,775,000,000.
(B) Outlays, $9,077,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $8,421,000,000.
(B) Outlays, $8,216,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $245,763,000,000.
(B) Outlays, $245,763,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $261,542,000,000.
(B) Outlays, $261,542,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $270,219,000,000.
(B) Outlays, $270,219,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $277,157,000,000.
(B) Outlays, $277,157,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $283,663,000,000.
(B) Outlays, $283,063,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $8.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1995:
(A) New budget authority, −$13,097,000,000.
(B) Outlays, −$5,161,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$15,625,000,000.
(B) Outlays, −$11,248,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$15,789,000,000.
(B) Outlays, −$13,795,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$16,395,000,000.
(B) Outlays, −$15,154,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$16,976,000,000,000.
(B) Outlays, −$15,932,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,385,000,000.
(B) Outlays, −$36,385,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$31,700,000,000.
(B) Outlays, −$31,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$30,700,000,000.

(B) Outlays, −$30,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$31,700,000,000.

(B) Outlays, −$31,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$32,300,000,000.

(B) Outlays, −$32,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

SEC. 5. SENSE OF THE CONGRESS REGARDING BASELINES.

(a) FINDINGS.—The Congress finds that—

(1) the baseline budget shows the likely course of Federal revenues and spending if policies remain unchanged;

(2) baseline budgeting has given rise to the practice of calculating policy changes from inflated spending levels; and

(3) the baseline concept has been misused to portray policies that would simply slow down the increase in spending as spending reductions.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the President should submit a budget that compares proposed spending levels for the budget year with the current year; and

(2) the starting point for deliberations on a budget resolution should be the current year.

SEC. 6. ADJUSTMENT OF PAY-AS-YOU-GO SCORECARD.

It is the sense of the Congress that upon enactment of a reconciliation bill pursuant to section 4, the Director of the Office of Management and Budget shall reduce the balances of direct spending and receipts legislation applicable to each fiscal year under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 by an amount equal to the net change in the deficit achieved through the enactment in that Act of direct spending and receipts legislation for that year.

SEC. 7. SPENDING REDUCTIONS.

Nothing in this concurrent resolution on the budget commits the Congress to making the specific spending reductions used as assumptions in deriving the appropriate budgetary levels in this concurrent resolution, with the full understanding that the Congress may make comparable spending reductions in other areas to arrive at the same appropriate budgetary levels.

"(5) the Federal government should suspend regulations mandating compliance with federal statutes that result in direct costs to state and local governments until reimbursement for these costs are provided by the Federal government."

The CHAIRMAN pro tempore (Mr. TORRES). Without objection, the amendment in the nature of a substitute offered by the gentleman from New York [Mr. SOLOMON] is modified.

There was no objection.

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

In just 1 hour from now this Congress is going to have the opportunity to live up to your rhetoric and, for the first time in many years, actually vote for a balanced budget.

Mr. Chairman, this country is drowning in a sea of red ink that has literally turned this great country into a debtor nation; where the accumulated debt has grown so large—a debt incidently owned by mostly foreign nations—the interest on which is now larger than the amount we spend on our military budget.

Mr. Chairman, the Democrat budget before us today does noting to stop this hemorrhaging red ink, adding almost $200 billion a year to this unconscionable deficit.

Mr. Chairman, the balanced budget we present to you today stops that deficit spiral, and actually produces a surplus that begins to pay off the debt in the year 1999, 2000, and 20001.

Mr. Chairman, this balanced budget contains more than 500 specific cuts totalling more than $600 billion.

To build this consensus balanced budget, we included recommendations and suggestions from: the Concord Coalition, the Grace Commission, the Congressional Budget Office, Citizens Against Government Waste, Individual Member Initiatives, National Taxpayers' Union, Heritage Foundation, The Porkbusters Coalition, and many others.

Mr. Chairman, during the recent Senate debate on the balanced budget amendment, President Clinton, OMB Director Leon Panetta, (in twisting arms to vote against it), made the point that we don't need a balanced budget amendment.

What we need is a Congress willing to vote for a balanced budget.

Well Members, Congress is going to get their chance to do just that today.

Other critics and Members—including Senate Majority Leader GEORGE MITCHELL—claimed that you could not balance the budget without dipping into the Social Security retirement trust fund, slashing earned benefits for veterans and without raising taxes.

Well, that kind of rhetorical scare tactic was wrong too and we prove it with this balanced budget.

This balanced budget does not touch the Social Security retirement fund.

It does not cut a dime from veterans benefits.

It does not raise taxes.

And, instead of decimating the defense budget, it actually restores about $50 billion in cuts proposed by President Clinton.

Mr. Chairman, in this budget, everyone will be asked to tighten their belts, including Congress itself.

Our budget is tough medicine. It cuts congressional spending by 25 percent.

Cuts White House spending by 25 percent.

Consolidates departments like Energy and Interior.

Terminates many Federal commissions.

Eliminates programs like the space station.

Privatizes programs like NOAA.

Contracts out items like the U.S. Printing Office.

Eliminates 90 percent of crop subsidies.

Bars financial assistance to illegal aliens.

Merges job training programs.

Sells off the governments direct loan portfolio to the private sector.

And, in all of this belt tightening, which touches every branch of Government, we only cut spending by a mere 3½ percent yet we manage to balance the Federal budget.

Is a 3½ percent cut over five years too much to ask of this Congress?

Well we think not and the American people think not.

And we are asking Congress to summon the courage to vote for this balanced budget today.

The buck stops here, ladies and gentlemen.

No longer can we blame past or present Presidents for the deficit crisis.

We can only blame ourselves if we fail to vote for a truly balanced budget today.

Budget Committee members in the other body, over in the Senate, have reviewed this balanced budget that we have before Members here today. They are so impressed that they have scored it and have printed it as a working document, which I have right here in front of me. They are going to use this working document. I would expect them to present this in the other body as the official Republican substitute, a balanced budget, which the American people insist on.

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

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

As I understand it, the gentleman's amendment increases defense spending about 50 billion beyond the President's projections over the next 5 years.

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

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

Mr. SOLOMON. Mr. Chairman, that is correct.

Mr. SABO. And makes no reductions in Social Security?

Mr. SOLOMON. Mr. Chairman, if the gentleman will continue to yield, that is correct.

Mr. SABO. And then $600 billion elsewhere?

Mr. SOLOMON. With one qualification. As most Members know, the Kasich budget, which is the official Republican alternative, which I am supporting, is a part of this Solomon balanced budget task force substitute.

What we have simply done, so every Member understands, we have removed all the tax cutting provisions out of the Republican alternative.

Mr. SABO. Which provisions?

Mr. SOLOMON. All of the tax cutting provisions out of the Republican alternative. And then we have added an additional $300 billion-plus in spending cuts, which we have itemized and have passed out to all Members. That is how we arrived at this official figure, which I have just given the gentleman, which indicates we are reducing the deficit over the 5-year period by $698 billion, over the 5-year period, leaving a surplus in the fifth year, 1999, a surplus of $8 billion.

Mr. SABO. Mr. Chairman, I am curious what the gentleman is doing with farm programs, because as we read the budget, in 1996, it produces a billion four of revenue to the Federal Government.

Mr. SOLOMON. Mr. Chairman, I would say to the gentleman that we do not touch any of the agricultural programs other than what is in the Kasich budget, except we eliminate the CCC, the Commodity Credit Corporation. We eliminate all of it but the milk price supports, which certain members of the task force did not feel was a commodity crop program.

Mr. SABO. But I am curious, the Ag programs end up making money for us in 1996.

Mr. SOLOMON. If that is the case, we show that as a revenue in our budget.

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

Mr. SABO. I yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I would like to ask the gentleman, what he is saying is, he cut out all farm programs affecting wheat, corn, rice, cotton, tobacco, everything. For whatever reason, we leave dairy alone in this program, and the dairy program also on occasion costs the Government some money.

I support it, but I do not understand, for the life of me, why the gentleman wants to say to the wheat farmer, the corn farmer, the rice farmer, the cotton farmer and all of the other farmers in the country that they are going to suffer. And by the way, they are in bleak economic times, as it is.

The removal of these programs will probably throw thousands of farmers, if not ten of thousands, into bankruptcy. But the gentleman leaves the dairy farmer alone.

□ 1830

Mr. SOLOMON. The gentleman raises a very, very good concern. As a matter of fact, when I mentioned that we had taken all of the recommendations by the Grace Commission, the Concord Commission, et cetera, we had over a trillion dollars in cuts, and included in that was a recommendation to do away with the dairy as well and a lot of other things. They had a recommendation, for instance, to raise the Medicare qualifications from 65 to 67 years. That was dropped. The dairy was dropped. If we had had the votes, we could have kept it all in, but we were unable to do that.

Mr. GLICKMAN. Just 1 additional second, if the gentleman will yield.

Mr. SABO. I am happy to yield to the gentleman from Kansas.

Mr. GLICKMAN. First of all, I compliment the gentleman from New York. He at least comes up with something that makes real proposals. I disagree with most of them, but there is at least some intellectual honesty in here.

The problem with his proposals is that it will throw, just this one piece of it, vast portions of rural America into cataclysm. With no advanced warning the gentleman is removing the entire safety net that the government provides for crops in this country, and that will produce a great deal of havoc for the people who rely on food and fiber in America, and for that reason alone I would ask Members to vote against the amendment.

Mr. SOLOMON. Will the gentleman yield further?

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

Mr. SOLOMON. Because of that very concern, because there are a lot of things in here that I do not like, one of them, for instance, is privatizing of Amtrak which runs 270 miles right straight through my district, and I have probably more stops than anyone, yet I cannot vote against this whole budget because it happens to be in here. I put in a caveat so if we have a reconciliation bill later on, or if we have our 13 appropriation bills and the agricultural appropriation bill comes forth, there is nothing to prevent the gentleman from substituting and putting back in the CCC, and making light cuts within the domestic programs. And I would imagine the gentleman would see fit to do that. We were looking out for the gentleman's interests when we put this in here.

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

Mr. SOLOMON. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. FAWELL], a gentleman who has taken this well many times as the chairman of the Porkbusters Task Force, and I thank him for his input.

Mr. FAWELL. Mr. Chairman, this is a historic vote that we will be having. I rise in support of the Solomon balanced budget resolution, and I do for one particular reason at least, but there are others. It is because I do not see that the administration, nor do I see anywhere else that there are any plans whatsoever to balance the budget either in this century or the one that is coming up. And lo and behold, come fiscal year 1999, we are going to have new debt, counting trust fund borrowing, of over $350 billion as we go into the next century.

I came to Congress in January of 1985. The debt was $1.4 trillion. I have witnessed all kinds of 5-year plans and fancy deficit reduction promises, promising literally trillions of dollars of deficit reductions. And what have we got but trillions of dollars of new debt, $300 billion just to pay interest on that.

Why is this so? The problem, I suggest, is that all of the deficit reduction plans that we have had are founded on the idea of decreasing increases in spending. We all know what that means. What we have in this budget is not perfect, but it makes the hard choices of eliminating and cutting literally hundreds, 500 programs.

It has been said if you die and go to heaven, and you want to come back and have eternal life, come back as a Federal program because we never cut. We can put the lie to that.

Will the Clinton 5-year so-called deficit-reduction plan change anything? No, because the Clinton plan adds $1.7 trillion of new debt over its 5-year span, and this is based on the improbable assumption that, first, all of the plan's $250 billion in new taxes will be collected—they won't—and also on the assumption that all of the plan's $255 billion in deficit cuts will be made—they won't. In fact, 80 percent of Mr. Clinton's deficit cuts come in years four and five of the 5-year plan and we all know that Congress' 5-year deficit reduction plans don't even last that long. But, even with these assumptions, Mr. Clinton's 5-year deficit reduction plan would add $1.7 trillion to the national debt by fiscal year 1999. And, by fiscal year 1998 the debt will be a minimum of $6 trillion, and it will be $6.3 trillion by fiscal year 1999. These are right in the President's 5-year budget presented this year!

We're going to hear all kinds of things from special interest groups who won't like these cuts in the Solomon-Fawell-Upton balanced budget. "This is not the time," they will say. For 24 years it has "not been the time" for Congress to balance its budget! No matter what economic times we've had during the last 24 years, good or bad, it's never the right time for Congress to balance its budget. Well, I ask if now is not the right time, what time is the right time?

There are, however, some people you will not hear from in regard to the issue of Congress finally balancing its budget. I can tell Members who will not be calling them. For one, Emily Heap, 5 years old, Naperville, IL, will not be calling you. Zoe Fawell, 6 years old in Naperville, IL, will also not call you. They are two of my eight grandchildren, and your grandchildren and children will not call you either because do you know what? They trust the Congress. They really trust the Congress. Nobody has told them that no one is even planning to do anything about balancing the Congressional budget—in this century, nor the next. No one. But we know one thing for

sure—the national debt will climb to at least $6.3 trillion by 1999. The President's budget guarantees the children of America about that—it's right there in the President's budget.

This balanced budget is for Emily and Zoe and the millions of other children who will have a brighter economic future if Congress has the guts to actually balance its budget over the next 5 years. We can do it. This budget shows we can do it, if this Congress really wants to.

Mr. SABO. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. STUPAK].

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

Mr. Chairman, I rise in strong opposition to the Solomon substitute to House Concurrent Resolution 218 and in support of the concurrent resolution.

Since I have arrived in Congress, the message has been consistent: With precious few dollars to go around, we must pay for programs that have a proven track record of working, and we must continue to invest in the American people. Both the Solomon and the Kasich substitute amendments fail this test.

The Solomon substitute guts assistance for seniors by cutting the valuable Senior Community Service Employment Program as well as by cutting Medicare reimbursements to hospitals for health care and lab services. If you represent a rural community heavily populated by seniors, this alone should convince you to vote "no." Rural health care facilities that are disproportionately dependent on Medicare would be big losers under this Solomon provision.

But the slash-and-burn tactics do not stop with our seniors. The Solomon substitute hurts young adults by slashing education assistance in the form of guaranteed student loans and health professional education subsidies. This is not frivolous spending, this is investment in our future.

These are programs that invest in our people, both young and old. These are programs that need and deserve our support.

We also need to fund programs that we know work.

The Byrne Formula Block Grant has been zeroed out by the administration and was not reinstated by the Budget Committee. Yet just last week, I and some of my colleagues on the Government Operations Committee heard testimony from law enforcement professionals that stated that the Byrne Formula Grant must be restored if we are to have any success in the war on drugs. My testimony on this issue which was submitted to the Budget Committee further illuminates the success that States like Michigan have enjoyed under the Byrne Formula Grant Program. While the American people have told us that they are willing to spend money on an improved criminal justice system, Mr. SOLOMON's substitute makes significant cuts in this and other justice assistance programs making any such investments impossible.

The chairman has done an excellent job of keeping us within our discretionary spending limits. This new fiscal discipline, however, mandates that we be more careful in choosing spending programs. Funding for the Coast Guard is another example of where we should be investing. All of the budgets before us today reduce the administration's request for Coast Guard acquisition, construction, and improvement. Mr. Chairman, this money is not political or controversial. The Coast Guard requires a minimum of between $500 and $600 million a year just to maintain the assets they have right now. While the Coast Guard is running as lean as possible, it would be a mistake to put off investing in its most basic capital needs. These reductions would seriously degrade the Coast Guard's ability to protect our precious water resources in the Great Lakes region.

Mr. Chairman, where is the investment in our people? Where is the investment in programs that have shown success? They are not in the Solomon or Kasich proposals. I urge a no vote on the Solomon amendment.

I would urge my colleagues to cast a vote for investment in the American people.

Vote "no" on Solomon.

□ 1840

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

Mr. Chairman, I say to my good friend, the gentleman from Michigan [Mr. STUPAK], you know, the same cuts he is complaining about were those that were in Penny-Kasich that he and I helped to craft and we both voted for.

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

Mr. SOLOMON. I yield to the gentleman from Michigan.

Mr. STUPAK. For the same reason I had to vote against Penny-Kasich, because it cut seniors and it cut the other programs.

Mr. SOLOMON. Mr. Chairman, I yield 2½ minutes to the gentleman from New Jersey [Mr. ZIMMER] who has had a great input into this piece of legislation.

Mr. ZIMMER. Mr. Chairman, it is time to put up or shut up. In today's Washington Post a deputy House majority whip is quoted as saying we don't need a balanced budget Constitutional amendment. "We shouldn't hide behind the Constitution," he says. He goes on to say "If we want to balance the budget we should have the courage to just do it." Well, here is your chance to just do it. The Solomon budget is your only chance. Neither the President nor the Budget Committee majority has a plan to balance the budget this year, this century, next century or ever. The Solomon budget is the only game in town. For those of you who say all we need is courage, you can show some today by voting yes.

For those of us who are committed to a balanced budget amendment because we believe it is the only thing that will force Congress to get its fiscal house in order, here is an opportunity for us to show we have the courage of our convictions and to move from easy rhetoric to painful reality. Here is a chance to put the taxpayers' money where our mouth is.

There are cuts in the Solomon budget that I strongly disagree with. If I had written it myself I would have done it differently. But those of us who advocate a balanced budget have a moral obligation to get specific and show how it can be done.

Let us show our constituents that Congress is able to do what every family has to do, what every business has to do, indeed what every State Government has to do and that is to live within our means. Support the Solomon amendment.

Mr. SABO. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. POMEROY], one of the distinguished new Members of the House and one who represents my native State in Congress.

Mr. POMEROY. Mr. Chairman, I rise to oppose the Solomon amendment.

Mr. Chairman, in my analysis, this is the most complete and absolutely devastating attack on rural America that I have seen in the now 14 months I have been a Member of this body.

The Solomon amendment would eliminate all farm commodity programs vital to virtually every agricultural community in every region of this country. It would eliminate Farmers Home, a critical source of farm credit, particularly for struggling farmers, family farmers, trying to remain on the land.

It would eliminate the Rural Electric Associations. And what would be the consequence of these eliminations? Just a few farmers suffering a little more pain? Absolutely not. The result would be dramatically higher electric rates for more than 25 million REA subscribers across this country.

The result would be dramatically higher grocery bills because what we have with the farm program is not an expensive farm program. What we have is a cheap food policy, and the results translate directly into the amounts the consumers in rural, in urban, in virtually every city of this country pay when they go to their grocery store. That would be the consequence of the proposals relative to agriculture proposed in the Solomon amendment.

What is most mystifying to me is that cuts of such a draconian nature

must be crafted under some kind of belief that everything is fat out on the farm when, in fact, the results shows that absolutely directly opposite conclusions must be drawn.

In my State, and I represent North Dakota, one of the most rural States in the country, we had 42,000 family farmers in 1975. The count as of 1992 showed down to 33,000 family farmers, and the out migration proportionate in North Dakota, as reported by United Van Lines, is consistently ranked at the very top or near the top of the 50 States in the country.

I can tell you from the personal experience that I see every weekend in the coffee shops across my State what a dire and difficult time this is for family farmers. I do not just speak for North Dakota when I make that point, Mr. Chairman.

In a survey taken of the 14 plain States, 500 of the 633 counties experienced serious out migration.

If you want to forecast yet additional consequences of voting for the Solomon amendment this afternoon, you can add the ramifications of a huge new population in our urban areas as people now struggling to remain on the farm and sustain family farm agriculture into the next generation are forced to throw in the towel and move to the cities.

There are a lot of other cuts that I seriously question the wisdom of, and the deep savaging of Medicare, I think, ought to raise grave concern for anyone contemplating supporting this measure.

But particularly when it comes to agriculture, this matter, this proposal, really goes way too far.

I urge defeat of the Solomon amendment.

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

Mr. Chairman, I will point out to the gentleman that, first of all, we do not eliminate Farmers Home. We simply cut it like we do other programs.

We do not decimate Medicare. We do not even cut it anywhere near what President Clinton does in his Health Care Program.

Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Chairman, I rise in support of the only budget amendment before us today that will actually balance the budget, and I commend the gentleman from New York for offering it.

The Solomon-Fawell-Upton budget alternative will give every Member the chance to vote for what the overwhelming majority of Americans are saying: Cut spending first.

Mr. Chairman, the Solomon alternative balances our budget in 5 years.

It does not cut Social Security or earned veterans benefits. It does not devastate our already weakened defense budget, and it does not raise taxes.

It does not touch Medicare benefits. In fact, the Medicare budget grows under the Solomon proposal.

Mr. Speaker, what the Solomon budget proposes to do is cut unneeded and unnecessary federally subsidized programs that we just simply cannot afford any more. I wish we could, but we cannot.

Mr. SOLOMON's proposal cuts $27 billion that we have been giving to illegal aliens.

It puts a moratorium on land purchases. In fact, the National Park Service already has a backlog of $5.6 billion in land acquisition costs. That would take us 37 years to pay off.

It ends additional U.S. financial support for the International Monetary Fund [IMF] and the World Bank, which have consistently failed to promote economic development through their lending programs.

It eliminates the Advisory Commission on Intergovenmental Relations which studies Federal-State frictions. This duplicates the work of various executive branch and State governments.

The Solomon amendment would cut in half, by $5 billion, Federal spending on furniture and office decorations.

It would reduce the amount the Federal Government uses to pay consultants, saving $24 billion over 5 years, and the list goes on. Sadly, these programs are only the tip of the iceberg in unneeded and unnecessary programs.

We have a debt of more than $4.3 trillion. We are spending almost $1 billion a day of money that we do not have.

Our Federal debt continues to increase and our children and grandchildren will have to pay for this ridiculous expenditure.

I urge support for the Solomon budget proposal.

Mr. SOLOMON. Mr. Chairman, I yield 2 minutes to the gentleman from Sanibel, FL [Mr. GOSS], who has had tremendous input in trying to once and for all balance this budget.

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

Mr. Chairman, the Solomon budget ensures we can meet a balanced budget amendment by cutting waste by fiscal year 1999, and America can understand that, while the Clinton budget leaves us way off the mark, in fact, about $6 trillion off the mark in terms of the national debt.

The Solomon balanced budget provides for a specific realistic blueprint for achieving a balanced budget, and even recording a surplus into the next century.

This is not a vague pronouncement of principle. This is tough cuts. It is hard choices, and it is real deficit reduction.

Of course, we all find difficult the tradeoffs on this list of more than 500 line item budget cuts. Clearly each of us might have done a list a little differently as we are hearing in this debate. I, in fact, have done House Resolution 377, called the Spirit of '76, and it is a list of 76 cuts that does not touch Social Security, does not touch Medicare, does not touch Medicaid, does not touch veterans' benefits, but does cut $285 billion over 5 years.

Fortunately, many of my cuts are included in the Solomon substitute.

Clearly, each Member might prefer cutting more in one area in the interests of maintaining more resources in another area. That is what this is about. That is why we asked in the Committee on Rules to have a deliberate process in considering the Solomon budget where any Member could have sought to substitute one cut for another as long as the total value of the deficit reduction achieved by the package was not reduced.

Even though the Committee on Rules declined to give us that flexibility, I hope my colleagues will agree that this package does represent a breakthrough in the campaign to bring our Federal budget into balance by cutting.

This package deserves our support. Seventy percent of America is telling us, "Balance the budget."

Now is the time. We can vote for a true balanced budget plan.

And in the reported words of the gentlewoman from the Commonwealth of Pennsylvania from across the aisle, "We are putting our money where our mouth is," and we urge our colleagues from both sides of the aisle to follow that advice as well.

Mr. SABO. Mr. Chairman, I would ask the gentleman from New York, could you describe the Medicare cuts that you have in here?

Mr. SOLOMON. If the gentleman will yield, all of our Medicare cuts are again what is in the Kasich budget. We do not touch the eligibility of it. Just, for example, I think I told the gentleman that there was a rumor that we had raised the qualification requirement from 65 to 67 years. We do not do that. We do not touch it at all.

We simply took the entire Republican alternative and incorporated it into our budget.

Mr. SABO. Maybe the gentleman could explain one thing that I do not understand in that alternative. They take and have some seniors pay 100 percent of the national cost, average national cost, for part B of Medicare. I looked at that issue last summer and discovered that in 95 percent of the counties in this country the actual costs were substantially less than the national average.

□ 1850

In my home State of Minnesota, every county, every county was substantially below the national average, and in some States the difference was even more pronounced. So a very significant number of the elderly in this country to which this provision would apply would be paying substantially more than the 100 percent of part B premiums.

Mr. SOLOMON. I would say to the gentleman I was not a member of this committee, but in talking to the members of the Committee on the Budget

on the Republican side, they had informed me that the reason that they put that in there, in their budget, is because it only affected those people, single people with incomes above $70,000 and couples above $90,000.

Mr. SABO. That is right, but there are still significant parts of the country which would be asked to pay substantially more than actual costs. I have always tried to understand that rationalization. Over 95 percent of the counties, the actual costs there are below the national average.

Mr. GILCHREST. Mr. Chairman, would the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Maryland.

Mr. GILCHREST. I thank the gentleman for yielding.

Mr. Chairman, is the gentleman not asking that seniors, fairly wealthy seniors at that, just have their subsidy from the Federal Government reduced?

Mr. SABO. If the gentleman would yield. No.

Mr. GILCHREST. That is a subsidy that they are getting from the Federal Government.

Mr. SABO. No. Currently, they pay 25 percent of the national average. They go to 100 percent of the national average. The reality is that in 95 percent of the counties, the actual cost is significantly below the national average. So for those seniors, they would be paying substantially more than 100 percent of the actual cost for part B.

Mr. GILCHREST. I am not sure if I would use the word "substantially," but we are talking about seniors, fairly wealthy seniors with that income, having their subsidy reduced for that particular health insurance.

Mr. SABO. No, you eliminate all the subsidy plus ask 95 percent of the counties to pay more than 100 percent of their actual cost.

So, they are being asked to—and I forget what the actual average is, something like $130 a month—there are significant parts of the country where the actual costs are less than $100 a month.

Mr. GILCHREST. Apparently, there are significant parts of the country where there are wealthier seniors.

Mr. SABO. No. What there is around the country is significant differences in health care costs and significant difference in Medicare reimbursements around the country.

So, for most of the counties, most rural counties and even many urban areas, those seniors would be asked to pay substantially more than 100 percent of actual cost.

You might want to check into this and find the rationalization.

Mr. SOLOMON. I would just say to the gentleman I would certainly like to check into it. Again, that is why we have written into our substitute these caps that would allow the Committee on Appropriations or the Committee on the Budget, the reconciliation, later on, to make those substitutions if there is a problem there. Does the gentleman's bill deal with it at all?

Mr. SABO. No. As a matter of fact, the President has a recommendation for changing Part B premiums in his health care proposal. That is something the committees will have to be looking at. That is one of the potential sources of revenue for funding health care reform in this session of Congress.

Mr. SOLOMON. Mr. Chairman, the gentleman knows I have great respect for him and the work that he does, and even Members on that side of the aisle, but you know, the gentleman from North Dakota said we are decimating rural America. I represent rural America. This budget hurts everybody, it is tough medicine, but it does not just go to rural America; it goes to suburban America, it goes to inner-core cities. Everybody has to take their fair cut. And that is what we are doing in this budget.

We would certainly be glad to hear any other recommendations to get to the balanced budget amendment to prevent what is happening there, and that is a $204 billion deficit 5 years from now in that 1 year alone.

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

Mr. Chairman, the heart of changing that long-term deficit in this country is for us to fundamentally deal with health care reform. There is one part of the Federal budget that is growing very rapidly, and that is health care, Medicare, Medicaid reimbursements. To get a handle on the totality of the health care costs in this country, and the same thing happening in the private sector, clearly the most compelling issue before this session of Congress is to find agreement on health care reform, how we can achieve universal coverage to make sure people in this country have health insurance and at the same time control the escalating costs for both the public and private sectors.

There is no issue more important to individual Americans and their individual lives, there is no issue more important to us than to be able to control the long-term deficit in this country.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield briefly?

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

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Chairman, I really share a lot of the same concerns with the gentleman from Minnesota. That is why—you know, President Clinton is proposing to abolish Medicare, for all intents and purposes——

Mr. SABO. No.

Mr. SOLOMON. I do not think he ought to be doing that. We ought to maintain it. That is a part of the system that is not broke.

Mr. SABO. The gentleman from New York [Mr. SOLOMON] is totally inaccurate in his description of the President's program. That is a comprehensive plan for reform, a base where we consider as we move to deal with that most important issue.

The fact is the gentleman from New York would substantially impact all kinds of programs that are of prime importance to millions of Americans while the real issue before us this session is whether we can move forward on the very important issue of reforming our health care system.

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

The CHAIRMAN. The gentleman from New York [Mr. SOLOMON] has 16½ minutes remaining, and the gentleman from Minnesota [Mr. SABO] has 10 minutes remaining.

Mr. SOLOMON. Mr. Chairman, this body is going to lose one of its most valuable Members at the end of this session. If there is anyone who has tried to focus on the terrible deficits which are just ruining this country, it is the speaker I am going to recommend from the other side of the aisle. I refer to one of the most respected Members of this body, the gentleman from Minnesota [Mr. PENNY], who has announced his retirement at the end of this year.

Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. I thank the gentleman from New York for yielding this time to me.

Mr. Chairman, I applaud the chairman of the Committee on the Budget for his articulation of the health reform issue, because clearly we must reform out health system with an eye toward reducing the Federal deficit. Health care reform that does not cut Federal health care expenditures is not worthy of the word "reform."

The health care reform plan adopted by this Congress must show budget savings in the first 5 years, not after the turn of the century.

We have before us today, however, a budget resolution. This comes just 1 week ahead of a vote on a balanced budget amendment. A two-thirds' vote is required to pass a balanced budget amendment, and there are currently 260 cosponsors of that measure, nearly the two thirds required to pass it.

With or without a balanced budget amendment, we need to make the tough choices. What we want to find out today is whether we have a similar number of legislators who are willing to vote for a tough budget that would actually balance the Federal accounts within the next 5 years; 260 cosponsors of the balanced budget amendment, how many of them will vote today for a balanced budget? There is only one budget under consideration that cuts nearly $700 billion and would balance

the budget within 5 years. It is the Solomon budget, and it deserves our support.

Any tough budget includes controversial items, and clearly none of us would agree with all the details of the Solomon plan. But we ought to agree with the goals set forth by this plan.

I think it is critically important to convey to the American public just how painful and far-reaching the cuts must be in order to reach a balanced budget, which most Americans claim they want us to achieve.

Most of this plan I can wholeheartedly endorse. As suggested by a previous speaker, I too would have some problems with the severity of the agricultural cuts. But on the other hand, I do not believe we need to add back money in the Pentagon budget. I can live with the President's number. But the totality of this plan still gets us a balanced budget in 5 years and it does convey that there are no easy choices.

□ 1900

Too many other budget alternatives gloss over the fact that we still have a major deficit problem, and I would rather be identified with a budget that takes the deficit seriously rather than one which pretends the deficit is no longer a threat.

Admittedly we have made some progress with the passage of the President's economic program, and the deficit is coming down in the near term. But under that program, Mr. Chairman, the deficit has climbed again in the outyears, and more heavy lifting will be required in order to tackle the deficit at that time. We ought to face those choices now and not wait a few years, until the deficit crisis resurfaces.

Last year, Mr. Chairman, I think the gentleman from New York [Mr. SOLOMON] deserved credit for offering what was the best budget. But it only received a handful of votes, and unfortunately in my time in Congress I have noticed that the toughest budgets always get the fewest votes. We have to change that record, and we ought to start tonight. Instead of empty rhetoric about a balanced budget amendment, instead of rhetoric about the near term success of the President's economic program, let us challenge ourselves and the American public to finally face reality.

Mr. Chairman, we either have to vote for tough budget cuts or we cannot have a balanced budget. The Solomon budget places that challenge before this institution and before the country. It deserves our support.

Mr. SOLOMON. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire [Mr. ZELIFF]. New Hampshire has gone through unbelievable weather this year, along with my neck of the woods. This gentleman has done much since he came here to try to bring this budget under control.

Mr. ZELIFF. Mr. Chairman, I rise today in support of the Solomon balanced budget proposal. I am proud to have worked with the balanced budget task force in creating this proposal to produce a budget surplus in just 5 years.

Mr. Chairman, what we have done today is to present to this House a document that shows that a balanced budget is possible—without touching Social Security retirement or earned veterans benefits, or raising taxes.

This is a significant accomplishment. It shows all the naysayers that real spending cuts can be used to reach a balanced budget.

On the day of the balanced budget amendment vote in the Senate, our former colleague and friend, the OMB Director, Leon Panetta, said this country does not need a balanced budget amendment. We do not need to change the Constitution to force us to do what we are elected to do.

Mr. Panetta said that a constitutional amendment "doesn't give anybody the guts or courage that they need to make the right choices." Mr. Chairman, the Solomon amendment enables us to make those tough choices today.

Mr. Chairman, we cannot have it both ways. The administration does not want a constitutional amendment to balance the budget. The administration also will not support our effort to propose a real balanced budget with those tough choices today.

There is no question that this is a tough package of spending cuts. And I have to tell you that I do not agree with all of the cuts in the Solomon plan. But in the interest of balancing our Federal budget, I support it. We need to start somewhere.

To those Members who do not like these specific cuts, I say: It would have been nice to have an open rule on spending cuts. My good friend from New York [Mr. SOLOMON], and I asked the Rules Committee for an A to Z style open rule. This would have allowed the House to examine and vote on each specific spending cut in this package.

An open rule would have allowed Members to either add or delete a particular program. Unfortunately, we did not get the opportunity and we must now vote on the package of cuts before us.

Mr. Chairman, the Solomon package is a reasonable attempt to balance the Federal budget. It is tough medicine, but it is only a 3.5-percent spending cut. Any business in this Nation could find a way to cut 3.5 percent from their budget, so I ask, "Why can't the U.S. Congress make a 3.5-percent cut?"

It is time that we stop playing the game of telling people back home that we care about living within our means and then come back down here and do something else. The Solomon budget before us is balanced, and while not perfect, will do the job.

Our problem is spending. It is time to take the medicine, my friends, and stop passing our examples on to future generations. Here is the plan. Now we need your vote.

I urge my colleague to vote yes on the Solomon amendment.

Mr. SOLOMON. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. GILCHREST], another Member who has been so active in trying to bring this deficit under control.

Mr. GILCHREST. Mr. Chairman, I thank the gentleman from New York [Mr. SOLOMON] for yielding this time to me. I want to make a couple of comments.

Mr. Chairman, I do not live in North or South Dakota, but I live in a very rural area of Maryland, and there are certainly things in this budget that I would not put as my priority, but in the overall scheme of things this is not only good for the country, but it is good for rural areas, and I represent a rural community, and, unless we balance this budget soon, and that is in 5 years, our debt will consume all our dollars, and there will be no money for any programs. Over $290 billion just for interest on the national debt, and that amount is increasing, not decreasing. That money does not go for seniors, it does not go for educational programs, it does not go for health reform, it does not go for public safety, it goes for nothing, and it is about time that we get a handle on the debt.

I am sure that all of us agree that the deficit needs to be eliminated; about two-thirds of us will probably vote for a balanced budget amendment in the near future. But for most of us, it seems that deficit elimination should be the responsibility of some other Congress, some other time, cutting some other people's programs or raising some other people's taxes. This mentality—deficit elimination, but not on my watch—is threatening to bankrupt our children.

Too many of us fail to realize that every year we wait, it will be harder to balance the budget because of demographic factors and growing interest on the debt. The deep cuts in the Solomon budget may seem draconian today, but in a few years they will be necessary just to meet the interest payments, and still deeper cuts will be required to pay for our spending today.

Those draconian cuts today will seem mild compared to what we will have to do in the future if we do not cut the debt today.

Many Members are probably concerned about how the Solomon budget cuts this program or that program in somebody's district; about how certain groups might be offended, about how

this could hurt them politically. Let us be clear on one thing: this is a budget resolution. The only thing binding in this resolution is the bottom line, and that is the spending cuts, and that is what we need to do today.

Mr. SOLOMON. Mr. Chairman, I yield 2 minutes to another gentleman from Maryland [Mr. BARTLETT], a freshman Member in this House whom we deeply admire.

Mr. BARTLETT of Maryland. Mr. Chairman, I was pleased to be a member of the Balanced Budget Task Force, and I rise in strong support of the Solomon budget. This budget does what American citizens have asked us to do. It balances the budget.

Mr. Chairman, there is no way, no way, that we are ever going to balance the budget without some discomfort and perhaps without some pain. This discomfort and pain is reflected in the appeals of those who have stood to oppose this budget.

It causes me some personal pain, but I say to my colleagues, I think that if you're No. 1 in the world, you're the only superpower in the world, you need to act like you're No. 1 in the world, and that means pursuing programs like the Space Station. But I tell you it's far more important to me to get our country back on a track to solvency than it is to at this moment pursue the Space Station. I'm willing to put that on hold until we balance the budget, and then we'll do programs like that, high priority programs on a pay as you go basis.

My colleagues, let us not send the message to the American people that we have just been funning them when we talk about a balanced budget amendment, that we are not really serious. Let us make the tough choices before we bankrupt our country. Let us vote for the Solomon budget resolution.

Mr. SOLOMON. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. SCHAEFER], a Member of this body who was deprived of offering his amendment by the rule that brought this budget to the floor. His cuts are a part of this budget, and we appreciate his cooperation.

□ 1910

Mr. SCHAEFER. Mr. Chairman, I rise in support of the balanced budget substitute offered by Mr. SOLOMON.

I wish that the full House of Representatives had the opportunity to vote on more than deficit reduction substitute. Unfortunately, the Rules Committee blocked a vote on my substitute, which ordered a $560 billion reconciliation, based on the spending reductions in H.R. 3958, the Fiscal Responsibility Act.

Nevertheless, I am pleased to support the Solomon substitute. Too many are content that we have done enough deficit cutting for the time being. I am here today to tell you that such complacency would be misplaced and dangerous.

Any deficit relief derived from the 1993 reconciliation will be very temporary. Within only a few years, the deficit will surpass its current levels and race toward new records.

Mr. Chairman, now is the time to press the attack on the deficit—not a few years from now when it is again reaching record levels. We have the deficit up against the ropes. We should go for the knockout punch.

The Solomon substitute is that knockout punch and I urge my colleagues to support it.

Mr. SOLOMON. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. INSLEE].

Mr. INSLEE. Mr. Chairman, 80 percent of us in this Chamber I believe want to get to the summit of a balanced budget. What route are we going to take to get there? I think we ought to put a lot of green lights up there for this particular bill tonight. Maybe not because it is the right route, but because it follows something my brother did for me once when I was young. We were trying to climb a mountain. And I looked up at the mountain, and it was a long ways up there. There was a cliff. I did not see any good way of getting there. All the routes were risky. All of the routes involved potential risk to me. I was a little leery about taking any of them.

My brother went up there, and he took a route, and it was not the route I would have picked, but he went to the top. And he got there.

Maybe this bill will not pass or this amendment will not pass tonight, but we ought to put some green lights up there to send a message to everyone in this country, to the leadership, and our leader in the White House, that there are people willing to go up there, to take some route to get to the top, even though it involves risk in every one of our districts and to every one of our constituents.

Mr. SOLOMON. Mr. Chairman, let me say to my good friend, the gentleman from Minnesota [Mr. SABO] that we have one closing speaker.

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

Mr. Chairman, just let me briefly say that I rise in opposition to the amendment. I commend the gentleman for his work. He clearly has put a great deal of work into this amendment. It achieves the goal the gentleman sets. It achieves it in a fashion that in my judgment would be very detrimental to the economy of this country and to the economic future of this country.

I have to remind this body that we are on a course of significant deficit reduction. We moved from $255 billion in the 1993 budget to around $225 billion in 1994, to a projection of $175 billion in 1995. We are there because the economy responded to the economic package we passed last year, which was a disciplined deficit reduction plan. It worked. The economy responded.

We had many people on the other side of the aisle who were telling us that things simply were not going to work when we passed it a year ago. Fortunately, we passed the program, and the economy has responded. It is growing. Jobs are being produced again. So we are on the right track.

I hope and would urge Members to vote down this amendment, but I commend the gentleman from New York, Mr. SOLOMON, for his hard work and the sincerity with which he approaches it.

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

Mr. SOLOMON. Mr. Chairman, let me just say to the gentleman from Minnesota, [Mr. SABO] who is the chairman of the Committee on the Budget, he is one of the most respected Members on that side of the aisle because we know of his perseverance and the hard work he does. We commend him for it.

Mr. Chairman, I yield the balance of our time to the gentleman from Michigan [Mr. UPTON], one of the cochairmen of the Balanced Budget Task Force, who has done yeoman's work for so many years trying to bring the budget under control.

Mr. UPTON. Mr. Chairman, I think that everyone here in this House would individually write a different budget than is being offered today, and I think that is one of the reasons why so many of us in fact voted against the rule which denied so many other excellent alternative amendments.

Mr. Chairman, I am voting for the budgets that reduce the deficits in the outyears. In the few years that I have held office, I can almost count on one hand those special interest groups that have stopped by my office asking me to reduce spending. Instead, almost every group out there is asking for more, and more, and more. That is no way to run a railroad, and it is certainly not the way to run the Government.

Mr. Chairman, several years ago a number of us drafted a freeze budget. Everyone sacrificed. However, the Committee on Rules refused us the opportunity to even offer that budget for a vote here on the House floor. Consequently, we are far worse off today with a $4.5 trillion national debt. Too bad we can't turn back the clock and consider that amendment anew.

Mr. Chairman, next week we are debating the constitutional amendment to balance the budget. We will hear a lot of rhetoric from the opponents of such saying instead that we need only the courage to reduce the national debt and the annual deficit.

Well, unfortunately we have not shown much courage, as was witnessed just yesterday when this House failed to approve a couple of cuts that even the President cut in his own education budget.

Remember last year's budget battle, when we finally got rid of the beekeeper subsidy that had been stinging the taxpayer far too long.

Mr. SOLOMON's budget is not perfect, but it does balance the budget. And for those of us that want to believe that this place is not the Land of Oz, where deficit spending goes on and on and on down that yellow brick road, it is time to get back to reality.

Mr. Chairman, you can show your courage tonight by voting for the Solomon substitute, because if you believe in fiscal responsibility, it is indeed time to walk the walk, and not just talk the talk.

Mr. Chairman, in closing, I would just like to point out this chart indicating the CBO deficit projections in terms of where this budget process is taking us. Under the Solomon budget, in fact, we get to a balanced budget; in fact, we get to a surplus in the fiscal year 1999. And I think for all of us that go to those town meetings and read our mail and sign it back to the folks that sent us here, they know it is time to cut spending first, and that is what this budget does.

Mr. Chairman, I would encourage my colleagues to show courage tonight. Go take a medal from the lion from the Wizard of Oz. You can do it tonight by voting yes on the Solomon substitute.

Mr. SMITH of Michigan. Mr. Chairman, I am supporting the Solomon amendment because it is the only opportunity to vote on a balanced budget this year. I am disappointed that the Rules Committee would not allow an open rule so that we could consider changes to these proposals.

I disagree with several cuts in this substitute. In particular, I am in very strong disagreement with the language in the Solomon proposal that does away with essentially all farm programs starting next year. We do need to move to Federal farm policy that allows farmers to get reasonable prices at the marketplace. However, this needs to be a gradual adjustment to assure that we continue the high quality of food and fiber that's available at the lowest prices in the world.

Hard working farmers, abundant natural resources, world-class research and extension, and the free enterprise system have made the United States the largest and most efficient producer of food and fiber in the world. As a result, Americans spend just 12 percent of their disposable income on food, the lowest in the world. The average farmer in 1960 fed 16 people. Today that farmer feeds 96, with even greater nutrition and quality.

The fact is that if we want to have a stable supply of food and fiber in this country, a farmer cannot stay in business and sell below his cost of production. Farm programs have been an inefficient way to make adjustments and need to be drastically modified, but cannot be totally eliminated as suggested by SOLOMON.

In conclusion, I commend Mr. SOLOMON for having the only balanced budget amendment on the floor. Because this budget resolution is a guideline for spending and not a mandate to what programs are cut, I am casting my vote in favor of a balanced budget.

Mr. PACKARD. Mr. Chairman, I rise in support of the budget alternative presented by my distinguished colleague, Mr. SOLOMON.

I support Mr. SOLOMON'S alternative to President Clinton's budget for several reasons.

But the most compelling reason for my district in southern California is that Mr. SOLOMON'S alternative eliminates benefits for illegal aliens.

Now this House has recently been through a very emotional debate about benefits for illegal aliens. The debate degenerated into a name calling session. Apparently, if you support eliminating benefits for those who have broken our laws to enter this country, you are a fascist. You can be accused of being a racist.

Mr. Chairman, I commend Mr. SOLOMON and his colleagues for recognizing this for what it is: an economic issue. It is appropriate that eliminating these benefits is put in the context of a budget debate, because that is where it belongs.

As Members of Congress, we are sworn to uphold the laws of this land. It is illegal to enter our country without going through the proper naturalization process to become a citizen. I don't care what your motivation is, that is the law.

However, the Federal Government will give benefits to those who enter our country illegally. This ought to be stopped. Vote for the Solomon budget alternative and make this a reality.

Mr. PORTER. Mr. Chairman, the Budget Committee has jurisdiction not over the allocation for each function of Government, such as agriculture, defense, transportation, and so forth, but only over the overall spending amount.

The Solomon budget would balance the budget by fiscal year 1999 solely by restraining spending, not by raising taxes.

While I do not agree with the detail the gentleman from New York offers in support of his overall spending limit, I do agree with his balanced budget goal and that it is achievable through spending restraints, this spirit, and with this understanding, I support the Solomon budget substitute.

The CHAIRMAN. The question is on the amendment in the nature of a substitute, as modified, offered by the gentleman from New York [Mr. SOLOMON].

The question was taken, and the Chairman announced that the "ayes" appeared to have it.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 73, noes 342, not voting 23, as follows:

[Roll No. 52]

AYES—73

Armey
Bachus (AL)
Baker (LA)
Ballenger
Barcia
Bartlett
Barton
Burton
Callahan
Coble
Collins (GA)
Condit
Cox
Cunningham
Deal
DeLay
Dornan
Dreier
Duncan
Fawell
Fingerhut
Fish
Franks (NJ)
Gilchrest
Goodlatte
Goodling
Goss
Greenwood
Hancock
Hoekstra
Hoke
Hunter
Inslee
Istook
Johnson (GA)
Knollenberg
Kreidler
Margolies-Mezvinsky
McCandless
Mica
Miller (FL)
Minge
Moorhead
Murphy
Orton
Packard
Paxon
Payne (VA)
Penny
Petri
Porter
Portman
Pryce (OH)
Quillen
Ramstad
Ravenel
Rohrabacher
Roth
Royce
Schaefer
Sensenbrenner
Shays
Smith (MI)
Solomon
Stenholm
Sundquist
Swett
Tauzin
Taylor (MS)
Upton
Weldon
Zeliff
Zimmer

NOES—342

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Applegate
Archer
Bacchus (FL)
Baesler
Baker (CA)
Barca
Barlow
Barrett (NE)
Barrett (WI)
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Buyer
Byrne
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (MI)
Combest
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Crapo
Danner
Darden
de la Garza
de Lugo (VI)
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doolittle
Dunn
Durbin
Edwards (TX)
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Farr
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Foglietta
Ford (MI)
Fowler
Franks (CT)
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Grams
Grandy
Green
Gunderson
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hansen
Harman
Hastert
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Kolbe
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Michel
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moran
Morella

Murtha	Roukema	Synar
Myers	Rowland	Talent
Nadler	Roybal-Allard	Tanner
Neal (MA)	Rush	Taylor (NC)
Neal (NC)	Sabo	Tejeda
Norton (DC)	Sanders	Thomas (CA)
Nussle	Sangmeister	Thomas (WY)
Oberstar	Santorum	Thompson
Obey	Sarpalius	Thornton
Olver	Sawyer	Thurman
Ortiz	Saxton	Torkildsen
Owens	Schenk	Torres
Oxley	Schiff	Towns
Pallone	Schroeder	Traficant
Parker	Schumer	Tucker
Pastor	Scott	Underwood (GU)
Payne (NJ)	Serrano	Unsoeld
Peterson (FL)	Sharp	Valentine
Peterson (MN)	Shepherd	Velazquez
Pickett	Shuster	Vento
Pickle	Sisisky	Visclosky
Pombo	Skaggs	Volkmer
Pomeroy	Skeen	Vucanovich
Poshard	Skelton	Walker
Price (NC)	Slattery	Walsh
Quinn	Slaughter	Waters
Rahall	Smith (IA)	Watt
Rangel	Smith (NJ)	Waxman
Reed	Smith (OR)	Wheat
Regula	Snowe	Whitten
Richardson	Spence	Williams
Ridge	Spratt	Wise
Roberts	Stark	Wolf
Roemer	Stearns	Woolsey
Rogers	Stokes	Wyden
Romero-Barcelo (PR)	Strickland	Wynn
	Studds	Yates
Ros-Lehtinen	Stump	Young (AK)
Rose	Stupak	Young (FL)
Rostenkowski	Swift	

NOT VOTING—23

Andrews (TX)	Gallo	Pelosi
Brooks	Gutierrez	Reynolds
Collins (IL)	Hastings	Shaw
Crane	Kopetski	Smith (TX)
Dooley	Lewis (CA)	Torricelli
Edwards (CA)	McMillan	Washington
Ford (TN)	Miller (CA)	Wilson
Frank (MA)	Natcher	

□ 1942

The Clerk announced the following pairs:

On this vote.

Mr. Lewis of California for, with Mr. Shaw, against.

Mr. McMillan for, with Mr. Dooley, against.

Mr. JOHNSON of South Dakota, Mr. MFUME, Mrs. BYRNE, and Messrs. KIM, MANZULLO, and EHLERS changed their vote from "aye" to "no."

Messrs. PAYNE of Virginia, GOODLATTE, KREIDLER, BARTON of Texas, FINGERHUT, and SWETT changed their vote from "no" to "aye."

So the amendment in the nature of a substitute, as modified, was rejected.

The result of the vote was announced as above recorded.

Mr. SABO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. SMITH of Iowa) 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. 218) setting forth the congressional budget for the U.S. Government for the fiscal years 1995, 1996, 1997, 1998, and 1999, had come to no resolution thereon.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 417

Mr. FOGLIETTA. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 417, the Securities Private Enforcement Reform Act.

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

There was no objection.

COMMUNICATION FROM HON. STEVEN SCHIFF, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Hon. STEVEN SCHIFF, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 9, 1994.

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

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued with regard to a Special Court-Martial appointed pursuant to appropriate military authority.

After consultation with the General Counsel to the Clerk, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

STEVEN SCHIFF.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON HOUSE ADMINISTRATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on House Administration:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 10, 1994.

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

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L of the Rules of the House that the Committee on House Administration has been served with a subpoena issued by the United States District Court for the District of Columbia.

After consultation with the General Counsel to the House, I have determined that compliance with the subpoena is not inconsistent with the privileges and precedents of the House.

Sincerely,

CHARLIE ROSE,
Chairman.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

REDUCTION IN REGULATORY CONTROL OF FEDERAL RESERVE BOARD IS SUBJECT OF PROPOSED LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, for several days now and weeks I have been addressing this question of the Federal Reserve Board and its total lack of accountability.

One reason that there is dire need to have accountability is that all history shows no matter, irrespective of what society, all through mankind's recorded history, that when power, particularly tremendous power, or wholesale grants of power flow to any individual, group of individuals, no matter what, whether they be public, private, even religious institutions, that there will be a corruption and misuse of that power ultimately.

The fundamental premise of our Government, even before the Constitution and even during the beginning and the first glimmers of nationhood, the question of accountability was foremost.

For example, the issue the First and Second Continental Congresses, and then the body under the Articles of Confederation was what is technically known as fiscal agent or banker was going to be used.

□ 1950

And if any of my colleagues would like to know what such great Americans as Thomas Jefferson thought of bankers and the confraternity, I invite you to read his remarks about it.

But at this point, for whatever reason, and particularly since the war, that is the 1940's, neither the Congress, which created the Federal Reserve Board, incidentally—the Federal Reserve Board was not heaven-sent—it was created by the Congress and the Congress has not seen fit, nor the executive branch in its power to appoint the Chairman and some of the members, has not been able to have any kind of accountability flowing from the Federal Reserve Board.

As a result, Americans know and are feeling now the effects of this unaccountability of power because it is the power that determines the allocation of a credit, who does it, who will benefit, who will have access to credit which always from the beginning of our nationhood has been the central question.

With the Federal Reserve insisting that it has an almost divine right to retain its regulatory function over bank holding companies, as I brought out last night and the night before, it may come as a surprise to some that the central bank came into this position of power as an accident of the political battles with the Nixon administration.

For example, interest rates: All during the war, President Roosevelt and the Government did not have to pay even an average of 2 percent on its borrowing to wage and win the war. How did that happen? How could that have been done when now the Government has to pay not only interest of huge amounts, in fact, just a few years ago it was paying as much as 16 percent on long-term bonds, which is usury, but worse than that it is compound interest. We keep going that way and forget about ever resolving the national debt, which is now really not acceptable, over $4 trillion, and that does not account for the private debt, that is us Americans, and corporate debt, which is almost equal to that governmental debt.

So we are in deep trouble, and it is the policies set by a board that has no responsibility to account for its actions to anybody. In the name of what? Independence.

So what? The difference is that after the war and when we went into the 1970's and the Nixon administration, things happened that changed everything from the management of the debt and the handling of the debt and the function that the Congress set forth for the Federal Reserve Board has been usurped. The Federal Reserve Board Act of 1913 says the Federal Reserve Board shall be the fiscal agent of the U.S. Treasury. But, lo and behold, it is the one that is printing our money.

I ask my colleagues to reach into your pockets and pick out any note, a $1 note, $5 note, $10 note, $20 note, and see if you do not see "Federal Reserve note." That used to be, not too long ago, "U.S. Treasury note." Therein is a big story.

But during the Nixon period, in the banking industry, then under the head of Paul Volcker, later the Chairman of the Fed, who was then at the Chase Manhattan Bank, presented a plan to scatter the Fed's regulatory authority to three different agencies. And the rest is history.

I will continue to bring out the sorry and dreary results to the detriment of Americans who find themselves, as Jefferson said we will find ourselves, "Americans homeless, rootless in our own land," made so by the bankers.

Mr. Speaker, with the Federal Reserve insisting that it has an almost divine right to retain its regulatory functions over bank holding companies, it may come as a surprise to some that the central bank came into this position of power as an accident of political battles with the Nixon administration. Some would also be surprised that the Nixon administration's Treasury Department with its banker leadership including Paul Volcker, then at Chase Manhattan Bank, presented a plan to scatter the Fed's regulatory authority to three different agencies. It was the great former House Banking chairman, Wright Patman, who was compelled to choose the lesser of two evils in 1970—to allow the Federal Reserve to retain its present authority just as the holding company plan of organization was beginning to spread throughout the banking industry.

Over the last two decades the holding company form of organization of banks has exploded. Today the Federal Reserve regulates holding companies, which have 93 percent of the country's banking assets. Before the 1970's the Federal Reserve had few regulatory responsibilities and it did not protest or cry that it needed to supervise banks and bank holding companies in order to formulate monetary policy.

The historical record shows this endowment of regulatory power is merely the result of political fights in the 1960's and 1070's between former House Banking chairman, Wright Patman, the Office of the Comptroller of the Currency—which examines national banks—and the Nixon administration, which wanted to weaken control over bank holding companies by giving it to three banking regulators. To avoid this scenario, the Congress passed legislation in 1970 giving full authority to the Federal Reserve to regulate bank holding companies.

Although the 1933 Banking Act provided for mild regulation of bank holding companies, it exempted most one-bank holding companies ostensibly on the grounds that they were small local enterprises that shouldn't be subject to "onerous regulation." The Federal Reserve historically had been conservative in its approach to nonbanking activities and had established relatively narrow limits on bank holding companies' activities after the passage of the 1956 Bank Holding Company Act.

However, in the 1960's, the Office of the Comptroller of the Currency, beginning with Comptroller James Saxon, allowed holding companies to branch to the outer limits by approving a variety of nonbank acquisitions and activities by national banks, even though existing law prohibited banks from getting into nonbanking businesses. Eventually, Comptroller Saxon had to defend his positions in lawsuit after lawsuit brought by entities threatened by the entry of banks into their business. Saxon lost consistently in the courts.

The Comptroller's liberal policy was a bonanza to large banks. By the late 1960's large banks—anxious to bypass the law and expand their role in commerce—had seized on the loophole and formed one-bank holding companies that branched into a wide range of activities—even Shakey's Pizza Parlors and S&H Green Stamps. With the explosion of the myth of one-bank holding companies being sleepy rural entities, the banking industry saw the opportunity to weaken federal restrictions on multi-bank holding companies as well.

The Nixon administration took up the cause of both reducing regulation of bank holding companies and taking regulatory authority away from the Federal Reserve. Even before Nixon took office, his transition team made it clear that holding company legislation would be one of the administration's first initiatives.

President Nixon's Treasury Department—headed by David Kennedy, president and CEO, Continental Illinois National Bank, Charles Walker, executive director, the American Bankers Association, and Paul Volcker of Chase Manhattan Bank and later, Federal Reserve Chairman—drafted legislation which broadened the closely related clause for holding company activities and scattered the regulation among the three banking agencies—the Office of the Comptroller of the Currency, the Federal Reserve, and the Federal Deposit Insurance Corporation—with the regulator of the lead bank getting the jurisdiction over the holding company.

Former House Banking Chairman Wright Patman dubbed this the "three-headed monster." To his credit, when Paul Volcker later went to the Federal Reserve, along with Chairman Arthur Burns, he exhibited some caution on nonbank activities of holding companies.

Chairman Patman, after President Nixon's election, introduced legislation the first day of the new Congress that retained existing requirements for close regulation of holding companies and retention of holding company authority by the Federal Reserve. The 1970 amendments to the 1956 Bank Holding Company Act put the holding company regulatory functions exclusively at the Federal Reserve.

Anyone who interprets Congress 1970 preference for Federal Reserve regulation of bank holding companies as some kind of historical endorsement for the continued presence of the Federal Reserve in the regulatory structure is missing the point of the 1967–1970 fight. As far back as the 1950's, Chairman Patman was a staunch proponent of a single bank regulator which would have stripped regulatory duties from the Federal Reserve. He was forced by the Comptroller of the Currency and the initiatives of the Nixon administration to settle for leaving the regulation of holding companies with the Federal Reserve.

The historical record hardly supports Federal Reserve Chairman Greenspan's arguments for the vital need for this regulation. Chairman Greenspan is waging a classic turf war on behalf of the Government bureaucracy largely controlled by the bankers. This is why I urge my colleagues to consider the new, independent single bank regulator advocated by the Clinton administration, which will prove more cost-effective and less duplicative than our present Federal bank regulatory system.

H.R. 3982, THE OCEAN RADIOACTIVE DUMPING BAN ACT OF 1994

The SPEAKER pro tempore (Mr. LAUGHLIN). Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 5 minutes.

Mr. WELDON. Mr. Speaker, yesterday, Chairman ORTIZ and I introduced the Ocean Radioactive Dumping Ban Act of 1994. The act conforms the U.S. law to the international treaty known as the London Convention which, effective February 20, 1994, banned the dumping of radioactive waste at sea.

Currently, the ocean dumping of radioactive waste is regulated under the Ocean Dumping Act [ODA]. The ODA allows dumping of radioactive waste only after Congress has passed a joint resolution authorizing the dumping. Although this provision has been in force since 1985, Congress has yet to authorize any radioactive dumping.

For decades, U.S. law on ocean pollution has been more stringent than international law. At the time of enactment, the radioactive dumping provisions in ODA were among the most restrictive in the world, going well beyond international treaty obligations. That is no longer the case.

The Ocean Radioactive Dumping Ban Act corrects this by eliminating ODA's current arduous permitting process and replacing it with a simple ban. It ensures that the United States retains its leadership position in protecting the world's marine environment.

The relevance of the United States' banning radioactive dumping is far reaching. Historically, the United States has set international policy on ocean dumping of radioactive waste. Until last year, the United States had resisted an international ban. Through the United States influence, the issue was left unresolved.

That all changed last November, when the Clinton administration reversed the United States policy and announced its support for a ban. The reversal, which was brought on in part by heavy lobbying from the Global Legislators Organization for a Balanced Environment [GLOBE], enabled the international community to amend the London Convention to ban the ocean dumping of nuclear waste.

As the ranking Republican on the Oceanography, Gulf of Mexico, and Outer Continental Shelf Subcommittee and the newly appointed chairman of the GLOBE Ocean Protection Working Group, I have spent the last year working to eliminate radioactive contamination of the sea.

On September 30, 1993, at my request, the Oceanography Subcommittee held a hearing on the threat of contamination from the Russian dumping of nuclear waste. For four decades the former Soviet Union, and now the Russian Republic, has been dumping nuclear waste from nuclear submarines and weapons plants into the world's oceans. The information gathered by the subcommittee was sobering.

The West's first concrete evidence about the dumping came last summer following the release of the Yablokov Report, which was commissioned by President Boris Yeltsin to detail the extent of Soviet nuclear disposal at sea. According to the report, the Soviet Union had dumped over 2.5 million curies of radioactive waste into the Arctic Ocean and other marine environments. By comparison, the accident at Three Mile Island in my home state of Pennsylvania released 15 curies of radiation.

During the hearing, the subcommittee discovered that since 1959, the former Soviet Union dumped 18 nuclear reactors, a reactor screen 11,000 to 17,000 cannisters of nuclear waste, and hundreds of thousands of gallon of liquid radioactive waste. It also learned that solid nuclear fuel waste totaling 10 million curies is currently stored aboard vessels in Murmansk Harbor.

Even after the fall of communism, Moscow has continued to dispose of radioactive waste at sea. In October 1993, Russia dumped 900 tons of low-level radioactive waste in the Sea of Japan in violation of a previously agreed upon international moratorium. According to Japanese press accounts, high ranking Russian officials have admitted that ocean dumping is likely to persist.

The Russian Federation's actions following the October dumping have only reinforced these fears. Russia was one of only five nations to abstain from voting to approve the London Convention radioactive dumping ban in November 1993. Then, just last month, it became the only nation to declare its intent not to comply with the new international ban on dumping.

Hopefully, with pressure from the United States, the Russian Federation can be convinced to change its policy. With ten million curies of radiation stored aboard ships in Murmansk Harbor and awaiting disposal, the risk to the marine environment is significant if we fail.

Clearly, the world's oceans should not be used as nuclear disposal sites. Before the United States can pressure Russia to comply with international law, we must set a strong example ourselves. We must pass H.R. 3982 and ban this destructive dumping once and for all.

Mr. Speaker, only through strong U.S. leadership is there any hope that the ongoing nuclear contamination of marine environments can be stopped. I encourage all my colleagues to join me in this effort by cosponsoring the Ocean Radioactive Dumping Ban Act of 1994.

□ 2000

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAUGHLIN). Under the Speaker's announced policy of February 11, 1994, the gentleman from Ohio [Mr. KASICH] is recognized for 60 minutes as the designee of the minority leader.

THE REPUBLICAN BUDGET ALTERNATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. KASICH] is recognized for 60 minutes.

Mr. KASICH. Mr. Speaker, I want to take a few minutes tonight to talk a little bit about the Republican budget alternative, the putting families first, Kasich, Republican, budget that will be voted on tomorrow, we believe, and I know that maybe some of our listeners are a little bit tired of all the budget talk they heard today. I know some of the people are tired of listening to this discussion about the budget. But I know they are not tired of thinking about the fact that each one of them may qualify because they have children who would be eligible for the $500 tax credit.

More on that later for those that are listening. I want to go back and kind of paint the picture of where we have been in the last 15 months.

I say to my colleagues, you might remember that last year the President came up here, and he said, "If you don't like my tax and spend program, then, Republicans, let us have your specifics," and so the budgeteers sat down, and we basically began to reinvent government, and we put our specifics on the table, and what we did is we said that we would be able to reduce the deficit by as much as the President without a tax increase.

Mr. Speaker, we sent our specifics down to the President. He rejected them. We sent them to the majority party, the Democrats, in the committee. They rejected them. We came to the House floor, and we were rejected here. They were not interested in our specifics to offset their taxes.

But we did not quit. The reconciliation, or tax bill, came to the House floor, and the President said, I would say to the gentleman from Connecticut [Mr. SHAYS], the President said, "If you don't like my specific taxes, tell us how you would get rid of them," and we did. We gave our specifics about how to reduce the influence of the Federal Government in all of our lives and to have deficit reductions through tax increases because we fundamentally believe that big government, big taxes, and big regulation stifles economic growth in this country.

Well, they did not like our proposal that time, beat us again in favor of more for Washington and less for the people.

Well, Mr. Speaker, then the gentleman from Minnesota [Mr. PENNY] and I got together, along with a distinguished group of legislators, and our goal was to try to reduce spending again by a penny on a dollar to get the momentum rolling for change in this country. We sent our specifics to the President. He said he did not like them. So did the vast majority of the majority here. They said they did not like them, and so one more time they beat down our specifics that were designed to downsize the Government, to reduce the influence of Washington. They voted at that point to give more to Washington and less to the people.

And then this year the President came for his State of the Union speech, and he said, "You know my budget is the toughest budget ever, toughest budget in 40 years." I do not remember exactly his remarks, but he claimed that he was sending us a tough-minded

budget, and, as I pointed out today in the debate, if we let these automatic spending increases occur as provided for under law, if in fact we put the Government on automatic pilot and the President had not sent his budget to Capitol Hill, we would have lower deficits and lower spending than the budget that the President sent us.

And so Republicans said, "We can do better," and so I would say to the gentleman from Connecticut [Mr. SHAYS] that we got together again, and this time we got even more serious about reinventing government. We privatized programs. We consolidated programs. We eliminated some of the programs like the helium reserve and the Interstate Commerce Commission. We decided on elimination, and privatizing and consolidating programs to eliminate Federal waste and on letting people at home have more control over solving the problems with their money that they send here to Washington.

Basically what the President said is, "I want more for Washington and less for the people, and, oh, by the way, that middle income tax cut—forget it. You can't have it."

And so what we did is we went through all nooks and crannies of the Federal budget, and we truly have begun to reinvent government. But we felt that reducing the deficit was our No. 1 priority, and so what we did was we reduced the deficit in all 5 years by a greater amount than the President, and cumulatively over the 5 years we are $150 billion lower in deficits.

Let me emphasize again, I say to the gentleman from Connecticut and to our other colleagues, this budget that the Republicans will offer tomorrow has $150 billion in lower deficits than the administration.

Now we think there are some other things that should happen as a result of downsizing the Government. We think the family, the American family, ought to share in the benefits of downsizing the operation of the Federal Government. After all, it is their money.

Now this $500 tax credit, $500 per child, per family, up to $200,000 in income is going to be the first installment on an effort by Republicans to try to help the besieged American family, and we pay for it. We are not providing benefits or tax credits to somebody, and taking that money and saying, "Well, we'll pay for it later." We have paid for it in our Republican budget.

We have also said there ought to be a crime bill. We ought to pay for more prisons. We ought to put more police on the street.

We also say there ought to be some real welfare reform, and the leader of the welfare reform movement in the House and frankly, I think, the national leader on this welfare reform movement, the gentleman from Pennsylvania [Mr. SANTORUM], a member of the Committee on Ways and Means, he is going to be with us tonight to talk a little bit about what the welfare reform package is.

And we also make a down payment on health care reform by introducing the Republican health care bill which relies on market forces rather than the Government to begin to fix this health care problem.

And we have also provided help for the American worker. How? Well, not by turning more money over to Washington, but we have provided some help for the American worker by, No. 1, giving business the ability to buy more plant, buy more machinery, become more efficient and more effective and hire more people so we can be even more competitive internationally.

And we also provide for everyone in this country a provision to protect their investments against inflation. Now let me explain that for a second. We index the capital gains tax.

I have some next-door neighbors who are senior citizens. They probably bought their house for, I do not know, $30,000 or $40,000. I do not know what their house is worth now. But I can promise my colleagues that that house has gone up in value not just because of an increased value on that home, but because of inflation driving up the price of that home. If they should sell that home, I do not think they should have to pay taxes on the inflation value of that home.

So, we are not only trying to help business and the American worker by making it more possible for them to expand and export, to have higher productivity, but at the same time we are also saying that we will index the capital gains for industry and for individuals, and at the same time, Mr. Speaker, of course we want the American family to share in a piece of the reinventing government that we have started in this Congress of the United States.

Imagine $150 billion in lower deficits under the Republican plan, $500 per child, per family, up to $200,000, more incentives for business to expand and hire people, a crime bill, a welfare reform bill, the down payment on health care, all within this package.

□ 2010

I would say there is no reason to vote against this proposal, because do you know what this proposal represents? This proposal represents more for the people, and less for Washington. And that is how it will be judged on the vote tomorrow, should it come tomorrow, or next week, if it comes next week. And it will be judged for the rest of this year. Decide who you want to choose up sides with, just like when you were a kid picking teams at a baseball game. Do you want to choose to play on the team with the Washington establishment, or do you want to vote to help the people of this country who are back home in the districts we represent?

Mr. Speaker, at this time I would yield to the distinguished gentleman from Connecticut [Mr. SHAYS], a member of the Committee on the Budget, who has done such yeoman's work in terms of aiding our effort, all of our team effort, to reinvent government.

Mr. SHAYS. I thank the gentleman for yielding. I am struck by your talking about what happened in the last 15 months. When the President presented his plan last year, I remember you had already got us working on the Republican side of the aisle to start to find ways to match the President's numbers on deficit reduction with no tax increase.

We spent 2 months before the President actually even began his plan. When we knew his numbers, then we started to come forward with a deficit reduction package of $500 million without a tax increase.

I remember it wasn't easy at first. When we did this, some Members in the caucus said why should we do this? We are not in control. But you and others felt very strongly, and I felt that some way, that it was our job to show that you could balance the budget with no tax increases, or at least meet the President's numbers with no tax increases. And we did it.

The impact of that was significant, because the President came in with $3.53 of taxes for every dollar it cut in the increase in spending. And you got them to realize they had to cut more, and they did. And they got their numbers down to $1.50 of taxes for every $1 of spending cuts.

What you did not say, which I wish you had said, was that when the President got his package through it was considered a great victory. He got it through by two votes. And if one Member in the House had not voted, it would have been a tie vote and would not have passed. But to get it through, the Speaker of the House said this is just the beginning. We need to cut more. We need to cut more spending, get this deficit down. This is just the beginning. And he promised that there would be the Penny-Kasich opportunity, that Mr. PENNY would have an opportunity.

Mr. PENNY comes in a bipartisan basis, and you put forward a plan with others. And we go to the White House and say, you asked for specifics; we are giving you specifics. You said work on a bipartisan basis, and Mr. PENNY is doing that with us. And now we can move forward; $90 billion of cuts. And the White House snuffed it out. They worked hard against it, as they are doing now.

I see we have the expert on welfare here, and I just am intrigued by his comments today. I would like to return the floor to him very quickly. But I

just want to make this point to you. It just astounds me that rather than opposing this package, the White House would not support it.

We have $150 billion of cuts, $150 billion of cuts, specific cuts. We reform welfare, we reform immigration, we have crime control, and we have a plan that, while I was not an advocate as strongly as others, we are returning $500 to the family of every child. And if there are two in a family, they get $1,000, and it is to the families that need it.

It just seems to me that there is every reason to support this package. The choice tomorrow is we can go with Mr. Clinton's plan, or we can go with the Kasich Republican plan. The Kasich Republican plan is $150 billion of deficit reduction over 5 years, welfare reform, immigration reform, reorganization of government, consolidation of programs.

You know what? This wasn't a sudden plan put together in a week or two. This was the culmination of what happened 15 months ago. You started us 15 months ago on this plan. When our plan was defeated in March, we kept working on it, and this is the result of a lot of hard work. And I just hope that tomorrow we are going to see Democrats willing to step forward in support of a plan that truly deserves bipartisan support.

I would like to continue to participate, but we have others as well, and I yield back.

Mr. KASICH. I would like to yield to the distinguished gentleman from Pennsylvania [Mr. SANTORUM]. I wish you would just take 5 minutes, that is a long time in a special order, but take a little bit of time, if you would, and repeat for our colleagues tonight what you talked about today, the SSI Program, because I would say to the gentleman, Members came on the floor as you were talking and they were locked in place, they were really locked in disbelief of what you were saying. And then maybe give a little broader explanation of what our welfare reform package does.

Mr. SANTORUM. What I talked about today was the explosion of the SSI Program with respect to drug addicts. There is an odd provision in the Supplemental Security Income Program that allows drug addicted individuals who are so badly addicted to drugs or alcohol that they can no longer work, and as a result, they are eligible for cash assistance, they are eligible for treatment, and they are eligible for Medicaid.

In 1985 there were about 4,000 people on this program. Today, as of 1993, there were almost 80,000 people in this country who are on that program. That sounds like an explosion of a program. It is roughly $300 million we spend on drug addicts who are so addicted that they simply cannot work.

What happens? Well, I asked the Commissioner of Social Security, I said now, these people are required to be in treatment in order to get them off their drug addiction so they can get back into the mainstream of life and off SSI. What percentage of the people in this program are on drug treatment?

She said, well, anywhere from 3 to 9 percent. Even though they are required to be in the program, in order to receive the cash, only about 3 to 9 percent are in the program.

I said, well, what are you doing with the other 91, 97, whatever, percent of the people who aren't in treatment? She says, well, we do not know where they are. We simply send them the check.

Now, the odd thing is they do not really send them the check. They send the check to a representative payee, because the Social Security Administration figured out you don't send a check to drug addicts. You send the check to someone who manages the money for the drug addict. So the money is sent to someone who is appointed to receive the money for the drug addict and take care of their funds.

The problem is the General Accounting Office testified at this same hearing a few weeks ago that in ever increasing numbers, the person turning out to be the representative payee is the drug dealer or the bartender. There is the case in Denver, CO, of a bartender who receives almost $16,000 a month in SSI cash benefits to take care of the alcoholics who visit his bar.

Now, it even gets worse. I asked the Social Security Administrator, I said, now, how effective is this program? And she said we have—listen to this, I didn't say this today—in the history of this program, in the history of this program, there has not been one documented case of anyone getting off this program because they have been cured of their addiction. They have absolutely no evidence that anyone has gotten off this program.

Mr. KASICH. Let me ask the gentleman, if I could get him to yield for just a second, does the Kasich Republican budget begin to address this problem?

Mr. SANTORUM. It hits it right between the eyes.

Mr. KASICH. Does the Clinton budget address this problem?

Mr. SANTORUM. Let me tell you what the Clintons are doing now that you mentioned it. We found, and the Social Security Administrator reported to us, that three States have 60 percent of these 80,000 drug addicts, 3 States, California, Michigan, and Illinois.

Now, you say wait a minute, California, Michigan, and Illinois, they are big States, but certainly not 60 percent of the population of this country. Why do they have such a disproportionate number?

The reason, because the Social Security Administration figured out that these people are sick and they need our help. And so we are going to set up outreach centers, and they did, several years ago, in Chicago, in Detroit, and Los Angeles, to go out and find drug addicts and alcoholics to sign them up so they can receive Government benefits, Medicaid, and drug treatment.

Now, the Social Security Administration says this has been so successful because the program has grown so dramatically, this is success in Government terms, getting more people on the benefit rolls, that they are now going to set up outreach centers in every State in the country, in all major cities, to go out and find these people and bring them into the system.

They just set up one in Washington DC. They have 18 now in the pilot program, and they are going to expand it even further. That is what the Social Security Administrator told us at the hearing, this is a successful program. This program will double in size. The number of people in this program will double in size.

□ 2020

Now, that is what we talked about as one aspect of the SSI problem. There are many more.

Mr. KASICH. Does the Kasich Republican budget alternative begin to address this problem?

Mr. SANTORUM. It hits it right between the eyes. We simply say this: We say that if you are someone who is on this program, we will do a drug test. And if you fail the drug test in the sense that you have an illegal substance in your body, and you fail that drug test, then you will be removed from cash assistance and Medicaid. You will continue to receive drug treatment. We will give you drug treatment as long as you need the treatment in order for you to get off. We will allow you to come back and test again after a period of time to see if you have gotten off drugs. But we are not going to continue to subsidize behavior which is, in fact, destructive.

The basic premise is, if you want more of something, subsidize it.

We are subsidizing the kind of behavior that is not what we want to see in this country, and so that is the solution that we put forward. We believe it saves not only a lot of money, but we think it sets the right kind of response.

Mr. KASICH. That language is not contained in the Clinton budget.

Mr. SANTORUM. It is not only not contained in the Clinton budget, but as I suggested before, they wanted to expand this program.

Mr. KASICH. Would the gentleman spend a few minutes talking about the bill that he has pioneered here that is included in this budget, the welfare reform section.

Mr. SANTORUM. The welfare reform section, not only does it save $20 bil-

lion, I know that is one of the major reasons it is in this bill, because it saves a lot of money, but it does what is really consistent with the Kasich, and I just have to commend CHRIS SHAYS for the tremendous amount of work that he has done on this bill. There is not anybody who comes to the floor and is more diligent in trying to get this budget reduced, and willing to put forward and put their good name on the line every single day—to come out here and do that. I want to commend you for your work on the committee and here on the floor.

It is consistent with what you folks have been trying to do, which is to do programmatic reform, to try to come up with, in a sense, reinventing government to make it work better, to create the right incentives.

What our plan simply does is attack the two major societal issues that lead to poverty in this country. One is obvious, nonwork. People do not work, they are poor. In fact, 86 percent of families who have no workers in the family are in poverty. That does not come as any surprise to most people, except when you look at what happens when people work.

If you take families with one full-time year round worker, if you have families, if you look at all families that have one full-time year round worker, whether it is two parents or single-parent families, only 6 percent of American families that have one full-time year round worker are in poverty, versus 86 percent that have no workers that are in poverty.

Work pays. What we need to do is get people to work in jobs so they can get out of poverty. How do we do that?

The Republican plan tries to be, in a sense, to strike a cord of bipartisanship in reaching out to the President, reaching out to the Democrats, and say, we will adopt your 2-year limitation on welfare and then require work. And we have some very serious provisions that if you do not work, if you do not work, you do not receive your benefits. Simple as that. You lose the cash portion of your benefits.

It is a requirement, and it is a requirement to give you an opportunity to get out of poverty. What we need to do is to move these people and give them the opportunity to go out and work, to learn the ethic, and to get up every morning, get ready, and go to work, and get their children off to school. Most working families in this country, all working families in this country, do in America.

So we think that is a very important part of the plan. It is in here, and it is something that we hope to get a lot of support for.

The second problem is the problem of out-of-wedlock births, illegitimacy. The numbers are just astounding, the growth of children born out of wedlock in this country. Sixty-eight percent of all African-American children born in this country are born out of wedlock. Twenty-two percent of children in the white community are born out of wedlock. That is a startling number. It is one that is, frankly, as many are considering, the biggest societal problem that we have. Because it, in fact, has dual consequences of, No. 1, having a bunch of young males not attached to families out in communities joining with gangs instead of moms. And you have children being raised in single-parent families where mom is being stretched to the limit and not able to provide the kind of nurturing and support needed and—that fathers are so important for young children. So we have both of those problems being created by the problem of illegitimacy.

It is causing a disintegration not only of families but a disintegration of communities and neighborhoods and is the root cause, in my opinion, of the crime problem in this country.

We take a very pro-active position on that. Two ways: No. 1, fathers.

Fathers are often ignored in welfare debates. We do not ignore them in this case. We say fathers are necessary. Fathers are no longer disposable, that fathers are going to be encouraged to stay with families, that we are not going to penalize families if fathers stay, which is what we do now.

If dad leaves, mom gets more money, which is the perverse incentive that the welfare system creates.

We changed that. We allow States to allow the benefit to continue, even though the father who is not married to the mother may be around or living and supporting the child. That is No. 1.

No. 2, we find out who dad is. Over half the children on welfare today, who are born out of wedlock, do not know who their fathers are. That is absolutely unforgivable, and it is not necessary. Because the fact of the matter is, mom knows who the father is. So what we have to do is somehow convince mom that it is important to have both mother and father supporting children and that we are not going to say that fathers are okay to leave.

So what we do is, we tell mothers that they have to give us the name of the father in order for them to be eligible for welfare benefits, if they so want to apply.

Mr. SHAYS. One of the things that is so clear in this budget, because of the good work that you have done, is that we know that 12-year-olds having babies, 14-year-olds that are selling drugs, 16-year-olds that are killing each other, 18-year-olds that cannot read their diplomas are the legacy of a welfare State.

What we are trying to do, as Republicans, is be pro-active and recognize that Government has helped create the very problem that we are now left with.

The incredible story you tell of the Government sending money to people to further their addiction is just a continuation. It furthers that process.

I was speaking with JOHN KASICH about it. He said, "This just points out where Government is headed and what we need to do."

What I like about the Republican plan and what you did is, it is not like we stand back and say, no, Government cannot get involved. We just realize that Government is involved in the wrong way. We need to switch it around, get Government involved in the right way and change it.

To me, that is what President Clinton said he would do. He was going to change America.

Mr. SANTORUM. And welfare, as we know it. And if you look at some of his early drafts, over a year into his Presidency and his No. 1 campaign issue that made him the moderate that he was has still not been delivered to the Congress and the United States. We are still waiting. If you look at the preliminary documents being circulated, they are not even close to ending welfare as we know it.

I would argue that they extend welfare as we know it. It is not a bold plan. It is not a dramatic plan. It is a sellout plan.

What we have done in this budget is put forward a plan that is meaningful, that changes behavior, that sets expectations, that demands responsibility, that says that the American people are very giving and loving people and they want to help, but they do not want to encourage a lifestyle that is simply unproductive and unsafe for this country and for its future.

If I could just finish, the other thing we do is something that a lot of conservatives are pushing for to be done across the board. A lot of pressure is coming these days to say that if you have a child born out of wedlock, no welfare benefits. That is the end of discussion right now, to cut all children born out of wedlock and moms off welfare.

We believe that that maybe makes nice philosophical talk and that you do not want to encourage behavior that in fact you think is not necessarily productive for a society.

□ 2030

But that is a rather dramatic step to take on a theory. So what we have suggested is let us apply it to the population, on those who it makes the most sense to try that theory out, and that is the young children, teenagers who have children out of wedlock. They are predominantly, almost exclusively the welfare-dependent population of this country, because if you have a child at 14, and do not finish school, and you end up on welfare, you are probably going to be on welfare for a long, long time.

So what we have done is focus in on that generation because No. 1, there is

a potential for long-term and massive destruction. No. 2, in fact because they are younger, they have more of an ability to be influenced by society and by rules and regulations. And No. 3, they have a family network which has a legal obligation, if not a moral obligation, to continue to support them until they get out of their teenage years.

So what do we do? We end welfare for minor children who are under the age of 18 who have children. No cash benefits; no housing benefits. They are required to live at home, and we are requiring and encouraging people to do exactly what the gentleman from Connecticut said, which is to replace the Federal Government's role of giving people fish and saying it is time for the community, the family, the individual, the churches to begin to take back these people, to begin to say that they in fact are the principal folks who are going to help care for the poor and give the poor the opportunity to rise up in our society.

I have done about 30 meetings on welfare reform around the State of Pennsylvania, and the theme that I keep hearing come back and back is the story of a Government that is taking over more and more of our lives and making us not only dependent on Government, but less dependent on each other. We are a country that used to know who our neighbors were, all of us. We do not anymore, or not as much anymore. We are a country that used to be committed to organizations, used to go out and do a lot of community service and be committed to each other, and to support each other as a community. If we look at the VFW's, if we look at the Rotarys and all of these clubs, they are declining in enrollment. There was an article the other day on record clubs. Record clubs used to sell long-term contracts to buy records. They can only sell 1-year memberships now. Why? Because Americans will not commit to anything longer than that.

You see we have become more isolated as a country. Government has done more for us. We pay our taxes and then it is not our job anymore. It is somebody else's job to take care of my next-door neighbor. It is not my job. I am too busy. I have too many things to worry about myself. That is what the danger is in our society.

I will give the best example. I was watching the Olympics the other night and I saw the biathlon coach for the United States who was from Lithuania. He was talking about his sister who is still in Lithuania, and he got a call from his other sister just before the Olympics, and she called and she told him that his sister was dying, his other sister was dying in the hospital. She had sepsis, a massive bacterial infection, and that there was not any medicine in the country, and no one would get the medicine, it was available other places but no agency, no individuals, no institution would take the time or take the trouble to go out and save this person who could be saved. So what did he do? He called his friends. And they were able to organize and get the medicine, and someone else got him to the airport in New York, someone else bought the airplane ticket, all individuals, and they flew him over to Lithuania and he saved his sister's life. And what he said was so important and so central to this debate as to what welfare will be. He said, "In my country, in my old country of Lithuania, because of government-run institutions, and because of socialism for so many years, people do not care about each other anymore. In America we are a great country because we do."

Mr. KASICH. Mr. Chairman, I want to thank the gentleman for taking the time to talk about this very important section of our bill. I think we are all disturbed about the fact that the President came here and he gave a beautiful speech where he talked about all of the things that he wanted to see done, but you know, it is kind of like the middle-income tax cut. The President said the centerpiece of any economic program that he will present to the American people will be a middle-income tax cut. Of course, we still do not have it.

But the Republicans are going to give everybody in this country a chance to vote on a tax credit for children, paid for with a budget proposal $150 billion under the President's by downsizing government. We reduce the deficit, then give the American family a piece of those savings. After all, they are the ones that sent all of the money here to begin with.

I wonder if the gentleman might have a comment on the tax credit.

Mr. SANTORUM. I would love to comment, and then I would like to yield to my colleague from Iowa [Mr. NUSSLE]. We always like to say in the 102d Congress we were the two youngest Members of the U.S. House of Representatives, and both of us have two young children. He has Sarah and Mark, and I have Elizabeth and little Johnny, not named after JOHN KASICH, I would add. But we both have two young children, and we care very much about families.

What we have done to the American family over the past 40 years in this country is simply criminal. What have we done? I always say, you know, when I was growing up and I was a kid, I used to watch Leave it to Beaver, and I used to watch "Ozzie and Harriet," and I wondered how Ward and June Cleaver did it, how they could live in that nice house with just one person working, and Ward got home at 5 o'clock in the afternoon, and how did they do it? How were they able to survive in America living in that situation? I do not know whether there was a Ward and June Cleaver ever, but I can tell you that there were better chances for it in the 1950's. Why? Exactly what the gentleman from Ohio was referring to. We were a lot friendlier in the tax code to families. The average American family in the 1950's paid 2 percent of their income to the Federal Government in taxes, 2 percent of the average-income family. Today that same average-income family pays 24 percent of their hard-earned dollars to Washington, DC. The principal reason for that is the dependent tax deduction. If you had taken what the dependent tax deduction was in the 1950's and indexed it to inflation, then instead of it being $2,650 for a dependent or per child today, as it is today, it would be over $8,000 per child.

What have we done with all of this money? What we have done by taking all of this money away from families is that we have paid a bunch of people here in Washington to help you. I think a lot of Americans back home are saying stop helping me. Let me keep my own money and let me take care of my own family.

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

Mr. KASICH. I am happy to yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Speaker, I think that is exactly right. And I would just comment on the thrust of some of the comments the gentleman made when he was wrapping up his conversation on welfare.

Do you know what struck me? It was when the gentleman was talking about the organizations that have maybe gone a little bit south and have not had some of the support they had in the past, and the fact that we do not know our neighbors, and maybe we seem to be a little more closed off and that we are not as responsible. And the thought came to my mind that really what JOHN KASICH is trying to do, and the people that supported his plan, and those of us that have tried to add our 2 cents to his effort is we are really trying to recapture the American dream. That is really what this is all about.

The $500 per child tax credit is just one very small downpayment on that American dream.

I just looked through the information that we had here on what the $500 per child tax credit would mean to my State and to my district. We always talk about it in this Chamber, and even over at the Senate as well about how we are able to bring home the bacon to our folks. And maybe it comes in the form of a road sometimes, maybe it comes in the form of a research grant another time, but it is usually snuck through in a special project. Here is something very demonstrative that we can do for every child in our district. We can give them an ability to start to recapture the American dream, put a downpayment on it, if you will. Just for my district it is $61 million, $61 mil-

lion, and for my State, $303 million, just for my State alone. That is what this downpayment that we give for every child in this country would mean, a downpayment on the American dream.

And I think we still see some glimmer of hope. I would not say the American dream is yet something that we have lost. But I do think we have to start fighting for it.

The way I like to describe it is I am a volunteer fireman in Manchester, IA, and one of the things that always struck me as interesting was that when I went out to a fire, let us say it was a farm, maybe a barn was burning down, right after the fire trucks came over the hill to help try and put out the fire, then the neighbors came in the pickup trucks, usually with a covered dish of some sort to help out the family. They are neighbors, they are doing more than maybe their fair share. They are being responsible, they are reaching out. There is no Government program. There is no research study that says how much a damaged family from a fire might eat in casseroles in one evening. We do not need the Government to do it, and yet we still have that American dream, we still have that neighborly attitude in many parts of this country. And I guess that is what we are looking for. We are just looking for an opportunity to share that.

The President did break, I think, many of his promises. We have already heard about the middle-class tax cut. We are fulfilling the promise through this kind of tax cut to our kids.

□ 2040

Welfare was a centerpiece of his campaign. You give it to the American people through your plan, through the Kasich plan, and I think that is exciting.

Crime: We are able to fund our crime bill in here. The President has yet to put his crime bill on the table.

So as Americans look at this and they wonder whether or not they have the American dream and whether their kids, for that matter their grandkids, are going to be able to recapture or renew the American dream, I think the John Kasich plan, the plan that was put together I think in a very responsible way with other leaders of the Republicans in the House and many of us who had an opportunity to add our 2 cents even though we may be new around here, I think is a way to do just that, not only fulfill the promises, but put a downpayment on a process to get there.

I would ask my friend, the gentleman from Arkansas [Mr. DICKEY], and find out if the American dream is alive in the South these days.

Mr. DICKEY. If the gentleman will yield, I have a definition I got in the mail today of several different things. One is if we expect our fathers to take care of us that is called paternalism. If we expect our mothers to take care of us, we call that maternalism. If we expect the Government to take care of us, we call that socialism. If we expect our comrades to take care of us, that is communism. If we take care of ourselves and our neighbors, that is called Americanism. That is what we are talking about, is it not? That is exactly what we are talking about.

Let me tell you something that has happened that is not happening in America for us, that would be a good example for us, and that is in Mexico to the south. We had inflation that was going wild down there, 1,000 percent a year. We had a debt that was out of sight, taxes that were unbelievable, and oppressive, and we had government taking over, thinking that it could do better than private enterprise taking over the economy.

We never would have accepted a NAFTA Treaty if that situation had existed.

So what happened? Without our help and without our example, they said, "We have to raise revenues." So what did they do? They cut taxes. They got the government out of business. They sold or they privatized all the businesses they thought they could run better in the private enterprises, and they got money for that and they also got taxes from the operations because they became successful.

They paid off the debt in 2 to 3 years. Inflation is down to 8 or 9 percent.

Now, how they did that was by cutting spending, by being disciplined, by being just like we are when we in our home budget come to a point where the money that is coming in is not enough to pay out for the debts or expenses, so we stop the expenses and we go back and start paying the debts off. That is what we have to do as a Nation.

I am concerned, because what I am seeing as a freshman legislator in the United States of America is people of this body and of Congress saying to the people of America and to the freshmen and to the inexperienced, "What you are saying to us about cutting spending first is rhetoric. You do not really mean it, because when we start cutting spending, when we start voting for the Kasich or the Penny-Kasich bill or this type of operation or this type of bill, what we are saying is we are going to have to sacrifice, and those people back home do not want to sacrifice." They are saying, "JAY, do not believe those people at home when they say, 'Cut spending first' and that helps them at the barbershop, that helps at the coffee shop and in their conversation and that even helps them with you as they communicate with you, but they do not mean it, because when you start cutting spending, watch what they do."

When we got back to the definition of socialism and communism and Americanism, we have to bring in the fact that we are going to cut spending, and it is not going to kill us.

The people in this body have got to understand that there is life after spending cuts, and that we can raise revenues by cutting taxes.

Mr. KASICH. Let me ask the gentleman, let us go back to the coffee shop in Arkansas. In fact, it would be fun to be there this Saturday to see their reaction. I am going to be in a coffee shop in Westerville, OH, this Saturday.

If you went to the people at the counter and you said, "You know, we have got a budget plan. It really does cut the number of paper clips and the number of trips that bureaucrats make around this country especially in the fourth quarter of the fiscal year, and it is going to mean you are going to not be able to print as many papers," and just look around this place today and all the paper just sitting here, and you are going to have to cut back some of these overhead expenses in the Federal Government, and you said to them, "You know, we are going to take this money, and some of it, tougher choices, and we are going to apply a big, big chunk of it to reducing the national or to reduce the deficit, but we are going to give your kids, we are going to give your kids a little bit of it, we are not going to make your kids pay for it later by giving it to you, we are going to pay for what we are giving them now, but we are going to reduce the deficit by $150 billion more than the President does," and I am going to tell them that at this coffee shop that, "I want to give you a little benefit from that right now for your family who has been under siege," what do you think the reaction would be at your luncheon counter?

I know what it is going to be in Westerville. What will it be in Arkansas?

Mr. DICKEY. Let me tell you what I think is going to happen. I think Arkansans, we are proud people and independent, and stand up and say, "You are not giving me anything. This is money that I have earned. You are just not taking it from me." That is the first thing that I think Arkansans would say, particularly the people in the fourth district. They would say, "You all," being the Government, "are not earning anything. We are the ones earning it. We are giving it to you. You are acting like you are giving it back to us."

Then they would say, "Yes, we can spend it better than the Federal Government, and there will not be any middleman in the way to take our money and be inefficient with it."

Mr. KASICH. In other words, if people in that coffee shop have the money in their pocket rather than sending it to the Government and somehow it filtering down and, of course, that $500

that they would have sent up here, by the time it would get back to them, instead of giving them the tax credit, by the time it gets back to them probably it would not be enough to buy a cup of coffee with, they would be pretty happy about this, would they not?

Mr. DICKEY. Let me say this, $53 million in my district alone will be given or will be kept by the people in the fourth district if this vote is passed. That money will then multiply. That money will then bring more revenue and more taxes into the coffers in my opinion because it circulates seven times.

Mr. KASICH. Do you not think these same folks in this country would say, "You know, I do not want to have a tax credit if we are going to lay it on other people?" Would they not feel good if they knew we made choices so that we made this money or so that we could refund some of this money to them?

Mr. DICKEY. Yes, sir; yes, sir.

Mr. KASICH. It is hard to believe, is it not, I say to the gentleman from Arkansas, that we could actually have a package that has crime reform, welfare reform, health care, and incentives to business, some refunds back to the children of these folks, and still have $150 billion in lowered deficits; can you imagine how anybody would come here and vote no on that and vote for a status quo budget that reaffirms the tax increases from last year?

Mr. DICKEY. Only if the crusted leadership in this body is correct in saying that it is rhetoric. I do not believe it is rhetoric. I think cut spending first is what the groundswell is from America. I believe what the fourth district is saying is what the rest of the Nation is saying. We have got to start that, and this bill will do it.

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

Mr. NUSSLE. I think there are some people who are going to be able to come here tomorrow and vote no on that kind of a plan, and I think the reason is it is a matter of who they trust.

I see in your plan a willingness to trust the decisionmaking that happens around the kitchen tables of America, you know, when they are balancing their checkbooks, trying to decide how they are going to send their kids to school, to college, what to do about next month's bills; they have got to make some pretty tough choices, in fact, tougher choices than I think sometimes we give them credit for but also tougher choices than we make. We trust them to make those decisions. We trust them to make those better decisions that affect their daily lives.

I think there are a lot of folks around here who do not trust that anymore, that do not trust the power of the individual, the family, the neighborhood, and the community to make those decisions. You not only see it with raising taxes, but you see it manifested in another way that we have not really even talked about and that is the mandates, that is the unfunded mandates, because somebody said to me in a town meeting, they said, "The big print giveth and the small print taketh away." That is exactly right. We have got a lot of small print in the budget that came down from the White House that has a lot of mandates that tell us what to do. Do not give us the money; tell the American families, the American communities how they are going to operate, and yet do not give the opportunity to pay the bills.

□ 2050

And they have to figure out around their kitchen table, with their county supervisors' meetings or city council meetings, how to do that. It is a matter of trust. There are folks who trust people and some who do not trust.

Mr. KASICH. We have mandated relief language in this bill. We also say that we want to decrease the total amount of regulation on this economy downward to a lower percentage of the gross domestic product. Why? Because the lower that amount of regulation is, the more jobs that get created because regulation is a job killer. It increases prices and it kills jobs.

We actually have a provision in here that says that the standing committees—and I say that to my colleagues though we have never even talked about this provision—that we would give the standing committees authority to only regulate to a certain percentage of the GDP. They could not regulate beyond it because regulations beyond it will kill jobs in this country. It is a very unique concept that we are going to begin to push the rest of this year.

I want to say to the gentleman from Iowa [Mr. NUSSLE] that he touched on a very important point about trusting people at home. Part of the way in which we pay for this budget—and it drives me crazy when I try to explain to people why it is we cannot get this adopted—but if you take the nutrition programs of the Federal Government and you put them altogether and you block-grant them to the States, you can save money and increase the amount of money that goes to feed poor people.

Now, why is that? Because if you start money in a Federal agency, every hand that it touches, you are burning up the money. If you consolidate offices and say to the people of Iowa, "We are just going to send you the money. We are not going to put strings on it. You go ahead and feed people in the most efficient and effective way," you save money.

Job retraining: Our idea is consolidate the job retraining programs, send it out to Iowa, to Ohio, to Arkansas, to Connecticut, and to Pennsylvania; send it out there, get rid of all the bureaucrats and let the people out there, the county commissioners, the Governors' offices, the legislature, let them work together to design a job training program to employ people.

Now, if you do not think the people in Iowa, Arkansas, Ohio, Connecticut, and Pennsylvania are capable of doing that, you do not like that program or you do not like that idea. You know, in many respects this is almost like a Reagan budget of the early 1980's. It has tax incentives, but there is a difference: We pay for them.

There is a consolidation of programs, returning to the States the authority, but we also give them the money. This is in a way like Reagan-II.

I know the gentleman knows this, there is just no confidence that the people back home can solve problems for themselves. That is why there are strings and mandates.

The Secretary of Labor, Mr. Reich, came before us and I said, "Why do we have to do job training from the top down? Why not from the bottom up?" He said, "States, if they want waivers to get this money, they can ask for them."

Why do the people in Columbus, OH, have to ask a Federal bureaucrat who does not even know what time zone it is in Columbus for a waiver so they can try to help a poor person get a job? It is just a matter of fundamental philosophy.

The gentleman is right, it is just not family at the kitchen table, but it is the idea that people back across this country cannot solve problems unless there is somebody in Washington telling them how to do it.

Mr. Speaker, I yield to the gentleman from Arkansas.

Mr. DICKEY. Mr. Speaker, I go back to this: Where are we dealing with rhetoric? The rhetoric, it seems to me, at this point, what the people here in Washington are saying is that the rhetoric at home is to cut spending first, but that they do not mean it. They want pork barrel coming in. I do not believe that. I believe the real rhetoric is here with the people in Washington. Those people who are trying to get reelected and say, "We would like to cut spending." The rhetoric is here, it is time for us to show what we really are in this situation. We are going to vote on it. I hope the people of this body will refer back to what the folks at home want and need and vote for this bill and say that the rhetoric is here in Washington, it is not at home.

Mr. KASICH. I want to thank all my colleagues for participating. I understand there have been a lot of calls coming into the offices of our colleagues from people all across America, the ones that we want to help. I hope that the public calling is going to make a difference on deciding whether

you are going to go with Washington, more for Washington, or whether we are going to give incentives and whether we are going to rebate part of the benefits of this program to the American people.

I think it is an interesting debate and a critical debate and one that is just not going to go away.

REPORT TO THE CONGRESS FROM A VERY IMPORTANT GROUP OF YOUNG PEOPLE: STUDENTS, YOUNG ADULTS OF 19TH CONGRESSIONAL DISTRICT OF THE STATE OF OHIO

The SPEAKER pro tempore (Mr. LAUGHLIN). Under the Speaker's announced policy of February 11, 1994, the gentleman from Ohio [Mr. FINGERHUT] is recognized for 15 minutes as the designee of the majority leader.

Mr. FINGERHUT. I thank the Speaker for this time. I thank the majority leader for designating this time for me so that I can make a few remarks for the RECORD which really is more than a typical speech at this time of our session, but rather a report to this body from a very important group of constituents in my district, the 19th Congressional District of Ohio, and that is the young people, students, young adults in the 19th Congressional District.

I have never been more proud of my constituents than I have been on the many occasions, virtually every week that I have had the chance to visit one school or another in my district and talk to the students of all ages about their views of their community, our State, our Nation, and the problems that face us.

During the Presidents Day recess, I conducted a series of very special seminars with the high school students throughout my district. The subject of the seminars was the problem of crime.

Mr. Speaker, I represent three different counties in the State of Ohio: Ashtabula County, Lake County, and Cuyahoga County. In each of those communities the superintendents and principals of the high schools were good enough to bring together students from all of the different high schools, public and private, into a seminar setting where I could meet with them, discuss with them the issue of crime and learn from them what they would like Congress to do.

I explained to the students in each of these seminars that their views on issues are as important as the views of their parents; they are as important as the views of any of my constituents in the district; their ideas are as valid, their perceptions about what is happening in our community are real. That, I feel, all too often we in public life neglect to ask the young people in our communities for their opinions.

I told them that what we are trying to do in these seminars was to reinstitute the process of building a community.

You know, at the beginning of the 19th century Alexis de Tocqueville wrote admiringly of the process that Americans go through in their communities where they meet together, talk together, discuss, sometimes we argue and debate, but we solve our problems through that process.

Together the students, educators, law enforcement officials in my district and I participated in this process. We educated each other, learned from each other in a give-and-take that I hope had an impact on all of us.

The students in all of our districts participated, all three of our districts, participated in the debate over such issues as gun control, drugs in the schools, gangs, criminal sentencing, prisons, community involvement, role models, and other questions.

The students understood, often better than the adults, what commonsense solutions we need to address this most distressing problem in our country, the problem of crime.

I asked the students three questions: First, what are the problems that you face in your communities and in your schools? Second, what are your ideas about what we ought to be doing to solve the crime problem in your schools and in your communities? And third, what are your comments or suggestions about the various issues that the Congress is proposing to deal with the problem of crime?

□ 2100

Let me go through each of these questions and just highlight a few of the answers that I received from the students in my district.

On the question of what the problems are that they face in their communities, Mr. Speaker, I was quite disturbed to hear some of the answers. First they were concerned about the easy accessibility of alcohol, of drugs, and even of cigarettes to minors, to people who should not be able to get any of these substances. Mr. Speaker, they said that it is not a problem for them to have alcohol brought for them by adults, to have alcohol provided to them at events outside of the schools, that it is not a problem for them to get their hands on drugs, if they need to, and, as I said, even some students mentioned the fact that, if they can walk into stores and be sold cigarettes even when they are under age, that that in itself sends a message about what kind of a community it is that we have provided for them.

They also mentioned a very troubling thing about the use of drugs, and that is that in their opinion the peer pressure that should be working against the use of alcohol and other addictive drugs—and of course alcohol is an addictive drug. I separate it out only because our laws provide a different set of rules with respect to these two different kinds of addictive drugs. But they talked about the lack of a peer pressure that is working against the use of these substances.

A number of them referred to the DARE programs in their communities, and a number of students commented that they felt that the programs were too little and too late, that by the time they actually got to the DARE program that their minds had already been formed. Some said that the DARE program, after getting off to an initially strong start in our communities, seems to have tapered off in its effectiveness.

Others mentioned the fact that the antidrug advertising that had been so prevalent on our televisions and our radios for years past had declined. They felt that advertising was effective. They wanted to see that advertising back.

In short, Mr. Speaker, they wanted us to help them with the peer pressure, to make it easier for them to stay off the drugs, to stay off of alcohol.

And finally they said that even good students, even people who you would think are immune from the problem, have gotten involved in gangs. Why? They said two reasons. First of all that even the good students have time on their hands, time that they need to fill, and second that many, many people are simply afraid, and they turn to gangs for safety and the security that they are lacking in the schools, and the parks and the environments that we provide.

Well then, Mr. Speaker, if those were the problems that the students in my district talked about, what were some of the solutions that they had in mind? And I have to say that it was interesting to me and enlightening to me that the students went right to the question of prevention of crime. They understand the question of punishment, and I will come to some of their thoughts on the question of punishment and the question of crime enforcement, but the vast bulk of time and the first many comments in each of the three meetings were focused on the question of prevention.

And what is it that they said more than anything else, and if this Statement does not wake us up all across America, I do not know what will. What they said first of all was, "Congressman FINGERHUT, we need role models. We need to see adults in our community. We need to see our parents. We need to see the teachers, and the business people, and the public figures, and, yes, the entertainers, and the people we see on television. We need to see these people involved in our lives, involved in our daily lives showing us the kinds of role models that we need to stay away from trouble and to be involved in productive and constructive activity."

Mr. Speaker, every parent, every religious leader, every educational leader, every business leader, every community leader should have heard the students talking about the need for role models, and then they talked about the need for a safe environment. They need a place. They want their schools to be safe so they can feel safe in them. They want the parks to be safe so they can feel safe when they go off to be by themselves, and to play and to socialize. They need to feel that the community center are open to them, that the activities that are available to them are safe and are free of the outside influences.

Some went even beyond the need for these facilities to be safe, Mr. Speaker, and emphasized the need for them to be available to them at all. In fact, one group of students in Ashtabula County, OH, stood up and said, "We have no place to go. The parks have deteriorated. There is no clean, safe place for us to go to be together."

I want to comment that one public official who was there, Ashtabula City Manager Joe Varquette, stood up immediately, invited those students to participate with him in a task force to build up the recreational activities in his community. I want to applaud him for his responsiveness, and I want to applaud the students who have taken him up on the offer and who, I hope, are working with him on this day to improve the recreational activities in the parks in Ashtabula City.

They talked about sports programs, about work-study programs, about youth clubs, about counseling for the people, the students among them, the young people among them, who they know need additional help. These were the compassionate, yet very sensible and reasonable, ideas of our young people focused on prevention, and I think that, as we approach the crime debate in this Congress, we need to hear their voices and make sure that we are paying attention to the question of prevention of crime among our young people.

But they did also, of course, talk about the issue of law enforcement, of punishment, of deterrence, and they were quite straightforward and quite perceptive about the failures of our criminal justice system. They agreed with Congress' proposals to put more police on the streets on foot patrol. They want that kind of safety and security visible in their community.

They are deeply concerned, as are many of the adults I talked to, that punishments that are on the books are not punishment in reality. They are concerned that the court system, the judicial system, whether through plea bargaining or through ineffective sentencing procedures, lets criminals off, renders these sentences that are on the books ineffective. They were concerned that, if we say that we have a death penalty on the books, that we ought to enforce it. They do believe, Mr. Speaker, that if someone is in prison, being in prison ought to be doing time and ought to be doing hard time.

Sheriff Billy Johnson in Ashtabula County talked about our Senator, JOHN GLENN, who had been a soldier, had served in Korea and had lived in quonset huts, and he commented, "If it was good enough for our soldiers in Korea, it's certainly good enough for our prisoners." Students understood that being in prison has to be something that is a serious punishment, that it is not something that is taken lightly in any way, shape, or form. They felt that if you have money, or if you are connected, or if you are a celebrity or somehow you have special clout that you can get out of the severity of the sentences that ought to be applied to you, and they felt very strongly, very strongly, that, if we are going to have sentences, the only way we are going to deter crime is by making them real, making them stick and making them tough punishment.

But they also understood, Mr. Speaker, if someone is going to be in prison, if they are there as a result of drugs, that they need to have the rehabilitation services so that, when they come out, they are no longer addicted to drugs and they have a chance at rebuilding their life when they get out of jail.

Mr. Speaker, these are just some of the very thoughtful comments that the students in the 19th Congressional District of Ohio had. I offer them here tonight on this floor because in a few short weeks we will be debating the crime bill here in the House, and I know that there will be many debates, and many proposals, and many disagreements, but, as I said at the outset of this report, the opinions of the young people in my district, and I am sure they are no different than those in the districts of each and every one of the Members of this body, are as good, they are as intelligent, they are as sound as our opinions and as the opinions of their parents and the other adults. They understand the Government must ensure the security of its citizens, but also the Government cannot do everything.

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They understand that there is a responsibility that they have and their communities have to help solve this problem of crime. They understand that if we work together, we can prevent crime in the first place. They are compassionate, they are caring, but they are tough.

Mr. Speaker, I intend to take their ideas with me as I enter this debate over the crime bill and work to see that the priorities that they have set for me become the priorities of this Congress.

I intend to work together with them to make the streets safe again for our children and for all the citizens of my district and of the country.

Mr. Speaker, again I thank you for yielding the time, and I thank the majority leader for designating this time for me to make this report on behalf of the students of my district.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CONYERS (at the request of Mr. GEPHARDT) for today before 1 p.m., on account of a medical appointment.

Mr. MCMILLAN (at the request of Mr. MICHEL), from 4:30 p.m. today and for the balance of the week, on account of illness in the family.

Mr. KOPETSKI (at the request of Mr. GEPHARDT) for March 10 and 14, on account of personal business.

SPECIAL ORDERS GRANTED

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

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

Mr. DORNAN, for 5 minutes, on March 17.

Mr. WELDON, for 5 minutes, today.

(The following Member (at the request of Mr. GONZALEZ) to revise and extend his remarks and include extraneous material:)

Mr. OWENS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. KOLBE) and to include extraneous matter:)

Mr. GEKAS.

Mr. LEWIS of California in two instances.

Mr. GILMAN in four instances.

Mr. SMITH of New Jersey.

Mr. MCCANDLESS.

Mr. GOODLING.

Mr. BOEHLERT.

Mr. ALLARD.

Mr. ROGERS in two instances.

Mr. WELDON.

Mr. BAKER of California.

Mr. PACKARD.

Mr. ZIMMER.

Mr. BURTON of Indiana.

Mr. PORTMAN.

Mr. HORN.

Mr. PORTER.

Mr. HYDE.

Mr. FISH.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. TRAFICANT.

Mr. KLECZKA.
Ms. ESHOO in two instances.
Mr. CARR of Michigan.
Mr. NEAL of Massachusetts.
Mrs. MEEK of Florida.
Mr. BROWN of California.
Mr. VENTO.
Mr. HAMILTON in three instances.
Mr. REED.
Mr. MENENDEZ.
Mr. MORAN.
Mr. SNYAR.
Mr. SERRANO.
Mr. RICHARDSON in two instances.
Mr. MCNULTY.
Mr. BORSKI.
Mrs. MALONEY.
Mr. ORTIZ.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1913. An act to extend certain compliance dates for pesticide safety training and labeling requirements; to the Committee on Agriculture.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 9 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, March 11, 1994, 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:

2744. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Review of the Department of Public and Assisted Housing's Response to Selected Audit Recommendations," pursuant to D.C. Code, section 47–117(d); to the Committee on the District of Columbia.

2745. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a copy of Presidential Determination No. 94–15: Eligibility of Eritrea to be Furnished Defense Articles and Services Under the Foreign Assistance Act and the Arms Export Control Act, pursuant to 22 U.S.C. 2311(a) and 22 U.S.C. 2753(a)(1); to the Committee on Foreign Affairs.

2746. A letter from the Acting Chairman, Commodity Futures Trading Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2747. A letter from the Executive Director, Interstate Commission on the Potomac River Basin, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1993, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2748. A letter from the Chairman, Cost Accounting Standards Board, Office of Federal Procurement Policy, transmitting the fourth annual report of the Cost Accounting Standards Board, pursuant to Public Law 100–679, section 5(a) (102 Stat. 4062); to the Committee on Government Operations.

2749. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a report of activities under the Freedom of Information Act for calendar year 1993, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2750. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to authorize appropriations for refugee and entrant assistance for fiscal years 1995 and 1996, pursuant to 31 U.S.C. 1110; to the Committee on the Judiciary.

2751. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting the 15th annual report on the activities of the Board during fiscal year 1993, pursuant to 5 U.S.C. 1206; to the Committee on Post Office and Civil Service.

2752. A letter from the Secretary, Department of Transportation, transmitting a report on State participation in the National Motor Vehicle Title Information System, pursuant to 15 U.S.C. 2043; jointly, to the Committees on the Judiciary and Energy and Commerce.

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. MILLER of California: Committee on Natural Resources. H.R. 2815. A bill to designate a portion of the Farmington River in Connecticut as a component of the National Wild and Scenic Rivers System; with an amendment (Rept. 103–430). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Natural Resources. S. 375. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Rio Grande in New Mexico as a component of the National Wild and Scenic Rivers System, and for other purposes; with an amendment (Rept. 103–431). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Natural Resources. S. 341. An act to provide for a land exchange between the Secretary of Agriculture and Eagle and Pitkin Counties in Colorado, and for other purposes (Rept. 103–432, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolution were introduced and severally referred as follows:

By Mr. BILIRAKIS (for himself, Mrs. MALONEY, Ms. SNOWE, and Mr. FRANK of Massachusetts):

H.R. 3994. A bill to provide limitations on the use of certain funds for the establishment of diplomatic relations between the United States and the territory of the former Yugoslav republic of Macedonia; to the Committee on Foreign Affairs.

By Mr. COBLE:

H.R. 3995. A bill to suspend temporarily the duty on 5-Cholor-2-(2,4-dichlorophenoxy) phenol; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 3996. A bill to suspend for the period January 1, 1994, to April 30, 1994, the duty on frozen onions; to the Committee on Ways and Means.

By Mr. DOOLITTLE:

H.R. 3997. A bill to amend the Endangered Species Act of 1973 to require the preparation of economic impact analyses with respect to certain actions to protect endangered species and threatened species, and for the purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. FOGLIETTA:

H.R. 3998. A bill to protect the consumers of check cashing services by encouraging States to establish uniform laws on the regulation of check cashing services and to require the Secretary of the Treasury to study the effectiveness of State efforts with respect to such regulation and make appropriate recommendations to the Congress on such efforts; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LIPINSKI (for himself, Mr. SANGMEISTER, Mr. RUSH, Mr. REYNOLDS, and Mr. FAWELL):

H.R. 3999. A bill to amend the Illinois and Michigan Canal Heritage Corridor Act of 1984 to modify the boundaries of the corridor and for other purposes; to the Committee on Natural Resources.

By Mr. MILLER of Florida (for himself, Mr. KASICH, and Mr. STEARNS):

H.R. 4000. A bill to provide a fair, nonpolitical process that will achieve $65 billion in budget outlay reductions each fiscal year until a balanced budget is reached; jointly, to the Committee on Government Operations and Rules.

By Mr. REED:

H.R. 4001. A bill to provide for tort liability for firearms dealers who transfer firearms in violation of Federal firearms law; to the Committee on the Judiciary.

By Mr. ROGERS:

H.R. 4002. A bill to amend section 410 of the Surface Mining Control and Reclamation Act of 1977 to prohibit the limitation of appropriations on emergency reclamation projects in any one State, and for other purposes; to the Committee on Natural Resources.

By Mr. STUDDS (for himself, Mr. FIELDS of Texas, Mr. LIPINSKI, and Mr. MANTON) (all by request):

H.R. 4003. A bill to authorize appropriations for fiscal year 1995 for certain maritime programs of the Department of Transportation, to amend the Merchant Marine Act, 1936, as amended, to revitalize U.S.-flag merchant marine, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TANNER:

H.R. 4004. A bill to suspend temporarily the duty on combination microwave convection ovens; to the Committee on Ways and Means.

By Mr. TORRICELLI:

H.R. 4005. A bill to amend title 18, United States Code, to prevent minors from gaining unsupervised access to loaded firearms or to unloaded firearms and ammunition for such firearms; to the Committee on the Judiciary.

By Mr. COX:

H.R. 4006. A bill to provide statements of the economic and employment impacts of Federal legislation and regulation on the private sector and State and local governments; jointly, to the Committees on Rules and Government Operations.

By Mr. MORAN (for himself and Ms. NORTON):

H.R. 4007. A bill to amend the Water Supply Act of 1958 to provide for the funding of

capital improvements at the Washington Aqueduct, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ORTIZ (for himself, Mr. WELDON, Mr. STUDDS, Mr. FIELDS of Texas, Mr. LIPINSKI, Mr. MANTON, and Mr. YOUNG of Alaska):

H.R. 4008. A bill to authorize appropriations for the National Oceanic and Atmospheric Administration for fiscal years 1994 and 1995, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. RICHARDSON (for himself, Mr. SKEEN, Mr. SCHIFF, Mr. STUMP, Mr. KOLBE Mr. KYL, Mr. PASTOR, and Ms. ENGLISH of Arizona):

H.R. 4009. A bill to authorize a study of the equity of Forest Service funding allocations among the nine regions of the National Forest System; to the Committee on Agriculture.

By Mr. RICHARDSON:

H.R. 4010. A bill to improve water quality within the Rio Puerco watershed and to help restore the ecological health of the Rio Grande through the cooperative identification and implementation of best management practices which are consistent with the ecological, geological, cultural, sociological, and economic conditions in the region; jointly, to the Committees on Natural Resources and Merchant Marine and Fisheries.

By Ms. BYRNE:

H.J. Res. 333. Joint resolution designating May 11, 1994, as "Vietnam Human Rights Day"; to the Committee on Post Office and Civil Service.

By Mr. SERRANO:

H.J. Res. 334. Joint resolution designating May 29 through June 4, 1994, as "Pediatric and Adolescent AIDS Awareness Week" in the United States; to the Committee on Post Office and Civil Service.

By Mr. WALSH:

H.J. Res. 335. Joint resolution designating the month of April 1994 as "Alcohol Awareness Month"; to the Committee on Post Office and Civil Service.

By Ms. MARGOLIES-MEZVINSKY:

H. Res. 385. Resolution amending the Rules of the House of Representatives to prohibit consideration of any measure proposing a balanced-budget constitutional amendment until the Congressional Budget Office certifies that the Federal budget has been in balance for the two most recently completed fiscal years; to the Committee on Rules.

By Mr. SHAW (for himself, Mr. MICHEL, Mr. GINGRICH, Mr. SANTORUM, Mr. DELAY, Mr. GRANDY, Mr. CAMP, Mrs. JOHNSON of Connecticut, and Mr. CASTLE):

H. Res. 386. Resolution providing for the consideration of the bill (H.R. 3500) to amend title IV of the Social Security Act to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years, to increase the rate of paternity establishment for children receiving welfare benefits, to provide States with greater flexibility in providing welfare, to authorize States to conduct demonstration projects to test the effectiveness of policies designed to help people leave welfare and increase their financial security, to strengthen child support enforcement, and to eliminate welfare payments for most groups of noncitizens; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ROSE:

H.R. 4011. A bill for the relief of Anil K. Sharma; to the Committee on the Judiciary.

By Mr. SHAW:

H.R. 4012. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Sea Bandit*; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 14: Ms. PELOSI.

H.R. 39: Mr. KLEIN, Ms. SCHENK, and Mr. BARRETT of Wisconsin.

H.R. 65: Mr. INHOFE.

H.R. 140: Mr. SMITH of Oregon, Mr. KING, Mr. ROGERS, Mr. COLLINS of Georgia, Mr. MCDADE, Mr. APPLEGATE, Mr. BUNNING, Mr. TAUZIN, Mr. GOODLATTE, Mr. LEVY, Mr. STUMP, Mr. HOLDEN, Mr. LIGHTFOOT, Mr. CLINGER, and Ms. MOLINARI.

H.R. 441: Mr. BARRETT of Nebraska.

H.R. 518: Mrs. ROUKEMA and Mr. COLEMAN.

H.R. 630: Mr. FISH.

H.R. 702: Mr. ROBERTS.

H.R. 777: Mr. MCNULTY.

H.R. 790: Mr. STUPAK.

H.R. 830: Mr. MCCURDY and Mr. LIPINSKI.

H.R. 930: Mr. FISH.

H.R. 1120: Mr. FINGERHUT.

H.R. 1151: Mr. NEAL of Massachusetts.

H.R. 1168: Mr. LINDER, Mr. PETERSON of Minnesota, Mr. GENE GREEN of Texas, Mr. GOSS, and Mr. BARRETT of Wisconsin.

H.R. 1174: Mr. JOHNSON of South Dakota and Mr. JOHNSTON of Florida.

H.R. 1276: Mr. DELAY and Mr. CALVERT.

H.R. 1332: Mr. HOKE and Mr. ROWLAND.

H.R. 1455: Mr. DEUTSCH.

H.R. 1490: Mr. HOBSON, Mr. ROHRABACHER, and Mr. HUTTO.

H.R. 1493: Mr. ROBERTS.

H.R. 1534: Mr. BOEHLERT.

H.R. 1621: Mr. BARRETT of Wisconsin.

H.R. 1671: Mr. GUNDERSON.

H.R. 1823: Mrs. COLLINS of Illinois.

H.R. 1986: Mr. FILNER.

H.R. 2019: Mr. MILLER of California.

H.R. 2092: Mr. TORKILDSEN, Mr. FALEOMAVAEGA, Mr. PASTOR, Mr. ROHRABACHER, and Mr. HOYER.

H.R. 2420: Mr. HUTTO.

H.R. 2447: Ms. WATERS, Mr. ENGEL, Mrs. MINK of Hawaii, Mr. KREIDLER, Mr. MORAN, Mr. SAWYER, and Mr. BRYANT.

H.R. 2467: Mr. BEREUTER, Mr. GILMAN, Mrs. KENNELLY, Mr. LEVY, Mr. MAZZOLI, Mr. PAXON, Mr. SCHIFF, Mr. SISISKY, and Mr. STUPAK.

H.R. 2481: Mr. BONIOR.

H.R. 2543: Mr. SHAYS and Mr. WYNN.

H.R. 2586: Mr. PARKER and Mr. SANGMEISTER.

H.R. 2708: Mr. PARKER.

H.R. 2759: Mr. HOKE, Mr. MARTINEZ, Ms. KAPTUR, Mr. GRAMS, Mr. SLATTERY, Mr. HUNTER, and Mr. DREIER.

H.R. 2767: Mr. FROST.

H.R. 2873: Mr. OLVER, Mr. TORRES, Mr. INHOFE, Mr. QUINN, Mr. SOLOMON, Mr. MATSUI, Mr. FAZIO, Mr. MOORHEAD, Mr. PETERSON of Minnesota, Mr. HUTCHINSON, and Mr. DICKS.

H.R. 2912: Mr. UPTON.

H.R. 3023: Mr. YOUNG of Alaska, Ms. LAMBERT, Mr. HYDE, Mr. SISISKY, Mr. POMBO, Mr. DOOLITTLE, Mr. LANTOS, Mr. HUTTO, Mr. WALSH, Mr. HANSEN, Mr. BUNNING, Mr. LEWIS of Georgia, Mr. HUTCHINSON, Mr. SANTORUM, Mr. THORNTON, and Mr. MOLLOHAN.

H.R. 3065: Mr. DEUTSCH.

H.R. 3079: Mr. KOPETSKI.

H.R. 3087: Mr. CASTLE, Mr. HINCHEY, Mr. FIELDS of Louisiana, and Mr. SCHIFF.

H.R. 3122: Mr. BACHUS of Alabama.

H.R. 3125: Mr. PACKARD and Mr. CALVERT.

H.R. 3246: Mr. BARRETT of Nebraska, Mr. GRANDY, Mr. HUTCHINSON, Mr. LIPINSKI, Mrs. MALONEY, Mr. MONTGOMERY, Mr. NEAL of North Carolina, Mr. RIDGE, Mr. SABO, Mrs. UNSOELD, Mr. WISE, Mr. SKELTON, Mr. MOLLOHAN, Mr. MCCOLLUM, Mr. BRYANT, Mr. HANCOCK, Mr. APPLEGATE, and Mr. DARDEN.

H.R. 3256: Mr. PENNY.

1H.R. 3269: Mr. DEFAZIO, Mr. LEWIS of Georgia, Mr. HOCHBRUECKNER, Mr. BISHOP, Ms. WOOLSEY, Mr. BARRETT of Wisconsin, Mr. HAMBURG, Mr. FISH, Mr. MCDERMOTT, and Mr. GEJDENSON.

H.R. 3288: Mr. MURPHY.

H.R. 3293: Mr. RANGEL and Mr. BORSKI.

H.R. 3309: Mr. TRAFICANT, Mr. FORD of Michigan, Mr. PETERSON of Minnesota, Mr. JOHNSON of South Dakota, Ms. CANTWELL, Mr. HEFNER, Mr. MURPHY, Mr. KOPETSKI, Mr. CLAY, Mr. VENTO, Mr. BILBRAY, Miss COLLINS of Michigan, Ms. PELOSI, and Ms. ESHOO.

H.R. 3367: Mr. KIM, Mr. HOBSON, and Mr. ROTH.

H.R. 3486: Mr. DORNAN, Mr. DICKEY, Mr. SUNDQUIST, Mr. DERRICK, Mr. ALLARD, Mr. KLUG, Mr. GORDON, Mr. BONILLA, Mr. ZELIFF, Mr. INHOFE, Mr. DELAY, Mr. GOODLING, Mrs. LLOYD, Mr. HUTCHINSON, Mr. CRAPO, Mr. MANZULLO, Mr. TAYLOR of North Carolina, Mrs. UNSOELD, Mr. TAYLOR of Mississippi, Mr. BREWSTER, Mr. FRANKS of Connecticut, Mr. FIELDS of Texas, Mr. SWETT, Mr. NUSSLE, Mr. THOMAS of Wyoming, Mr. UPTON, Mr. BOEHNER, and Mr. SENSENBRENNER.

H.R. 3488: Mr. PETERSON of Minnesota, Mr. DUNCAN, Mr. SARPALIUS, Mr. BARLOW, Mr. DICKEY, and Mr. CALVERT.

H.R. 3490: Mr. DUNCAN and Mrs. MINK of Hawaii.

H.R. 3564: Mr. WASHINGTON and Mr. FISH.

H.R. 3636: Mr. NEAL of Massachusetts and Mr. OWENS.

H.R. 3663: Mr. SANDERS.

H.R. 3729: Ms. SNOWE, Mr. CAMP, and Mrs. VUCANOVICH.

H.R. 3786: Mr. HUGHES.

H.R. 3794: Mr. ALLARD and Mr. DICKEY.

H.R. 3802: Mr. SHAYS.

H.R. 3840: Mr. FIELDS of Texas, Mr. PICKLE, Mr. EDWARDS of Texas, Mr. LAUGHLIN, Mr. DE LA GARZA, Mr. WASHINGTON, Mr. ANDREWS of Texas, Mr. ORTIZ, Mr. GENE GREEN of Texas, Mr. COMBEST, Mr. SMITH of Texas, Mr. BONILLA, Mr. SAM JOHNSON, Mr. DELAY, and Mr. SMITH of Oregon.

H.R. 3875: Mr. MCCANDLESS, Mr. ROBERTS, Mr. WILSON, Mr. EMERSON, Mr. INHOFE, Mr. THOMAS of Wyoming, Mr. BOEHNER, Mr. HUTCHINSON, and Mr. LIVINGSTON.

H.R. 3912: Mr. GILMAN.

H.R. 3929: Mr. HANSEN, Mr. HEFLEY, Mr. EWING, Mr. MORAN, Mr. CONDIT, Mr. POMBO, Mr. BONILLA, Mr. DELAY, Mr. HASTERT, Mr. DOOLITTLE, and Mr. BAKER of California.

H.R. 3935: Mr. PICKLE.

H.R. 3949: Mr. MCHUGH, Mr. SISISKY, Mr. DORNAN, and Mr. RANGEL.

H.R. 3951: Mr. STENHOLM, Mr. EMERSON, Mr. DUNCAN, and Mr. ORTON.

H.R. 3955: Mr. BREWSTER and Mr. LEWIS of Florida.

H.J. Res. 253: Mr. DELLUMS, Mr. HILLIARD, Ms. SNOWE, Ms. BROWN of Florida, and Mr. GEKAS.

H.J. Res. 278: Ms. SNOWE and Ms. EDDIE BERNICE JOHNSON of Texas.

H.J. Res. 310: Mr. GINGRICH, Mr. BURTON of Indiana, Mr. WHEAT, Mr. TORRES, Mr. SISISKY, and Mr. FINGERHUT.

H.J. Res. 317: Mr. LEWIS of Florida, Mr. WYDEN, Mr. HOAGLAND, Mr. TAYLOR of North Carolina, Mr. RICHARDSON, Mr. UNDERWOOD, Mr. UPTON, Mr. DICKEY, Mr. PRICE of North Carolina, Mr. RAVENEL, Mr. MCHUGH, Mr. SABO, Mr. FIELDS of Texas, Mr. EVERETT, Mr. HOBSON, Mr. BATEMAN, Mr. TAUZIN, Mr. MANN, Mr. CONDIT, Mrs. VUCANOVICH, Mr. REGULA, Mr. TEJEDA, Mr. GREENWOOD, Mr. TORRES, Ms. LAMBERT, Mr. DEAL, Mr. INSLEE, Mr. BAKER of Louisiana, Mr. STUMP, Mr. SMITH of Texas, Mr. PAYNE of Virginia, Mr. BROWN of California, Mr. GRANDY, Mr. BARCIA of Michigan, Mr. PETE GEREN of Texas, Mr. PETERSON of Minnesota, Mr. BARRETT of Nebraska, Mr. LAFALCE, Ms. MARGOLIES-MEZVINSKY, Mr. BLILEY, Mr. HALL of Ohio, Mr. HUTTO, Mr. HYDE, Mr. HANSEN, Mr. HALL of Texas, Mr. LANCASTER, Mr. DICKS, Mr. RIDGE, Mr. FORD of Tennessee, Mr. VALENTINE, Mrs. UNSOELD, Mr. SWIFT, Ms. DUNN, Mr. KREIDLER, Mr. HUNTER, Mrs. BENTLEY, Mr. SWETT, Mr. JOHNSON of Georgia, Ms. CANTWELL, Mr. BARTLETT of Maryland, and Mr. SISISKY.

H.J. Res. 318: Mr. SKEEN, Mr. HUTCHINSON, Mr. SOLOMON, Mr. HEFNER, Ms. BROWN of Florida, Mr. DEUTSCH, Mr. BILIRAKIS, Mr. GORDON, Mr. HUTTO, Mr. PARKER, Mr. FRANKS of New Jersey, and Mr. BATEMAN.

H.J. Res. 319: Mr. LINDER, Mr. BUNNING, Mr. HOUGHTON, Mr. ROHRABACHER, Mrs. MEYERS of Kansas, Mr. HUGHES, Mr. BAKER of Louisiana, Mr. LEWIS of Florida, and Mr. GOSS.

H.J. Res. 325: Mr. KIM, Mr. HAMBURG, Mr. CALLAHAN, Mr. FROST, Ms. WATERS, Mr. FRANK of Massachusetts, and Mr. GONZALEZ.

H.J. Res. 326: Mr. HOCHBRUECKNER, and Mr. FROST.

H. Con. Res. 98: Ms. MOLINARI, Mr. SLATTERY, Mr. CALVERT, Mr. HERGER, Mr. DREIER, Ms. DUNN, and Mr. ROYCE.

H. Con. Res. 147: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WHEAT, Mr. MANN, and Mr. STUPAK.

H. Con. Res. 152: Mr. JOHNSON of South Dakota.

H. Con. Res. 202: Mr. BORSKI.

H. Con. Res. 209: Mr. EVANS, and Mr. RANGEL.

H. Res. 255: Mr. MACHTLEY, Mr. BARCA of Wisconsin, Mr. SAM JOHNSON of Texas, Mr. ROYCE, Ms. MCKINNEY, and Mr. SLATTERY.

H. Res. 365: Mr. CANADY.

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. 417: Mr. FOGLIETTA.